

COVER STORY

- 9 ♦ FI/CO**
Making the Transition from US GAAP to IFRS in SAP - Part I, by Anurag Barua, Senior Manager.
Not since Y2K and SOx has there been a bigger transition for your SAP landscape. Learn how to prepare for the likely conversion you'll need to make from GAAP to IFRS.

HR

- 13 ♦ Guidelines for Creating and Managing OM Structures**, by Satish Badgi.
Organizational Management structures in HCM appear deceptively simple, but be warned: they are complex. Learn the secrets of successful implementation.

LOGISTICS

- 18 ♦ MM**
SUS Order Management – Part II: PO Integration with a Procurement System, by Bryan Bee, SAP America.
Continuing from Part I, this article offers the final concepts and steps, plus tips and techniques to help you successfully integrate SUS.

- 23 ♦ MM**
Optimizing Purchasing – Part I: Vendor Confirmations, by Jocelyn Hayes, SAPtips Director of Consulting and Training.
In her three-part series, Jocelyn Hayes demonstrates methods to optimize your purchasing process. This first installment addresses Vendor Confirmations.

- 32 ♦ MM**
Do Your Vendors Measure Up?: Measure and Record Vendor Performance, by Adam Tysman.
Yes, you can actually measure the timeliness and accuracy of deliveries, based on the analytics laid out in this article.

FINANCIALS

- 40 ♦ Enterprise Performance Management: BPC Integration Scenarios and Considerations**, by Arthur "Pat" Pesa, Senior SAP BI Architect.
There's no rule that change has to be bad. Pat Pesa shows you what a vast improvement the BPC (Business Planning and Consolidation) tool is for financial planning in SAP.

BASIS

- 45 ♦ The SAP Web Dispatcher: What It Is, and How It Is Installed**, by Eric Walter, Basis Consultant.
The SAP Web Dispatcher is the SAP answer to the reverse proxy server. What does this mean to you? Read this guide for the answers.

ABAP/J2EE

- 51 ♦ Persistent Objects Primer: A Guide for SAP Developers and Consultants**, by Rehan Zaidi, Siemens Pakistan.
Persistence for ABAP objects lets you store attributes of the objects used by a program within the database, even after the program has ended. Let us show you how.



Cheryl A. Cave, Managing Editor

From the Managing Editor

Regardless of your location, or occupation, I predict that most of your frustrations...and discussions these days revolve around money and the economic outlook. You're right, it doesn't take a psychic to predict this. But wouldn't you like to have a clairvoyant around to advise you how to proceed in this economy? We're all looking for guidance, and the corporate world is no exception. The staff of SAPtips and Klee Associates wants to remind you that we're all in this

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Publisher: Andy Klee
Director of Publications: Laura Donovan
Managing Editor: Cheryl A. Cave
Editors: Emil Marx
Colleen Low Larkin
Graphic Designer: Mark Hunter

Klee Associates, Inc.

CIO Corner

- 57 ♦ The Role of the SAP Business Process Expert: How the "Process First" Book Emerged from the SAP Business Process Expert (BPX) Community**, by Jon Reed, JonERP.com

If the entire Business Process Expert Community could write a book about SAP and BPX, what would it look like? They could. They did. Read Jon Reed's article to find out.

- 62 ♦ Big Projects – Part II: What Makes a Great Project Manager**, by CJ Rhoads.

Project managers: Are they born to lead? Or is it a learned skill? Get some insights to this vital skill.

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together, and we'll do our part to steer you in the right direction.

Right now it's all about money. Should you hoard it or invest it? You need to plan for the big things on the horizon; that's why we had to make Anurag Barua's article, *Making the Transition from US GAAP to IFRS in SAP - Part I*, the cover story for this issue (page 9). You can't make informed planning decisions without knowing the events that are bound to affect you in the longer-term. You need to know now that you may have a huge conversion looming in the not-too-distant future. Only with this knowledge can you anticipate and plan for it. Anurag walks you through the things you need to know now, decisions points you'll need to consider, and the SEC's timetable for the transition. We can help you through the financial planning dilemmas you face with Pat Pesa's article (page 40) about the new SAP best-of-breed financial planning tool, BPC. Pat gives you the ins and outs of BPC, and shows how this tool truly adds value. Financial planning is key when tied to specific goals and processes. For this, you'll need a business process expert. How do we define a Business Process Expert? Let Jon Reed give you a tour of "Process First", a book developed by the SAP BPX (Business Process Expert) Community (page 57).

For those of you living in a material world, we've got you covered from three different angles in this issue. Starting on page 18, Bryan Bee wraps up his discussion of integrating SUS with a procurement system. Then we have Adam Tysman on page 32, explaining how to monitor and measure your vendors' performance. This information gives you a little more to bargain with than just pricing. SAPtips' Director of Consulting and Training, Jocelyn Hayes, starts a series on optimizing purchasing, with an installment about vendor confirmations on page 23.

Jocelyn is just back from teaching an onsite class at a client site, and

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SAPtips ONLINE

Be sure to visit the SAPtips Document Library to download these new white papers.

On MM

Purchasing Text Type Configuration

By Jocelyn Hayes, SAPtips Director of Training and Consulting

In these modern times you can communicate in so many ways it boggles the mind: choices all the way from mailing a letter to text messaging or VOIP. That's all great outside ERP, but if you'd like to be able to communicate information to internal or external recipients of Purchasing Documents, you'd better understand the Text Types. The SAPtips training manual for Purchasing includes an entire chapter on this technique. This white paper is adapted from that manual, and covers the characteristics of text types, how to configure them, and how to have them copy to related documents. If you'd like to learn more about Purchasing in SAP, consider signing up now for the next available session: www.SAPtips.com/WorkshopDescriptionsPurchasing.asp.

On SOA

Choosing the "Best of Breed" Approach for Agile SOA Development – Part I

By Axel Angeli and Lynton Grice

The market, as a whole, has seemingly embraced the concept of SOA and begun developing all kinds of tools to support it. Veteran developers Axel Angeli and Lynton Grice have used, or at least researched, most of these tools. In this white paper they discuss these tools and offer their opinion as to the pros and cons of each. They also describe tools that work almost like "plug and play" for SOA. Dive in and see what Axel and Lynton identify as the Best of Breed in the SOA dog and pony show.

View from the Trenches Who ya gonna call?

by Jocelyn Hayes, Director SAP® Training and Consulting
and Andy Klee, President, Klee Associates, Inc.



Jocelyn Hayes

I'm afraid Ghostbusters went out of business recently—apparently their line of credit dried up.

The bottom line here is that you will get lots of direction on what to do in these tight times, but the experts say to tighten up the ship by investing in SMART IT projects and optimizing your business processes while leveraging what is likely your biggest IT investment – SAP.

Depending on which IT or Marketing expert you read on a given day, you will be instructed to:

- A. Decrease your marketing budget immediately by 10%-20%.
- B. Increase your marketing budget to improve your market share and drive your weaker competition out of business.
- C. Decrease IT spending immediately, especially the training budget.
- D. Increase your IT spending to improve business processes and position yourself for future growth.
- E. Slash spending on future capital projects that do not show 100% ROI within 1-2 years. That means put off your major SAP upgrade, and focus on incremental improvements for the system you've already spent millions of dollars acquiring, implementing, and managing.
- F. Upgrade to the latest (but stable) release of SAP so that you are better positioned to take advantage of the inevitable recovery, a year or two or more from now.

Sound familiar? Are you seeing conflicting, biased opinions on what to do? One of our favorites comes directly from SAP themselves. SAP apparently said they were – you

guessed it – halting new spending on information technology. The Wall Street Journal quoted SAP executives:

“We will review all planned investments in IT equipment, hardware, software, facilities, and company cars, as well as internal IT projects,” the co-CEOs wrote in the email. “Do not order any new equipment at this time.”

Somehow, I doubt they are giving the same advice to their clients.

One day after the above quote hit the blogosphere, SAP responded to the Wall Street Journal with this comment:

(This)...suggests an inaccurate portrait of our management decisions about cost savings while maintaining strategic investments into our own IT. SAP is not halting its own tech spending. Instead, the company continues to make strategic investments in IT projects that directly impact our ability to grow our business globally and that assure we can provide world-class services to our customers. We expect our customers and prospects to continue strategic IT spending over the next months, while somewhat narrowing their focus more to IT projects that deliver quick returns.

Cutting costs in non-customer facing areas is what management is expected to do in times of uncertainty. Our call on employees to stop ordering ‘new equipment’ for standard IT infrastructure like cell phones, photocopiers, printers, laptops, etc. as well as an appropriate review of all planned invest-

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wants to remind you that, even though our next public classes aren't until spring, we can arrange onsite training for you at your convenience. Contact Jocelyn at Jocelyn.Hayes@ERPtips.com. If your budget requires waiting until spring for training, you can see our new spring schedule at www.SAPtips.com/WorkshopSchedule.asp. This economy dictates that we all do more with what we've got; therefore, the smartest investment for today's dollar is to give your staff the skills they need to make your SAP installation sing. Remember, Jocelyn can also send these same mastery level consultants to show you how to squeeze more out of your SAP investment.

Eric Walter introduces the SAP Web Dispatcher, and guides you through the installation (page 45), while Rehan Zaidi shows you how to use Persistent Objects in ABAP (page 51).

Speaking of staff, for those HR employees feeling emboldened enough to take on OM (Organizational Management) structures alone, you'll want to first read Satish Badgi's article on page 13. Satish says it looks simpler than it actually is. Let Satish's hard-won experience show you the way.

From all of us at SAPtips, we wish you a perfect holiday season and a prosperous new year.

Cheryl A. Cave,

Managing Editor, SAPtips

ments and projects is a prudent and necessary step.

We've even asked our CIO to identify strategic IT projects that would help us to optimize SAP's business processes.”

I agree 100% with what SAP is saying in the above quote. You have my permission to get it printed up and framed on the wall of every IT employee and key business user in

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your company. (To save \$ on frames, contact Lori.Stone@ERPtips.com – she’s the expert!)

For those of you who would like to participate in and review survey results from IT management on these issues, check out this link: www.surveymonkey.com/s.aspx?sm=o9ZaluPWFER_2bS4qMreWRcA_3d_3d

AMR Research (the ERP pundit firm), in an article titled: **Tactical Tips for CIOs in Uncertain Economic Times**, says:

Despite the economy, companies are still looking to fill talent gaps. Look at your staff and assess your needs for the near term and the future. How are you going to retain your best folks? Talk to them as openly as you can about what is going on inside your company so they do not panic through lack of accurate information.

Reward your best performers financially as well as with training and assignments that broaden their focus and increase their visibility within the organization. Refine their objectives to influence the desire to consolidate and reuse. At the same time, this is a good opportunity to clean out your deadwood and consider external sourcing options.

One more quote, and then I’ll say what I think. Dr. C.J. Rhoads, author of many JDEtips & SAPtips CIO Corner articles, says:

If we use the periods of slowness to improve our processes, we are utilizing our resources most effec-

tively and efficiently. What many companies do when the economy is slow is to increase the amount they spend on marketing in order to bring in more customers.

But if customers don’t have the money to spend on the products and services of those companies, these companies are wasting their money. If, instead, the company increases the amount of money spent on IT, then resources are used more effectively.

Using the downtime to plan for, install, and implement new technologies (that fit into the hedgehog concept, of course) will enable the company to better meet the needs of the customer. When the economy returns, the company will be able to take advantage of the smoother processes and increased volumes to put money away to cover the increased costs during the NEXT recession. Both the company and the customer win in the long run. (Note: The full text of CJ’s article is available at www.SAPtips.com/ITSpending.asp.)

Here’s what we think you should do. Take the best ideas and create the strategy that makes the most sense for your company. We think there’s some truth in everything mentioned above. The key is spending your IT funds to achieve several goals—while more focus on ROI is logical, it isn’t the only criterion for evaluating IT projects. Spend your time and money growing your market share, improving business processes, and getting more out of the ERP solution you already own.

It should be no surprise to anyone that we passionately believe our training programs are an excellent investment in these turbulent economic times. Here’s just one example: Your purchasing department keeps ordering random quantities of a product your vendor discounts when ordered in bulk, by the box. Wouldn’t it be nice to set up rounding quantities to automatically round up the ordered quantity in the purchase order? We teach that, along with hundreds of other techniques. And that’s just one of 15 classes that we teach on a regular basis.

Over the last five years I think we’ve done an excellent job of presenting the information you need to help you achieve maximum results with your SAP software. Attendance at SAPtips University and our onsite classes continue to set new records. Future issues of SAPtips Journal will focus even more directly on cost-saving tips.

We’re ready to help you continue to succeed at SAP, to not just survive, but also to thrive in the coming years.

Jocelyn Hayes
SAPtips Director of
Training and Consulting
Jocelyn.Hayes@ERPtips.com

Andy Klee
President,
Klee Associates, Inc.
Andy.Klee@ERPtips.com