



Kerstin Pauquet

First Steps in SAP[®] Business One

- ▶ Foundations of SAP Business One
- ▶ Key processes for procurement, inventory, production and sales
- ▶ Tips for navigating the system
- ▶ Reporting guidance and best practices

Table of Contents

Preface	7
1 Overview and target market	9
1.1 What is SAP Business One?	9
1.2 Availability of SAP Business One	14
1.3 Who uses SAP Business One?	17
1.4 How is SAP Business One sold?	18
1.5 Platform choices	20
1.6 SAP Business One ecosystem	25
2 First principles	33
2.1 How SAP Business One works	33
2.1.1 Chart of Accounts	34
2.1.2 Business Partner Master Data	41
2.1.3 Item Master Data	62
2.1.4 Users	78
3 Finding your way around	91
3.1 The menu bar	94
3.2 The icon bar	96
3.3 The main menu	100
3.4 Dates and their influence	105
4 Running your business	121
4.1 Procurement and inventory	121
4.1.1 Blanket agreements	122
4.1.2 Warehouses and bin locations	125
4.1.3 Serial and batch numbers	127
4.1.4 Procurement document flow	131
4.1.5 Production, resources and MRP	135
4.1.6 Inventory transactions and counting	144

4.2	Sales	150
4.2.1	Opportunities	150
4.2.2	Campaign management	152
4.2.3	Sales	161
4.2.4	Document generation wizard	167
4.2.5	Automatic availability check	176
4.2.6	Pick and pack manager	178
4.2.7	Gross Profit	182
4.2.8	Dunning	185
4.3	Service	198
4.3.1	Equipment card	199
4.3.2	Service contract	201
4.3.3	Service calls	203
4.4	Banking	205
4.4.1	Banks	207
4.4.2	Credit cards	208
4.4.3	Banking tools	209
4.4.4	Payment wizard	212
4.4.5	Checks	222
4.5	Reporting	224
4.5.1	Financials	225
4.6	Summary	238
A	The Author	240
B	Index	241
C	Disclaimer	247

2 First principles

We now know what SAP Business One is and how it evolved. We know its blueprint and how it interacts with other SAP and non-SAP products, and we know about the powerful tools available for integration and bespoke development. We know where it is sold and how, and we also know about maintenance. Let's now see how it works and what it can do for you.

2.1 How SAP Business One works

SAP Business One is the complete solution necessary to run most types of businesses. It has a full finance and accounting package, transparent transactions, full inventory and procuring controls, and caters for sales commissions, accurate gross profit and cash flow reporting; it is so intuitive that end-user training is quick and uncomplicated.

The application can be divided into roughly four parts:

- ▶ **Master Data**, such as **Business Partners** and **Items** for sale
- ▶ Transactions, with business partners or internal
- ▶ Reporting and analysis
- ▶ Integration with extensions and/or other systems

Transactions depend on the master data they are associated with and reporting/analysis depends, in turn, on the transactions. Everything is inter-linked and therefore easily accessible.

The pillars of SAP Business One are the master data sets. *Master Data* is more or less static data that is pulled during transactions. In SAP Business One, we can consider four types of data as master data:

- ▶ Chart of accounts
- ▶ Business partners
- ▶ Inventory items
- ▶ Users

2.1.1 Chart of Accounts

Every localized version of SAP Business One comes with at least one pre-defined chart of accounts, which has been identified as a popular choice in that country. In some countries, it is common to have segmented accounts, which are delivered as well.

While it is not mandatory to adopt the preloaded chart of accounts, it makes G/L account determination of the default accounts very easy because the application automatically proposes them. When you choose to either manually create or import a legacy chart of accounts, then the G/L account determination also has to be done manually.

An example of the predefined CHART OF ACCOUNTS in the US Demo Database can be seen in Figure 2.1.

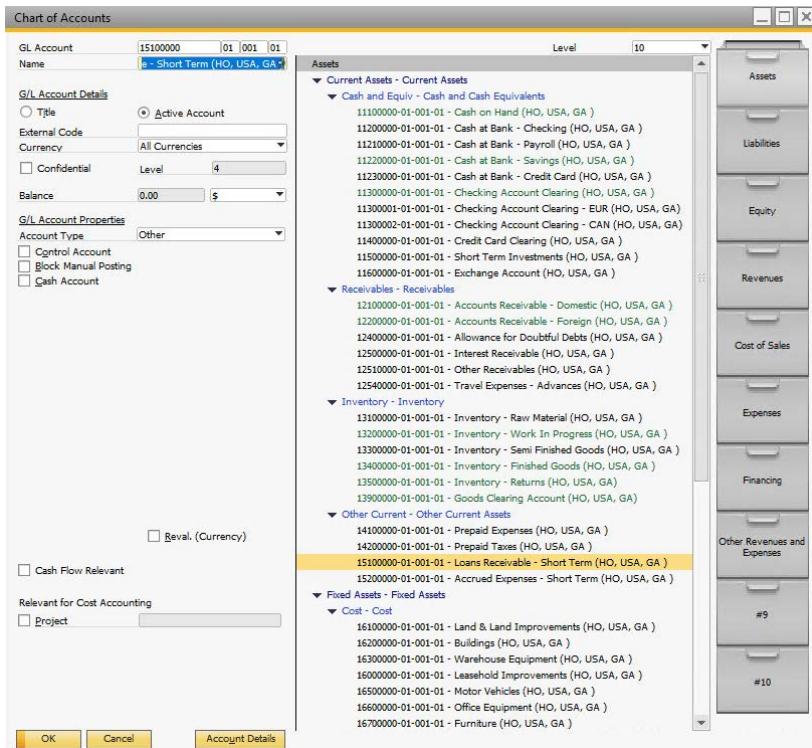


Figure 2.1: US Chart of Accounts

The accounts are segmented, as is customary in the US. The drawers on the right neatly package the chart of accounts into its logical components and there are also two empty drawers (#9 and #10), which accountants can use for customized or industry-specific accounting. The chart is organized hierarchically and according to GAAP (generally accepted accounting principles).

A maximum of 10 levels of accounts can be defined, where Level 1 is already taken up by the drawer titles. Level 10 cannot have title accounts, only active ones. In the screenshot above (Figure 2.1), you will note that some accounts appear fainter than others. This is because in the application, different types of accounts are displayed in different colors.

Some **Title Accounts** are on Level 2. In the above example, these are displayed in dark blue script (CURRENT ASSETS—CURRENT ASSETS and FIXED ASSETS—FIXED ASSETS) and the account titles in the level below are displayed as lighter blue. Title accounts can easily be identified by color or, even easier, by the drop-down triangle beside the name, as long as they have a higher level title or active accounts.

Active accounts are displayed in black.

The accounts in green are used in G/L account determination, meaning these accounts are mapped to be used automatically when creating transactions. You can select to block manual journal entries to these accounts, thereby safeguarding the integrity of automatic postings.

In the predefined chart of accounts in the US localization, Level 4 is the highest. Accountants can also add more accounts and define more levels.

When you click or tap on a field or object in SAP Business One, you activate it and gain access to whatever it is linked to. When you are actively engaged with a table, object or menu, we say you are *standing on it*.

So, while standing on an account, some account details are displayed on the left side—vital information such as the account currency, balance in that currency and some of its properties. Note that an account can be held in a definitive currency or can be used for all currencies. A single-currency account can always be converted to a multi-currency account, but not vice versa. You cannot make any postings to an account where the currencies don't match, unless it is a multi-currency account. These accounts are held in local currency.

Here, it is possible to assign an account to be relevant to either sales or expenditure, a selection that is already suggested for active accounts in the REVENUES (sales) and EXPENSES (expenditure) drawers. These pre-selected choices are not binding and can be changed by the authorized user, generally the accountant. These assignments become relevant in reporting.

There are also several checkboxes available for accountants to make further choices; they may, for example, want to block manual postings to accounts other than the defined control accounts, or restrict the display of an account by electing it to be confidential payroll information or existing credits. An account marked CONFIDENTIAL is only visible to persons who have the authorization to view confidential accounts.

Accounts can also be marked as CASH ACCOUNT; these accounts are also automatically selected to be relevant to the cash flow. The setting can be changed as long as there are no transactions on the account.

The REVAL. (CURRENCY) checkbox is for companies where the local currency differs from the account currency. When you select this checkbox, a report showing conversion differences, as well as automatic difference reconciliations, can be produced.

Accounts can be associated with a project and/or cost accounting, allowing for comprehensive reporting.

By clicking on the ACCOUNT DETAILS button, you drill down into the account to view all information about it (see Figure 2.2).

You can give it a FOREIGN NAME, assign a CODE FOR EXPORTING, and define a DEFAULT TAX POSTING ACCOUNT, TAX CODE and two categories.

The first CATEGORY is based on the position of the account within the chart; assets, liabilities and equity accounts are automatically assigned to the **Balance Sheet** category. The accounts in the other drawers are categorized as belonging to **Profit and Loss**. However, this classification can be changed.

The other two main categories are **Trial Balance** and **Others**. In the standard US Chart of Accounts these have to be defined by the accountant. Subcategories also need to be defined manually in the US.

G/L Account Details

G/L Account: 15100000-01-001-01

Account Name: Loans Receivable - Short Term (HO, USA, GA)

Foreign Name:

Code for Exporting:

Default Tax Posting Account:

Default Tax Code:

Category: Balance Sheet

Planning Level:

Remarks:

Remarks Template:

Active From: To: Remarks:

Inactive

Advanced

Account Balance Allowed From: To:

Cost Accounting Adjustment Only

Allow Multiple Linking to Financial Templates

Relevant to Budget Exchange Rate Differences

Permit Other Tax Code Rate Conversion

OK Cancel

Figure 2.2: G/L Account Details window

Often in SAP Business One, fields are added to fulfil a legal obligation in a certain country. The codeline is the same for all countries, therefore these fields can be easily exposed for other localizations as well, particularly if the functionality is useful.

In this case, the subcategories could be used for customized reporting using **Crystal Reports**.

The situation is similar to the `PLANNING LEVEL` field, shown in the image above. This field is specifically designed to interact with the B1iSN Liquidity Forecasting integration scenario. As previously mentioned, SAP Business One is easily integrated and readily adapts to data exchange with other systems. The headquarters of a large multinational might use SAP ERP, and small field offices might use SAP Business One. Using the `PLANNING LEVEL` field, the SAP Business One data can provide source data for the overall liquidity report in SAP ERP.

In the `REMARKS` field, free text can be entered. This is not to be confused with the `REMARKS TEMPLATE` field, which has a direct impact on any journal

B Index

A

Address

Bill-to 47

Ship-to 47, 170

Administration 12, 41, 100

Aging Report 44

Alert 52, 71, 80, 82, 83, 84, 87, 95,
160, 198, 202, 205

Approval 85, 87, 89, 164

Approval Template 85

Authorizations 31, 80, 81, 82, 83,
92, 102, 164

B

Bank

Business Partner Bank 212

Bill of Materials (BOM) 73, 75, 79,
135, 143

BOM Template 73, 75, 76

Phantom Item 76, 77, 78, 135

Production BOM 73

Sales and Assembly BOM 73, 74

Bin Locations 20, 101, 125, 126,
127, 178, 180

Blanket Agreement 55, 61, 62,
122, 123, 124, 125, 133, 162

Business Partner 12, 20, 26, 30,
33, 45, 49, 51, 52, 55, 58, 59,
61, 64, 65, 73, 78, 84, 86, 90,
96, 100, 101, 102, 122, 124,
125, 131, 132, 150, 152, 153,
154, 157, 158, 159, 160, 162,
163, 167, 171, 172, 180, 186,
188, 190, 191, 193, 203, 204,
205, 207, 208, 210, 211, 212,

215, 217, 219, 223, 228, 230,
231, 232, 233, 236

Account Balance 43

Active/Inactive 45

Activity 61, 62

Business Partner Type 45

Connected Customer/Vendor 59

Customer 42, 46

Language 46

Lead 41

Master Data 41

Customer 41, 42

Lead 41, 42

Vendor 41

Master Data Accounting Tab 58

Master Data Addresses Tab 47

Master Data Attachments Tab 61
Master Data Contact Persons
Tab 46

Master Data General Tab 45

Master Data Payment Run Tab
56, 58

Master Data Payment Terms Tab
49, 51, 55

Master Data Properties Tab 60,
61

Master Data Remarks Tab 61

Shipping Type 45

C

Campaign 152, 154, 155

Campaign Generation Wizard
155

Campaign Template 156, 157,
159

Campaign Type 156, 157

- Cash Discount 50, 51, 216
- Chart of Accounts 20, 31, 33, 34, 35, 36, 38, 39, 90, 100, 145, 236
 - Control Accounts 36
 - Edit Chart of Accounts 38, 40
 - Segmented Accounts 38, 39
 - Title Accounts 35
- Checkbox
 - Active 108
 - Apply Letter Layout by Highest Level 187
 - Apply to Cash Discount Trans 216
 - Auto. Create Customer Equipment Card 200
 - Auto. Reverse 119
 - Block Dunning Letters 186
 - Budget 38
 - Business Partner Selection in Wizard 171
 - Calculate Gross Profit 183
 - Chart of Accounts 36
 - Confirmation of Recurring Transactions 166
 - Consider Connected Customers/Vendors 232
 - Consider Connected Vendors 190
 - Counted 149
 - Create Activity 157
 - Create Draft Documents 169
 - Display Customers/Vendors with Zero Balance 231
 - Display in FC 118
 - Display Reconciled Transactions 231
 - Display Recurring Transactions on Execution 165
 - Drop-Ship 126
 - Enable Approval Process 85
 - Enable Bin Locations 126
 - Enable Separate Net and Gross Price Mode 54
 - General Settings 52
 - How to select all 140
 - Ignore Future Remit 232
 - Ignore Prices Specified in Blanket Agreement 124
 - Include Customers with Credit or Zero Balance 190
 - Include Manual Journal Entries 217
 - Include Negative Transactions within a Cumulative Positive BP Balance 217
 - Include Vendor Debit and Customer Credit Balances 215
 - Internal 158
 - Manage inventory by warehouse 67
 - Nettable 126
 - Open Only 86
 - Pick and Pack and Production Manager Document Selection 180
 - Proc. Doc. For Drop-Ship Whse Lines 176
 - Proc. Doc. For Non Drop-Ship Whse Lines 176
 - Renewal 202
 - Reval. (Currency) 36
 - Select Business Partner in Wizard 190, 193, 215
 - Select Document in Wizard 193
 - Show Info per Ctrl Acct. 236
 - Show This Page At Startup 93
 - Translate Leading Currency at Aging Date 231, 233
 - Visible 108

Cloud 10, 18, 21, 22, 23, 24, 25,
29

Commission 46

Credit Memo 61, 62, 132, 161,
163, 191, 211

CRM 12, 100, 101

Crystal Reports 37

Template 187, 195, 229

Currency 30, 35, 36, 39, 116, 152,
188, 231, 232, 233, 234, 238

D

Data Transfer Workbench 30
Template 30

Delivery 98, 109, 110, 111, 112,
160, 162, 167, 170, 174, 178,
179, 181, 199

Delivery Date 108, 110, 170, 176

Document Date 49, 105, 108, 110,
169, 216

Document Numbering 214

Down Payment 131, 133, 162, 163

Drop Ship 126, 176

DTW Template 30

Due Date 49, 55, 105, 108, 112,
113, 115, 187, 188, 191, 192,
209, 216, 233

Dunning 59, 185, 186, 187, 190

Dunning Letter 52, 53, 60, 186,
187, 190, 191, 193, 194, 195, 197

Dunning Level 187, 189, 191,
192

Dunning Template 186

Dunning Terms 52, 186, 187,
189, 191, 192, 193

Dunning Wizard 53, 186, 188,
189, 191, 193, 195

E

Electronic File Template 228

Exchange Rate 38, 100, 103, 107,
111, 116, 118, 119, 120, 169,
172, 188, 233, 234

Export 17

F

File Template 156

Financial Report Template 236

Financials 12, 38, 63, 100

Form Settings 44, 54, 80, 95, 99,
108, 112, 145, 219, 234

Freight 50, 51, 111, 121

G

Golden Arrow 43, 44, 49, 56, 84,
89, 103, 145, 158, 174, 200,
219, 228

Gross Profit 13, 17, 33, 84, 98,
182, 183, 184

Gross Profit Recalculation Wizard
164

H

Hybrid 10

I

Implementation 19

Integration 33, 100, 102, 159

Framework 26, 121

Scenario 26, 37

Intercompany 17

Inventory 13, 17, 29, 33, 64, 95,
101, 121, 125, 138, 144, 160

FIFO 67, 70

Goods Issue 146

Goods Receipt 145
Inventory Audit Report 68, 69, 70
Inventory Counting 148, 149
Inventory Cycle 148
Inventory Level 66, 72, 138, 178
Inventory Management 67, 71, 78, 79
Inventory Opening Balance 146, 147
Inventory Posting 149
Inventory Revaluation 68, 71
Inventory Status Report 176, 178
Inventory Transaction 79, 101, 138, 139, 145, 181
Inventory Transfer 146
Inventory Transfer Request 146, 179
Inventory Valuation Report 183
Inventory Valuation Simulation Report 53, 183, 184
Inventory Value 67
Item 33, 53, 62, 64, 73, 76, 90, 125, 137, 144, 176
Moving Average 67, 68, 69
Price List 47, 53, 54, 60, 101, 124, 153, 183
Serial/Batch Number 65, 76, 101, 127, 128, 129, 132, 141, 163, 170, 174, 178, 184, 199, 200, 201, 203
Standard Cost 67
Invoice 46, 49, 50, 51, 55, 56, 58, 59, 61, 62, 79, 105, 112, 116, 117, 118, 119, 120, 125, 131, 132, 134, 161, 162, 163, 167, 181, 185, 187, 188, 191, 195, 197, 199, 209, 211, 216, 217, 218, 219, 220
Invoice + Payment 162
Item Master Data
Attachments Tab 73

General Tab 65
Inventory Data Tab 66
Planning Data Tab 72
Production Data Tab 72
Properties Tab 73
Purchasing Data Tab 65
Remarks Tab 73
Sales Data Tab 66

L

Landed Costs 121, 134
Language 18, 31, 41, 46, 92, 93, 170
License 78, 79, 164, 211
Limited CRM User License 78
Limited Financials License 79
Limited Logistics License 79
Professional User License 78, 164
Life Cycle Management 27
Remote Support Platform 27, 28
Localization 14, 15, 16, 17, 20, 31, 35, 37, 40, 60, 92, 96, 106, 107, 163, 164, 207, 216, 225, 226

M

Mobile 22
Android 22
iOS 22
Sales App 22
Service App 22
MSSQL 21

N

Non-localized country 16

O

On-premise 10
 Opportunities 12, 61, 62, 100, 101,
 150, 151, 152

P

Partner 14, 16, 17, 18, 19, 20
 Payment 49, 51, 58, 101, 131,
 134, 186, 187, 190, 210, 212,
 218
 Bank Transfer 57, 209, 211
 Cash 57, 206
 Check 57, 206, 207, 208, 209,
 214, 222, 223, 224
 Credit Card 57, 206, 208, 209
 Deposit 206
 Incoming Payment 57, 118, 162,
 211, 214, 216
 Interest 188
 Outgoing Payment 134, 211, 214,
 216
 Payment Block 58, 219
 Payment Draft 224
 Payment Engine 211, 217
 Payment Means 98, 213
 Payment Method 56, 57, 209,
 212, 217, 221
 Payment Order 212
 Payment Terms 47, 49, 51, 60,
 114, 123, 216
 Payment Type 213
 Payment Wizard 56, 57, 209,
 212, 213, 214, 215, 216, 217,
 220, 222, 223
 Payment Wizard Recommendation
 Report 218
 ZZZ Uncategorised 191, 217
 Payment Consolidation 59

Pick and Pack 55, 95, 101, 108,
 178, 179
 Pick List 102, 178, 180, 181
 Pick List Generation Wizard 180
 PLD Template 187, 221
 Posting Date 49, 50, 51, 105, 106,
 107, 108, 113, 115, 116, 117,
 169, 170, 172, 191, 216
 Posting Template 100
 Print Template 31, 94, 187, 197,
 226, 228
 Procurement 121, 122, 125, 131,
 134, 152, 176
 Procurement Confirmation
 Wizard 101, 122, 167
 Procurement Method 72
 Production 12, 62, 72, 78, 101,
 135, 136, 141
 Production Order 72, 76, 78, 101,
 134, 135, 138, 139, 140, 141
 Purchase Request 108, 122, 125,
 139

Q

Quotation 108

R

Reconciliation
 Internal Reconciliation 59
 Recurring Transactions 61, 62,
 124, 138, 146, 164, 165, 166,
 202
 Recurring Transactions Template
 165
 Remarks Template 37, 38
 Reserve Invoice 131, 134, 138
 Return 131, 132, 162
 Return Request 61, 62, 131, 162

S

Sales A/R 12, 14, 42, 44
Sales Order 55, 62, 71, 84, 98,
108, 110, 111, 138, 160, 167,
176, 177, 178, 179, 183
Sales Quotation 62, 160, 161,
162, 164, 167, 176
SAP Business One Studio 26
SAP Customer Checkout 27
SAP HANA 10, 21, 22, 26, 27
Service
 Call 61, 62, 78, 101, 132, 134,
 198, 199, 202, 203, 205
 Contract 61, 62, 78, 101, 198,
 199, 200, 201, 202, 205
 Contract Template 200, 201, 202
 Equipment Card 101, 199, 200
Service Layer 26
Service Type Invoice 193, 194,
195, 198

Superuser 31
System Date 49, 105, 108, 110,
157, 189, 231

T

Tax 16, 20, 47, 58, 60, 65, 79, 92,
100, 107, 111, 126, 226
1099 Report 92
Sales Tax Jurisdiction 107
Tax Code 36, 107

U

Use-Defined Commission 46
User-Defined Fields 31
User-Defined Tables 31
User Group 79, 80
Users 20, 31, 33, 36, 43, 45, 71,
78, 79, 80, 82, 83, 86, 87, 90