Multi Level Purchase Order Release Strategy

Applies to:

SAP ECC 6.0. For more information, visit the Enterprise Resource Planning homepage. For more information, visit the Supply Chain Management homepage.

Summary

This document shall help P2P consultants to understand and configure the Multi Level Purchase Order Release Strategy as per business requirement. Any suggestions and improvements towards this document will be always welcome.

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Author Bio

An associate of Larsen & Toubro Infotech Ltd., Ramachchanthiran S has total 10 years of experience, out of which more than 3 years experience in the area of SAP Consulting in Procure to pay process. He has worked various industries like Engineering, Valve Industries & Automobile Industries as a Procurement Executive.

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Purchase Order Release Strategy Procedure

Business Requirement

The business requirement is to have a "Multi Level Purchase Order Release Strategy" as per their internal organization and departmental structure. The business requirement of the Release Strategy is based on the Purchase Order Document Type, Plant & the Total net order Value. Assume the purchase order Document Types and Plants are already created in the system.

Under Managing Director, we have different departments which relevant for procurement and purchase order release strategy.

1. Purchasing Department
2. Liquid Waste Management Department called LWM
3. Solid Waste Management Department called SWM
4. Operation & Maintenance Department called ONM
5. Engineering Department – Design and R&D
6. Contract Cell Department – Sub Contracts & Services

The following are the purchase order approval requirements of the individual department / release owners.

1. Purchasing Manager is accountable for all purchase order document types and the plants with the purchase order value from zero.
2. Engineering Department is accountable for the purchase order document type is "LWM".
3. Contract Cell department is accountable for the purchase order document type is "SWM".
4. For document type ONM Engineering department OR Contract Cell is not accountable.
5. Each LWM, SWM & ONM operational departments have their own Project Heads.
6. Final approval by MD for all Purchase Orders as per the required value limit.
7. Please refer the below approval matrix in detail.

Purchase Order Release Strategy Requirement Matrix

| REL. GROUPS: RG, RH & RI	REL. CODE	DESCRIPTION	DOC TYPE	PLANT	VALUE_INR
	P1	PURCHASE MANAGER	ALL	UE01	0.00
	E1	ENGINEERING	LWM	UE01	0.00
	C1	CONTRACT CELL	SWM	UE01	0.00
	LH	LWM PROJECT HEAD	LWM	UE01	0 - 100000
	SH	SWM PROJECT HEAD	SWM	UE01	0 - 100000
	OH	ONM PROJECT HEAD	ONM	UE01	0 - 100000
	MD	MANAGING DIRECTOR	LWM	UE01	> 100000

Process Steps

1. Create Characteristics
2. Create Class
3. Assign those characteristic to class
4. Create Release Group
5. Assign the Class to Release Group
6. Create Release Codes with respect to Release Group
7. Create Release Indicator
8. Create Release Strategy
9. Create a Purchase Order and Test

Characteristics

Characteristic Creation Path

- T Code CT04 or By SPRO
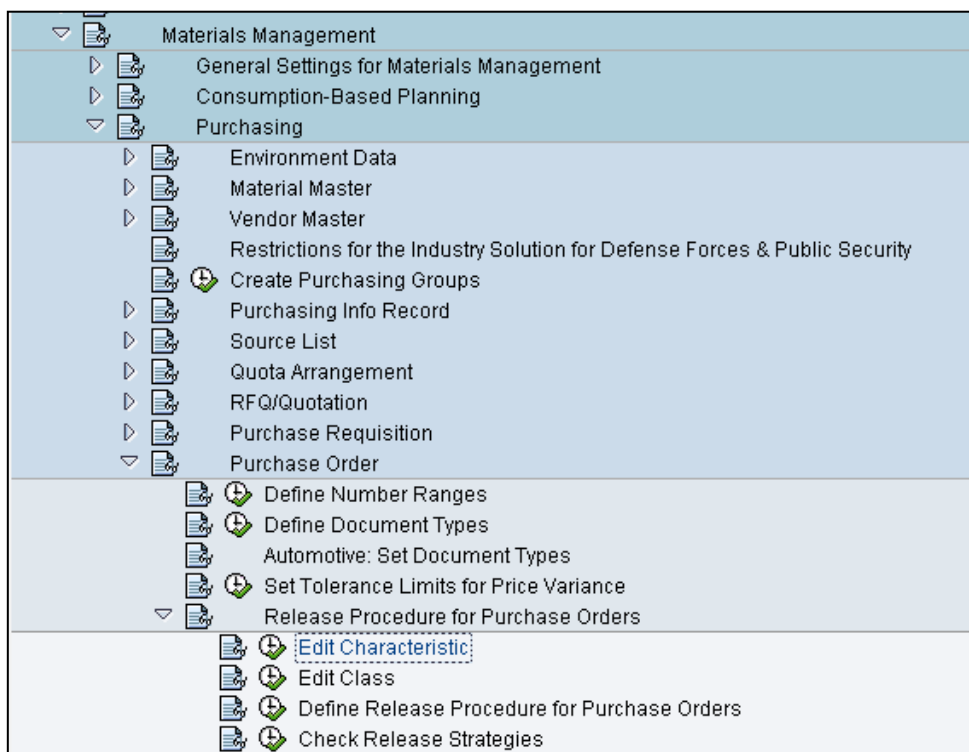
Characteristic Creation Basic Data

- Create Char Z_PO_DOC (Basic Data)

Characteristic	Z_PO_DOC
Change Number	
Valid From	11.03.2011

Validity

Basic data | Descriptions | Values | Addnl data | Restrictions

Basic data

Description	Order Type (Purchasing)
Chars Group	
Status	1 Released
Auth.Group	

Format

Data Type	CHAR Character Format
Number of Chars	4
☐ Case Sensitive	
Template	

Value Assignment

○ Single Value
◉ Multiple Values

☐ Restrictable

☐ Entry Required

Characteristic Creation Description

- Create Char Z_PO_DOC (Description)

Characteristic	Z_PO_DOC
Change Number	
Valid From	11.03.2011

Validity

Basic data | **Descriptions** | Values | Addnl data | Restrictions

Descriptions and headings

	Langua...	Description
	EN	Order Type (Purchasing)

Characteristic Creation Additional Data

- Create Char Z_PO_DOC (Additional Data)

Characteristic Creation Restrictions

- Create Char Z_PO_DOC (Restrictions)

Characteristic Creation Values

- Create Char Z_PO_DOC (Values)

Create Characteristic for Plant (Z_PO_Plant)

- Apply the same above mentioned procedure and create Characteristic for Plant
- Create a new characteristic as Z_PO_Plant
- Basic Data

- Additional Data

- Restrictions

- Values

Create Characteristic for Value (Z_PO_Value)

- Apply the same above mentioned procedure and create Characteristic for Purchase Order Value
- Create a new characteristic as Z_PO_Value
- Basic Data

- Additional Data

- Restrictions

- Values

Class Creation

- T Code CL02 or By SPRO
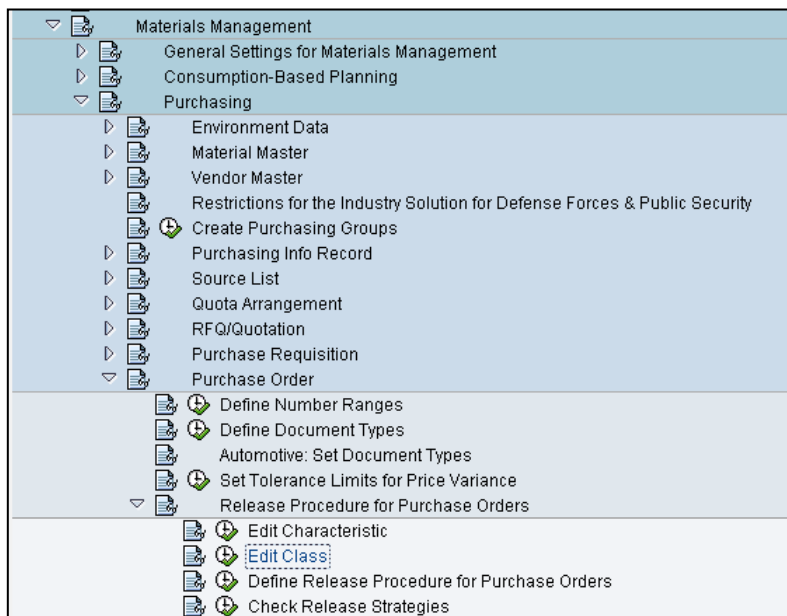
Class Creation (Basic Data)

- Create Class Z_PO_Class (Basic Data)

Char assign to Class

- Create Class Z_PO_Class (Char)

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Release Strategy Steps

Release Group Creation

- Create Release Group
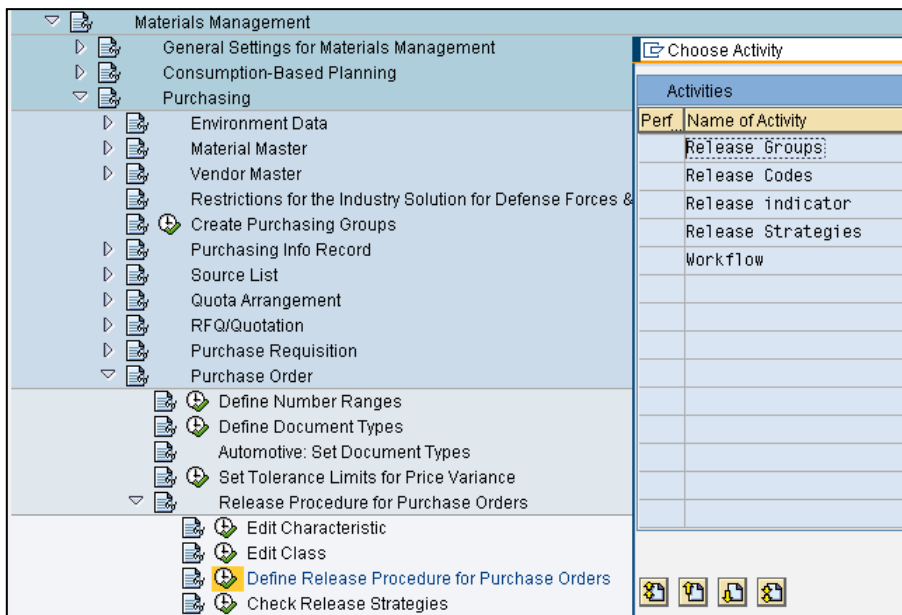
Release Group & Class Assignment

- Create Release Group as RG, RH, RI

Rel.Grp	Rel.Obj.	Class	Description
RG	2	Z_PO_CLASS	PO REL STGY
RH	2	Z_PO_CLASS	PO REL STGY
RI	2	Z_PO_CLASS	PO REL STGY
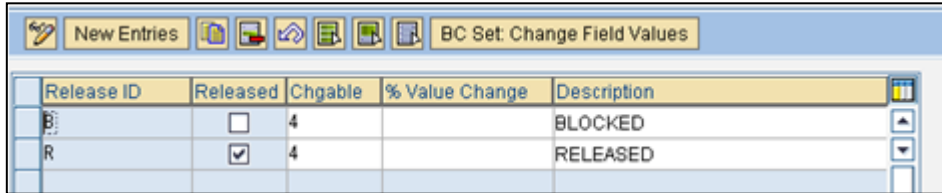
Release Code Creation

- Create Release Code as per the requirement

Grp	Code	Workflow	Description
RG	C1		CONTRACT CELL
RG	E1		ENGINEERING
RG	LH		LWM PROJECT HEAD
RG	MD		MANAGING DIRECTOR
RG	OH		ONM PROJECT HEAD
RG	P1		PURCHASE MANAGER
RG	SH		SWM PROJECT HEAD
RH	C1		CONTRACT CELL
RH	MD		MANAGING DIRECTOR
RH	P1		PURCHASE MANAGER
RH	SH		SWM PROJECT HEAD
RI	MD		MANAGING DIRECTOR
RI	OH		ONM PROJECT HEAD
RI	P1		PURCHASE MANAGER

Release Indicator Creation

- Create Release Indicator
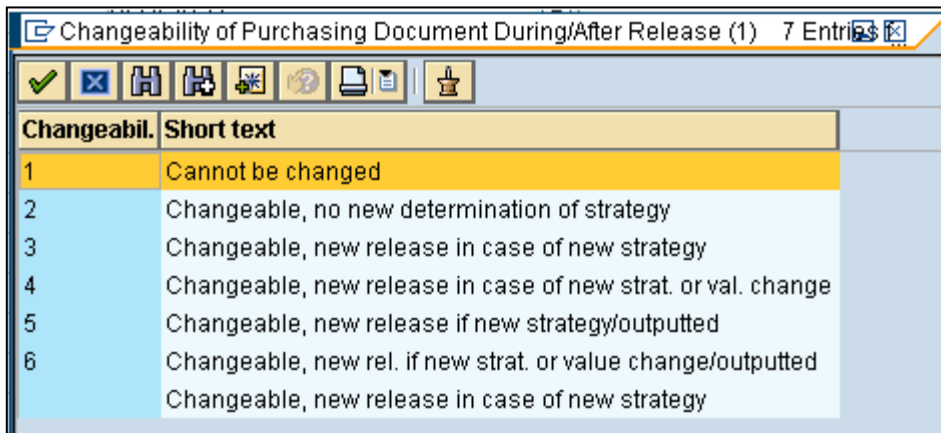
	Release ID	Released	Chgable	% Value Change	Description	
	B	☐	4		BLOCKED	
	R	☑	4		RELEASED	

Release Indicator Details

- Create Release Indicator
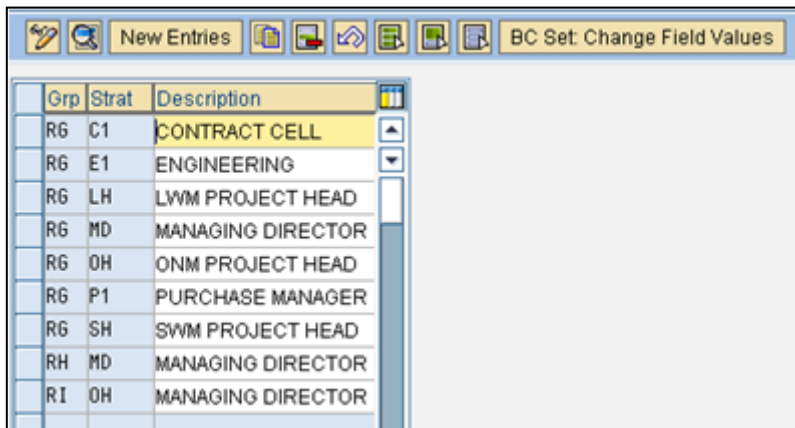
Changeability of Purchasing Document During/After Release (1)   7 Entries

Changeabil.	Short text
1	Cannot be changed
2	Changeable, no new determination of strategy
3	Changeable, new release in case of new strategy
4	Changeable, new release in case of new strat. or val. change
5	Changeable, new release if new strategy/outputted
6	Changeable, new rel. if new strat. or value change/outputted
	Changeable, new release in case of new strategy

Release Strategy Creation

- Create Release Strategy as per the requirement

Grp	Strat	Description
RG	C1	CONTRACT CELL
RG	E1	ENGINEERING
RG	LH	LWM PROJECT HEAD
RG	MD	MANAGING DIRECTOR
RG	OH	ONM PROJECT HEAD
RG	P1	PURCHASE MANAGER
RG	SH	SWM PROJECT HEAD
RH	MD	MANAGING DIRECTOR
RI	OH	MANAGING DIRECTOR

Release Strategy Details

- For example, we can see one of the release strategy screen shot as below.

Change View "Release Strategies: External Purchasing Documents": Overv

- Release Group RG and Release Strategy P1

Grp	Strat	Description
RG	C1	CONTRACT CELL
RG	E1	ENGINEERING
RG	LH	LWM PROJECT HEAD
RG	MD	MANAGING DIRECTOR
RG	OH	ONM PROJECT HEAD
RG	P1	PURCHASE MANAGER
RG	SH	SWM PROJECT HEAD
RH	MD	MANAGING DIRECTOR
RI	MD	MANAGING DIRECTOR

Release Group   RG PO REL STGY
Release Strategy   P1 PURCHASE MANAGER

Release codes

P1 PURCHASE MANAGER

Release prerequisites   Release statuses

- Release Prerequisites
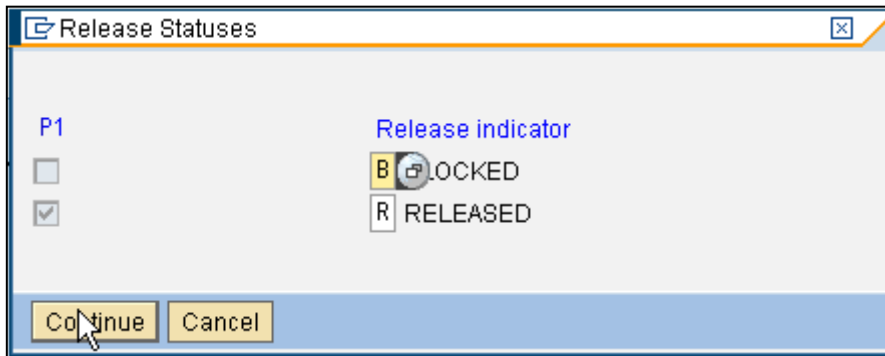
Prerequisites

Code\release prerequisite
                P1
        P1

- Release Statuses

- Classification
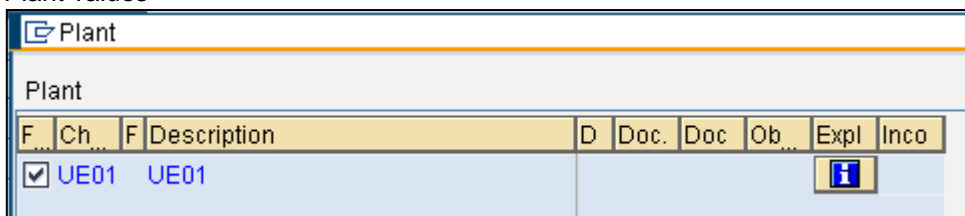
- Order Type (Purchase Order Document Type) values

- Plant values

- Total net order value (Purchase Order Value) values

- As mentioned above, update values for the balance release strategies as per the required approval matrix.

Purchase Order Creation & Testing

- Create Purchase Order and check the header release strategy
- Below are some of the Purchase Order release strategy screen shot for your reference
- Highest value Purchase Order with MD approval release strategy

- LWM Release Strategy

- SWM Release Strategy

- ONM Release Strategy

- Normal standard NB document type with no Release Strategy tab in purchase order header

Tips & Tricks

Q1. If Purchase Order is released, then the Purchase Order Qty and Purchase Order value got reduced. What will happen to the release strategy?

If the value change will lie on the same strategy then there is no change and if it lies on different strategy the release will get cancelled.

Q2. Is it possible to have release strategy for Service Purchase Order and Service Entry Sheet?

Yes it is possible.

Q3. Is it possible to have release strategy for RFQ and Contract?

Yes it is possible. Add the RFQ and Contract document types as a characteristic values.

But PR and Service Entry Sheet separate release strategy.

Q4. Is it possible to Print Purchase Order before release?

It is not possible by ME9F. But it is possible by ME22N and ME23N. It is not advisable to client. Deactivate with the help of ABAP.

Q5. How to chk the Purchase Orders, pending for release?

Use ME29N/ME2N with the help of dynamic selections.

Q6. How to delete Purchase Order Release Strategy?

Follow this order to avoid errors.

> Delete Release Strategies
>
> Delete Release Indicators
>
> Delete Release Codes
>
> Delete Release Groups
>
> Always check "Check Release Strategies" for any error.

The 2 digit codes (Release Group, Release Code, and Release Strategy) are alphanumeric.

Ex: A-Z & from 0-9 Combinations for two digit.

Q7. Is it possible to have Purchase Order release strategy by Material Type and restrict based on value?

Check Structure CEKKO for all the fields available for controlling the Purchase Order

Q8. Is it possible to control Purchase Order release strategy by Item Category and Account assignment Category?

From SDN: https://www.sdn.sap.com/irj/scn/thread?messageID=6663418#6663418

It is possible to use "Account Assignment Category & Item Category" in PR & Purchase Order Release Strategy,

But you should append the structure CEBAN for PR and CEKKO for Purchase Order with fields

KNTTP - Account Assignment Category and EPSTP - Item Category and use the following user exits.

M06B0001: Changes to communication structure for release of requisitions.

M06B0005: Changes to communication structure for overall release of purchase requisitions.

M06E0004: Changes to communication structure for release of purchasing document (Purchase Orders and Contracts)

Do this with assistance of Technical consultant.

Q9. Is it possible to have Purchase Order release strategy at item level?

It is not possible.

Only PR has release at item level.

Q10. How to send Purchase Order by mail after release?

In Purchasing we have to do the required NACE settings.

Use output type as External Send.

Use ABAP for Smart Form Developments.

In processing routines give your own developed smart form program.

Standard SAP Program will support only Standard script form.

Maintain mail id's in both Vendor master and SAP Login ID's by SU01.

Hardcode mail contents if any.

Transaction code SCOT – SAP Connect settings by BASIS.

Q11. How to transport the class and char values from one client to other?

BD91 – Characteristic Transport

BD92 – Class Transport

Q12. How to release and cancel Purchase Order release?

ME28 and ME29N

Q13. How many Purchase Order approval levels possible?

8 Levels

Q14. How to know a Purchase Order is subject to release?

Purchase Order Header Release Tab active

Related Content

For more information, visit the [Supply Chain Management homepage](#).

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