

Project Management with SAP® Project System

4th
Edition
Updated and
Revised

- ▶ Explore the many functionalities and uses of SAP Project System
- ▶ Walk through all project phases, from planning and invoicing to reporting and integration
- ▶ Get up to date on the latest tools in integration and mobility

Mario Franz

Galileo Press



Project Management with SAP® Project System



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Dear Reader,

Overwhelmed. It's a feeling we've all had and would soon like to forget. As an editor, juggling one, two, or even three books a month can make me want to hide under the covers of life and hibernate into next spring. Prioritizing, time management, project management—these become more than just words when big work tasks are looming—they become lifelines. That's what SAP Project System and this book are—your lifeline.

Providing the necessary insights needed for mastering the basics, author Mario Franz demonstrates how to carry out the essential project steps and phases through SAP Project System. Back and better than ever, this fourth edition offers updated screenshots, an expanded index, information on the new SAP Commercial Project Management tool, details on new SAP Fiori-based apps, and much more. From development to invoicing, with this book you'll learn how to improve your business processes, while maintaining your time and sanity.

We at SAP PRESS want to hear from you! What did you think about the fourth edition of *Project Management with SAP Project System*? Your comments and suggestions are the most useful tools to help us make our books the best they can be. We encourage you to visit our website at www.sap-press.com and share your feedback.

Thank you for purchasing a book from SAP PRESS!

Sarah Frazier

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Introduction

Due to the pressure of implementing projects successfully within increasingly shorter periods and under continuously rising costs, project management methods and tools are becoming more important in the industry and in the public sector. Projects range from smaller cost and investment projects, to development or plant maintenance projects, to large-scale projects in plant engineering, construction, and mechanical engineering.

An abundance of project management software products are available that project managers can use for support in planning and implementing their projects. Many companies also use programs they have developed by themselves for individual aspects of project planning and implementation; however, only a few project management tools can map the entire lifecycle of a project completely and uniformly. A lack of integration options frequently results in project data, such as cost information or time data, needing to be entered several times. Therefore, most project management tools suffer from inaccurate project data and restricted transparency of project-related information and documents.

To avoid these problems, companies that already use an SAP Enterprise Resource Planning (ERP) system, such as an R/3, Enterprise, or ERP Core Component (ECC) system, are now increasingly using SAP Project System to manage their projects and therefore benefit from the close integration of SAP Project System with Accounting, Materials Management, Sales, Production, Human Resources, and so on. Since the early stages of SAP Project System in the R/2 system, the range of functions of SAP Project System, and the integration options available, has continued to grow. At the same time, usability has increased considerably. The experiences and requirements of companies from different branches have been incorporated into the development of SAP Project System.

Because SAP Project System offers functions for managing almost all types of projects (and often in different ways, depending on the requirements), most companies that use SAP Project System only use a small portion of the available functions. Frequently, companies initially only use a few of the SAP Project System tools (for example, to control their project costs) and then gradually use other options.

Objective of this Book

The objective of this book is to explain the main functions and integration scenarios of SAP Project System. We will discuss business processes that can be mapped using SAP Project System and also highlight the required settings for doing this and for Customizing in SAP Project System. References to customer enhancements (user exits) and Business Add-Ins (BAIs) or to notes addressing modifications indicate additional customizing options of SAP Project System. Although this book is written with SAP ERP 6.0 Enhancement Package 6 in mind, most of the functions are also available in earlier releases. Therefore, this book can also be used by readers who, for example, use an Enterprise release or SAP ERP 6.0 without any enhancement package. Functions that are provided in various enhancement packages or functions that require the use of the SAP HANA platform will be specifically mentioned in the text.

The range of SAP Project System functions can be used across different project types and industries. This book therefore describes the functions of SAP Project System in the most general sense possible, without restricting itself to specific uses or to individual project types. Nevertheless, you will note that often only explicit examples and specific screenshots can truly clarify functions and contexts. In these cases, the book uses an Internet Demo and Evaluation System (IDES) scenario of an engineer-to-order production of elevators. If you have the opportunity to use IDES data, you can reproduce the specified examples in your own SAP system.

Target Audience

This book is intended for readers who require detailed knowledge of the different settings options of SAP Project System for the purpose of sys-

tem implementation. These users could include consultants or persons responsible for SAP Project System implementation or people who want to broaden or refresh their knowledge, such as project managers, Competence Center employees, or key users of a company. However, this book is also for readers who are interested in getting an overview of the functions and concepts of SAP Project System, such as decision makers in a company who are responsible for deciding to implement SAP Project System.

As a general prerequisite for using this book, you as the reader must have basic business knowledge and be familiar with project management methods. Due to its integration with various other SAP components, a basic knowledge of these SAP components is also required to understand many of the functions and processes of SAP Project System. SAP Project System does not contain any organizational units of its own, for example, but instead uses organizational units of Financial Accounting, Production, Purchasing, Sales and Distribution, and so on. Therefore, readers with only a modicum of SAP knowledge should, if necessary, use the SAP Glossary and SAP Library that are available for free at help.sap.com.

Structure of the Book

The structure of this book reflects the individual phases of managing a project using SAP Project System. **Chapter 1** first describes how you can map your projects in the SAP system using suitable structures. These structures, and their master data, form the basis for all other planning and execution steps.

With this structuring, you set the course for other planning and execution functions using the profiles and control indicators covered in this chapter. If you want to use this book as an initial introduction to project management with SAP Project System, skip the details about these profiles and indicators when you first read the book.

Chapter 2 deals with the various functions of SAP Project System available for planning the logistical and relevant accounting aspects of your projects. For many projects (in particular, cost or investment projects), budgeting takes place in the approval phase. **Chapter 3** describes the

functions of SAP Project System available for budgeting. **Chapter 4** discusses typical processes that can be mapped in the SAP system as part of the execution phase of projects following approval and the resulting quantity and value flows. The wide range of integration options of SAP Project System with other SAP components is also addressed in this chapter. Additional procedures, such as calculating overhead costs or project settlement, are carried out periodically. **Chapter 5** covers the periodic procedures available in SAP Project System for the planned and actual data of your projects.

A key aspect of project management is the analysis of all project-related data. The reporting functions of SAP Project System that support you in every phase of your project management process are introduced in **Chapter 6**. Finally, **Chapter 7** discusses the possible integration of SAP Project System with Microsoft Project, Primavera, SAP Portfolio and Project Management, and SAP Commercial Project Management.

The most important database tables of SAP Project System and a list of Business Application Programming Interfaces (BAPIs) available for developing your own interfaces and process steps are listed in the **Appendix**. Furthermore, in the Appendix you can find an overview of the reuse and query views that are currently provided in SAP HANA Live to define you own evaluations. The Appendix additionally contains tables listing the transaction codes and menu paths of the most important transactions and Customizing activities mentioned in the text.

How to Use this Book

To make it easier for you to use this book, we have included special symbols to indicate information that might be particularly important to you.

- [!]** This icon refers to specifics that you should consider. It also warns you about frequent errors or problems that can occur.
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