

SAP MM - SERVICE MANAGEMENT

Every organization acquires goods to complete its business needs. Besides these goods procurement, an organization may require occasionally some kind of services. These services will include small maintenance task like changing the lights, painting and housekeeping. These services are carried out by external contractors and hence the whole process of procurement of services is known as service management. The key points about service management are as follows.

- Services are meant for direct consumption instead of keeping them in inventory.
- Service description along with unit of measure is stored as master data in a record that is known as service master record.
- System stores the services that have been procured as a record in a sheet called as service entry sheet.
- Service procurement is of following two types:
 - Planned Services** - In planned services at the time of procurement specifications like quantity and price are known in advance. It means nature and scope of service is clear before procurement.
 - Unplanned Services** - In unplanned services at the time of procurement specifications like quantity and price are not known in advance. It means nature and scope of service is not clear before procurement. These services can be extended as per the requirement.

Service management deals with the following terms which are as follows.

- Service Master Record
- Service Purchase Order
- Service Entry Sheet

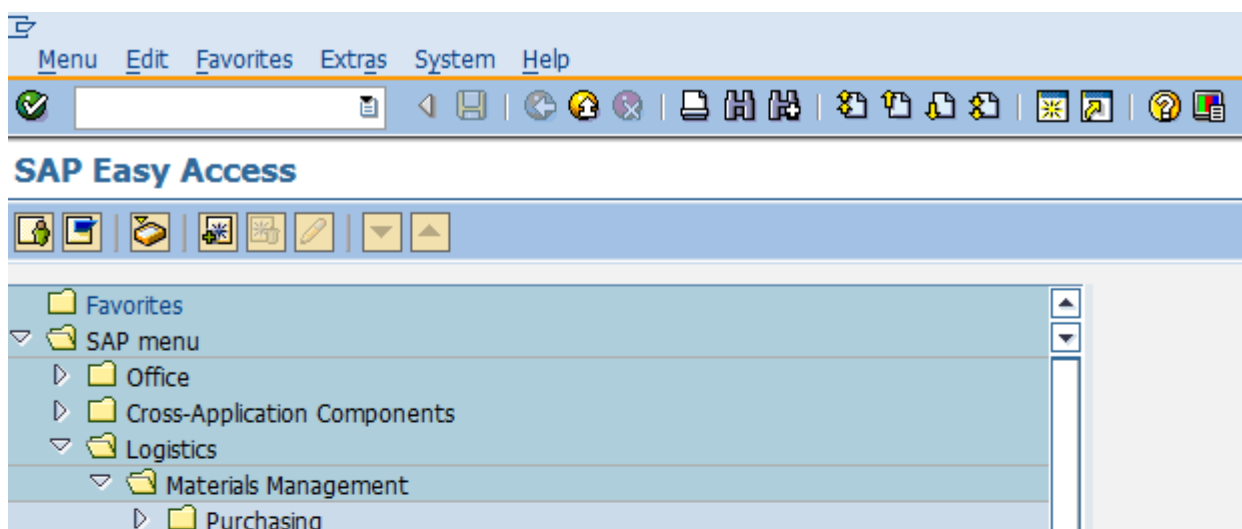
Service Master Record

Service master record contains the detail of all the services that can be procured from external vendor within an organization. Service master record contains description of services along with the unit of measure. This master record serves as a reference for creating service purchase order but it is not necessary, service purchase order can also be created manually without reference. Service master record can be created by following the below steps.

Path to Create Service Master Record:

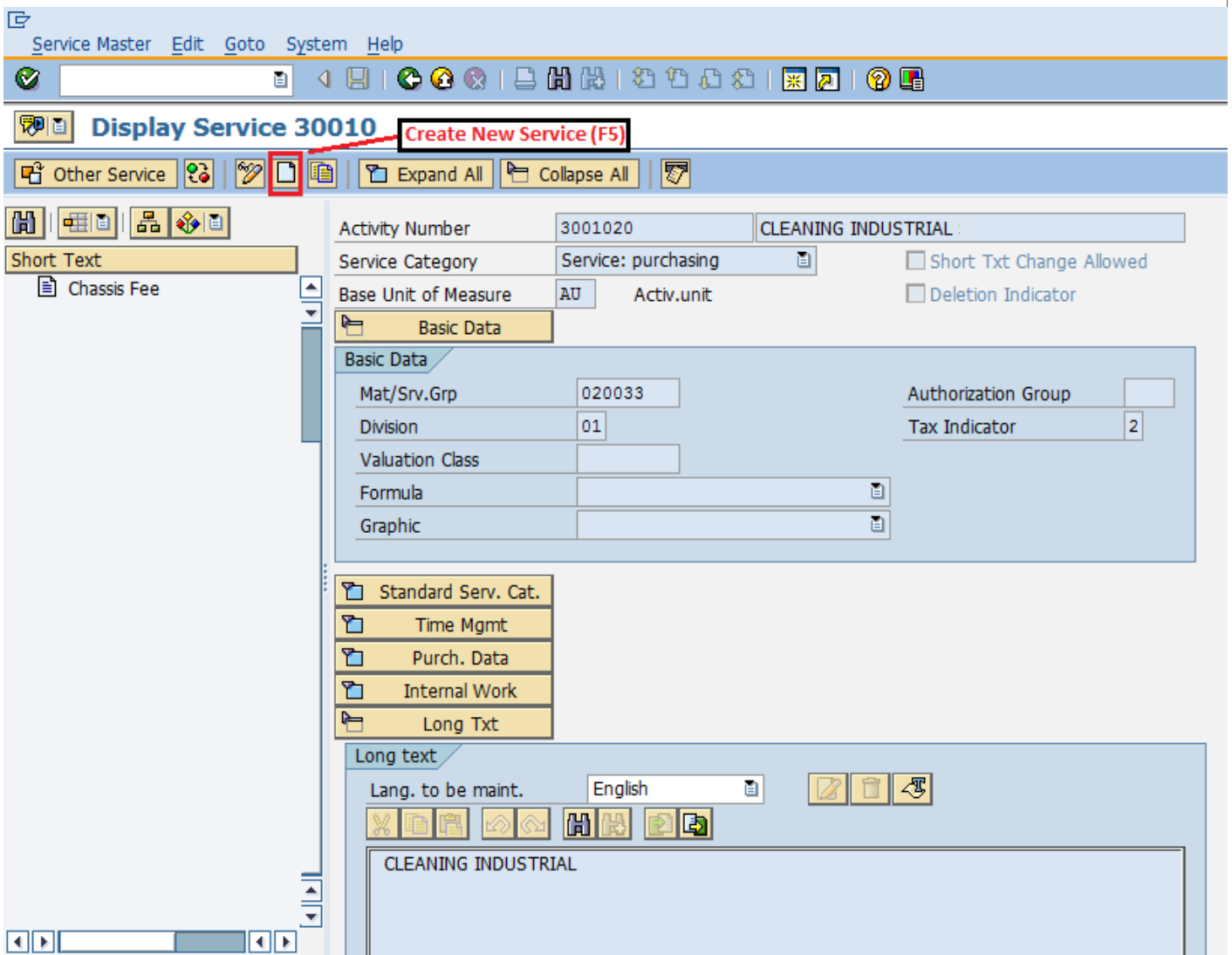
Logistics => Materials Management => Service Master => Service => Service Master
TCode: AC03

On SAP Menu screen select Service Master execute icon by following the above path.



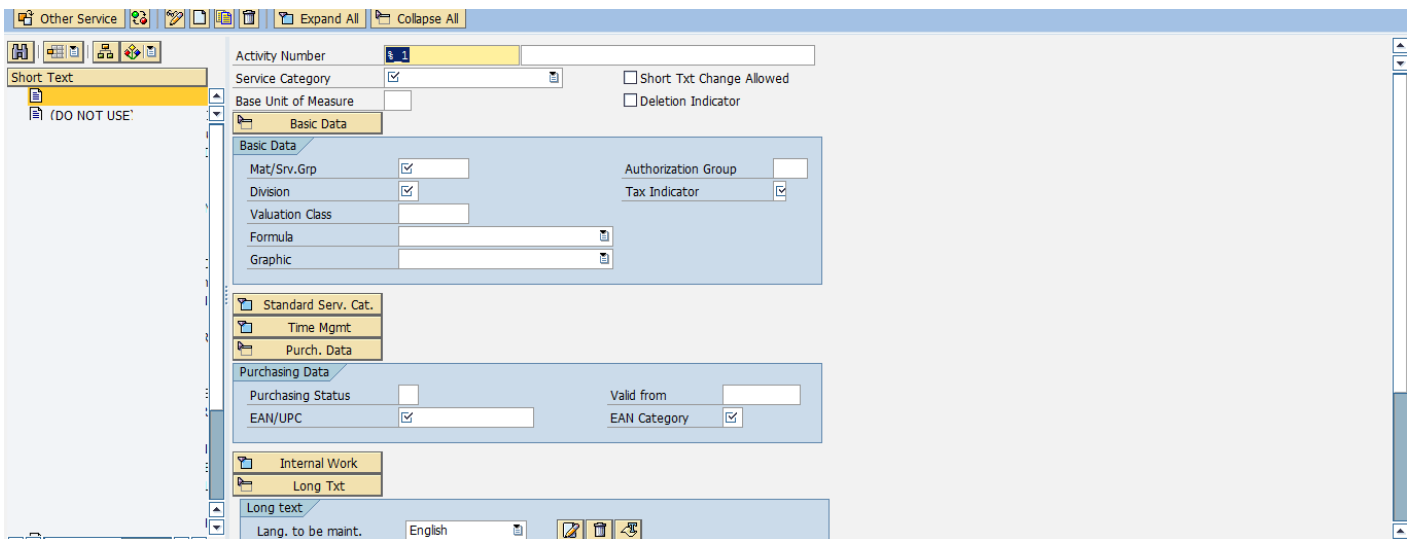


Select Create New Service icon as shown below.



Fill in all necessary details like service category, base unit of measure, valuation class. Click on save. A new Service will be created.





Service Purchase Order

In SAP MM services are accomplished with the help of service purchase order. The requirement of service with its description along with quantity is given to third party in form of service purchase order. In service purchase order important field is item category. For service, item category will be D. So, service purchase order can be created by following the below steps.

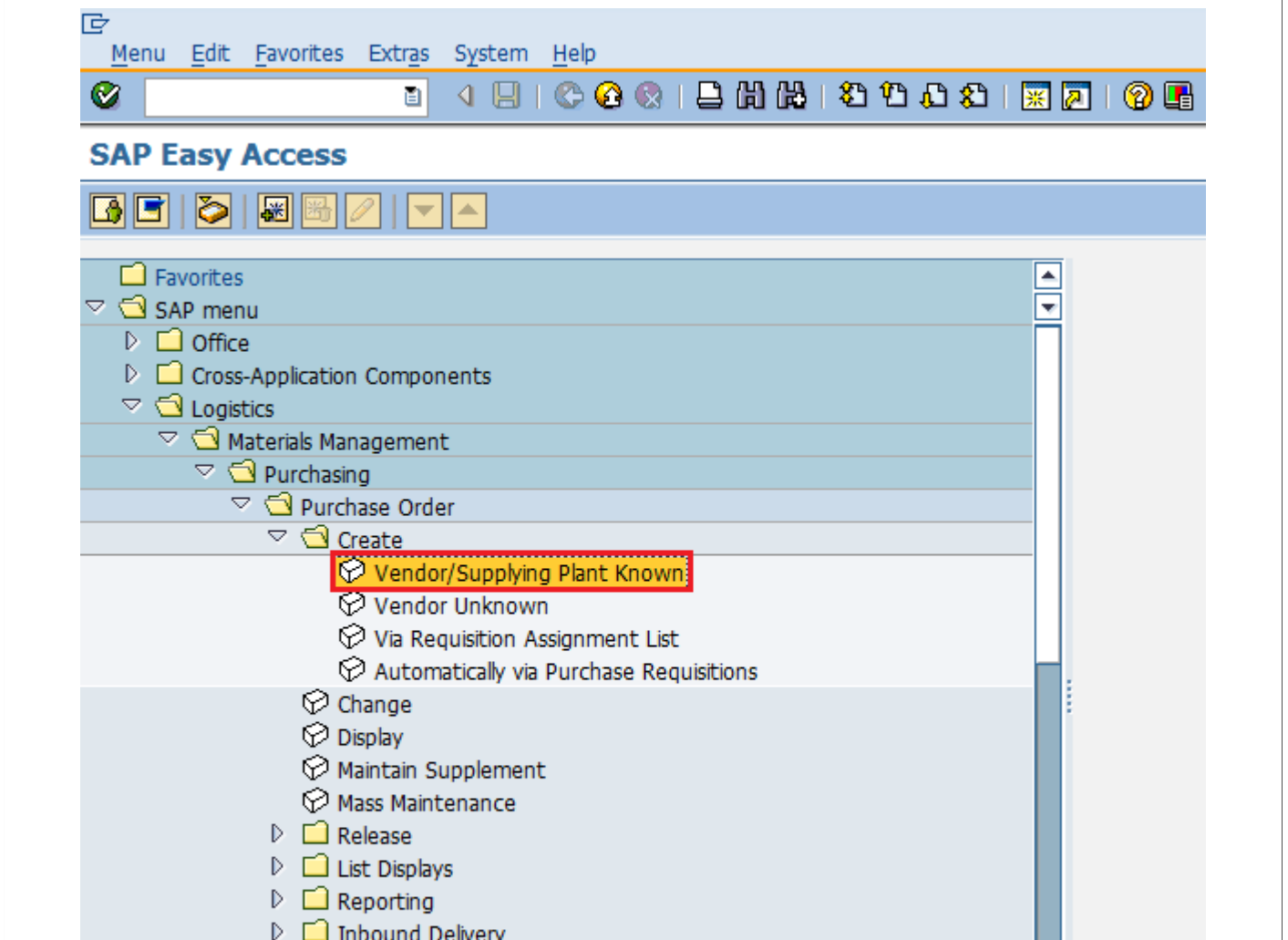
Path to create Purchase Order:

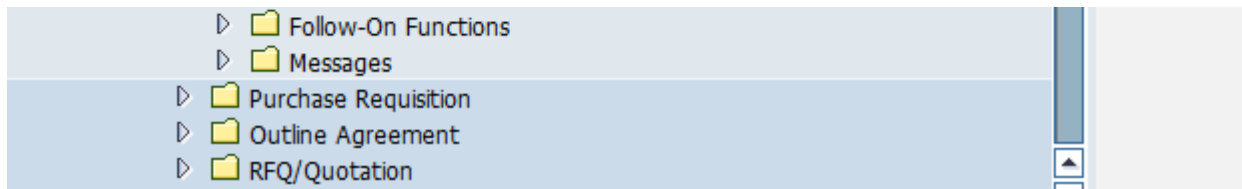
Logistics => Materials Management => Purchasing => Purchase Order => Create => Vendor/ Supplying Plant Known

TCode: ME21N

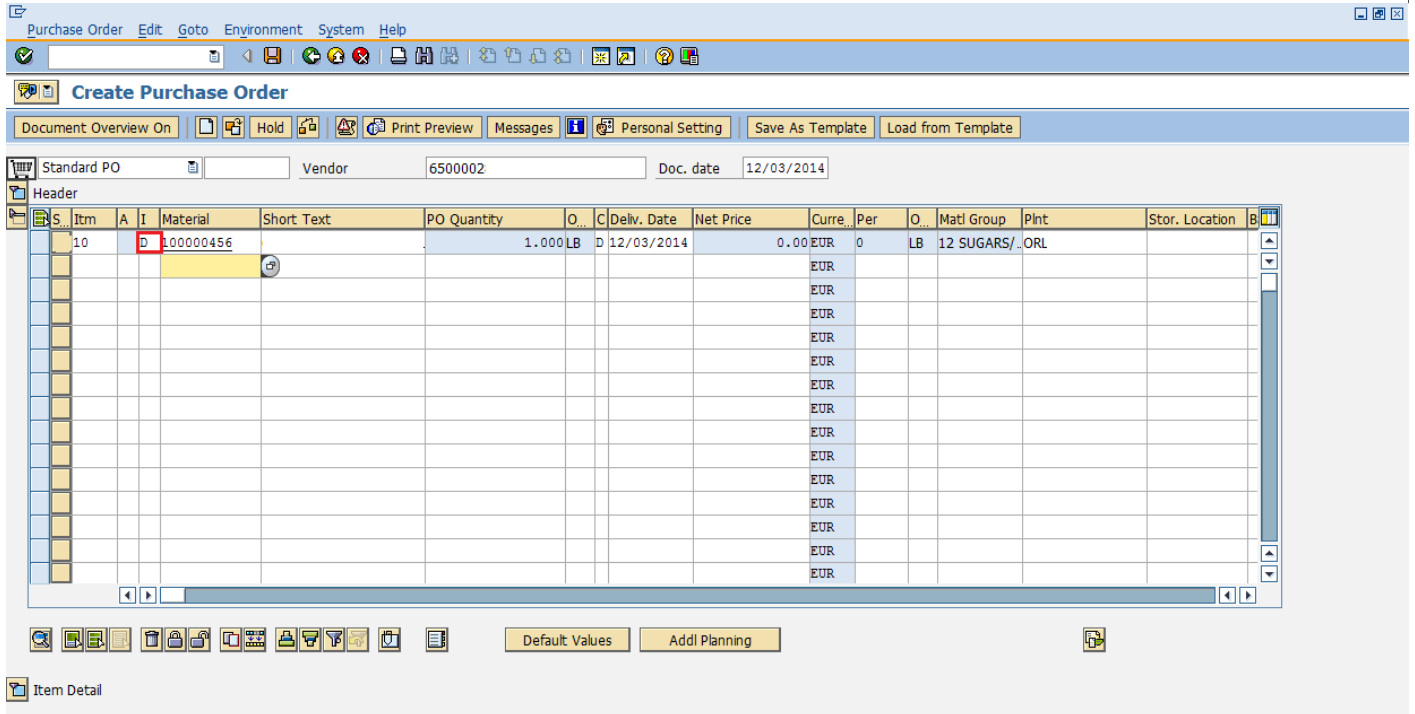
Service Item Category: D

On SAP Menu screen select Vendor/ Supplying Plant Known execute icon by following the above path.





Provide all necessary details like name of vendor, item category, name of material, plant for which material is procured and date of delivery. Click on save. Service Purchase order will be created.

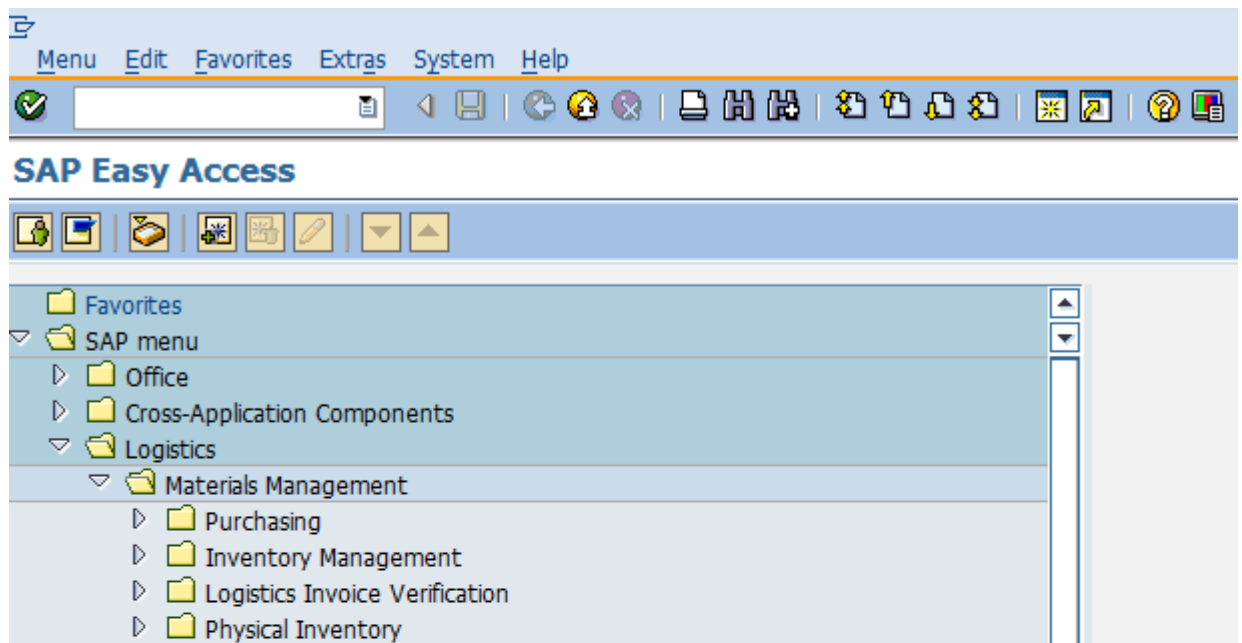


Service Entry Sheet

System stores the services that have been procured as a record in a sheet called as service entry sheet. In case of services instead of creating goods receipt document we will create service entry sheet. Service entry sheet will accommodate the charges that we need to pay to the vendor. Service entry sheet can be created by following the below steps.

Path to create Service Entry Sheet:
 Logistics => Materials Management => Service Entry Sheet => Maintain
 TCode: ML81N

On SAP Menu screen select Maintain execute icon by following the above path.





Provide all necessary details like purchase order number, service number, quantity, price. Click on save. A new Service Entry Sheet will be created for the corresponding purchase order.

