Supply Network Collaboration

Applies to:

SAP SNC 5.1. For more information, visit the [Supply Chain Management homepage](#).

Summary

This documents gives the over view of SAP Supply network collaboration and its basic scenarios and brief discussion about the Purchase order Collaboration and Order Forecast monitor scenarios with process flow diagrams.

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Author Bio

Ramesh Grandhi has Six years of work experience in the field of Materials management including four years of experience in SAP MM/SNC Modules.

He has worked on various projects like implementation of SAP-ICH, SAP-SNC and Support, enhancement projects in SAP-MM. He is presently working with Intelligroup Asia Pvt.Ltd.

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Supply Network Collaboration (SNC 5.1)

SAP Supply Network Collaboration (SNC) is a component of SAP Supply Chain Management (SAP SCM). It was formerly known as SAP Inventory Collaboration Hub (SAP SNC). Because enhancements broadened the collaboration environment, the product was renamed to reflect its extended capabilities for collaboration with suppliers (extending beyond inventory collaboration).

The supplier does not require a specialized electronic data interchange (EDI) infrastructure to integrate the supply network, whSNC makes this solution usable by companies of all sizes. All that is required on the supplier side is Internet access and a web browser.

It serves as a joint-use platform for all business partners involved in the inventory collaboration process.

SNC Scenarios:
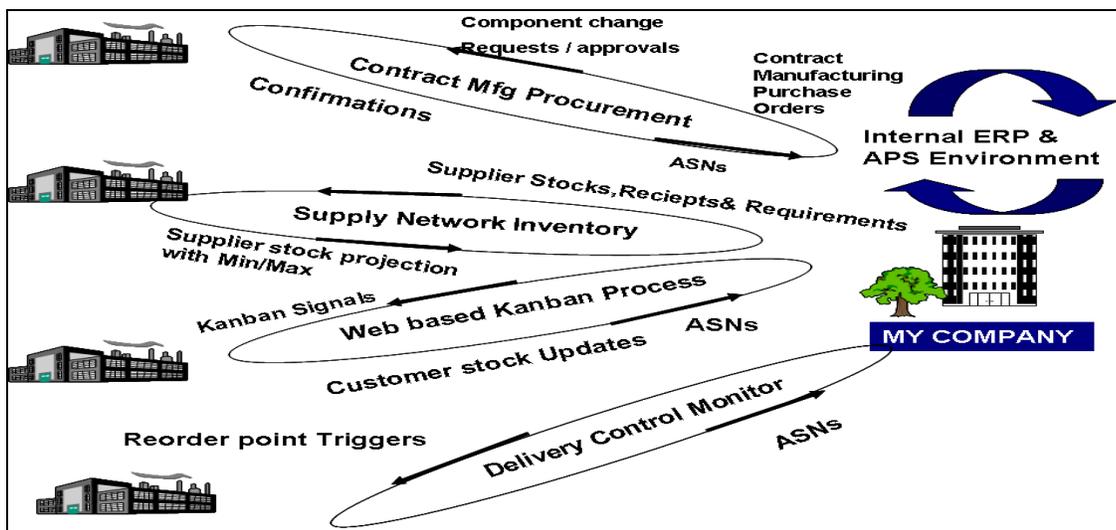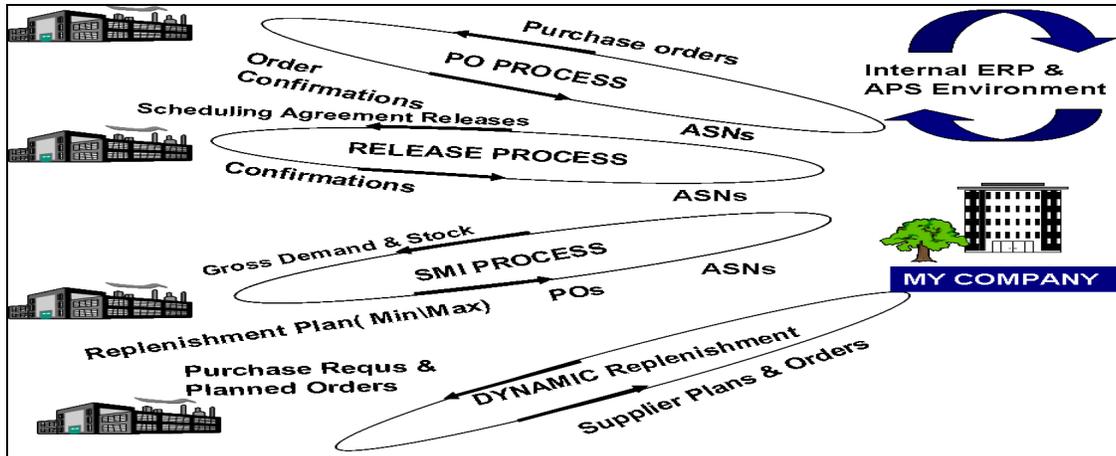
Purchase Order Processing Collaboration

Purchase Order Process is a Supplier Collaboration business process offered as part of SNC. Purchase Order Process allows for the customer to send out Purchase Orders to the supplier using the web-based application SAP SNC. The Purchase Orders are typically generated as part of the customer's MRP run, or are manually created by the customer.

Business Data Flow: Purchase Order Processing
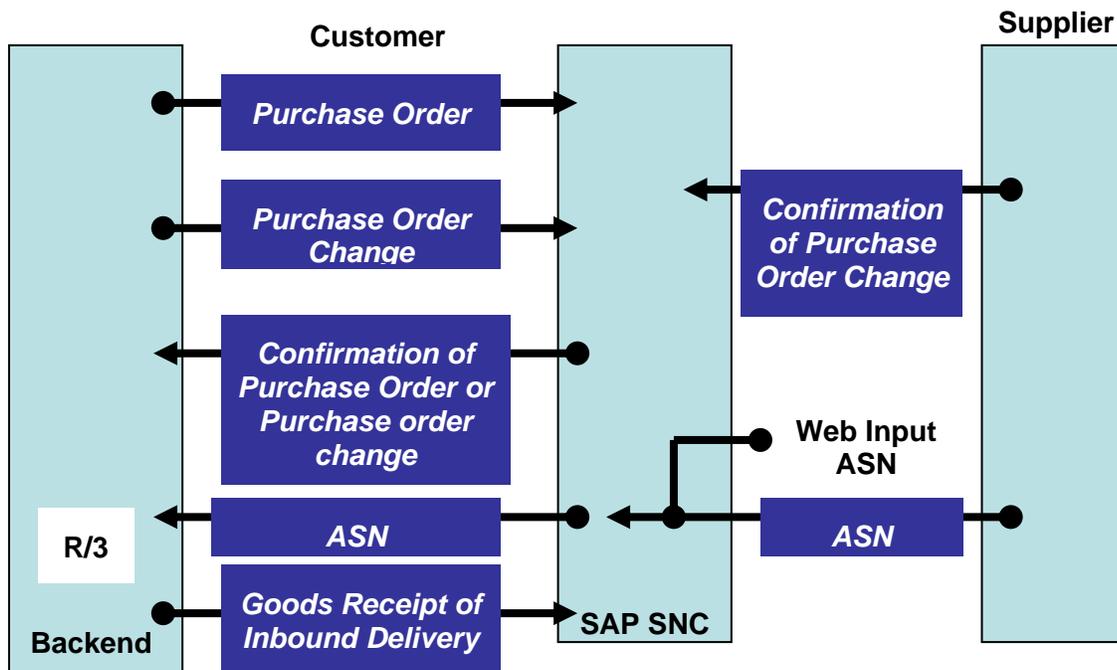
In the *Purchase Order Processing* process,

1. The customer sends purchase orders or purchase order updates to SAP SNC.

   Purchase order in Backend system(R/3 system)

Purchase order in SNC web UI.

2. The supplier confirms the purchase order in SNC Web UI

3. The supplier sends an advanced shipping notification to inform the customer of any upcoming goods receipts.

Note: If the supplier's system environment is able to create a shipping notification, the supplier can send it to SAP SNC. The shipping notification is then published in SAP SNC

4. The shipping notification is forwarded to the customer's back-end system using the supplier's EDI subsystem or a SAP NetWeaver system.

5. When the customer posts the goods receipt, the customer's ERP system sends the Proof of delivery to SAP SNC.

6. Display goods receipt information in SAP SNC

Order Forecast Monitoring

Order forecast Monitor (OFM) is a function on the Web UI of SAP Supply Network Collaboration (SAP SNC) that displays and compares the customer's firm or planned net demands and the supplier's firm or planned receipts.

The Demand Monitor calculates the absolute and the percentage deviations between the customer and supplier data, and, depending on the deviations, highlights periods in color. Both the customer and the supplier have the same view of the planning situation and gain a quick overview of critical situations

The customer uses electronic messages to transfer his or her data from his or her backend system to *SAP SNC*. The supplier can also transfer data electronically from his or her backend system to *SAP SNC*. Alternatively, the supplier can manually create planned receipts in the Demand Monitor
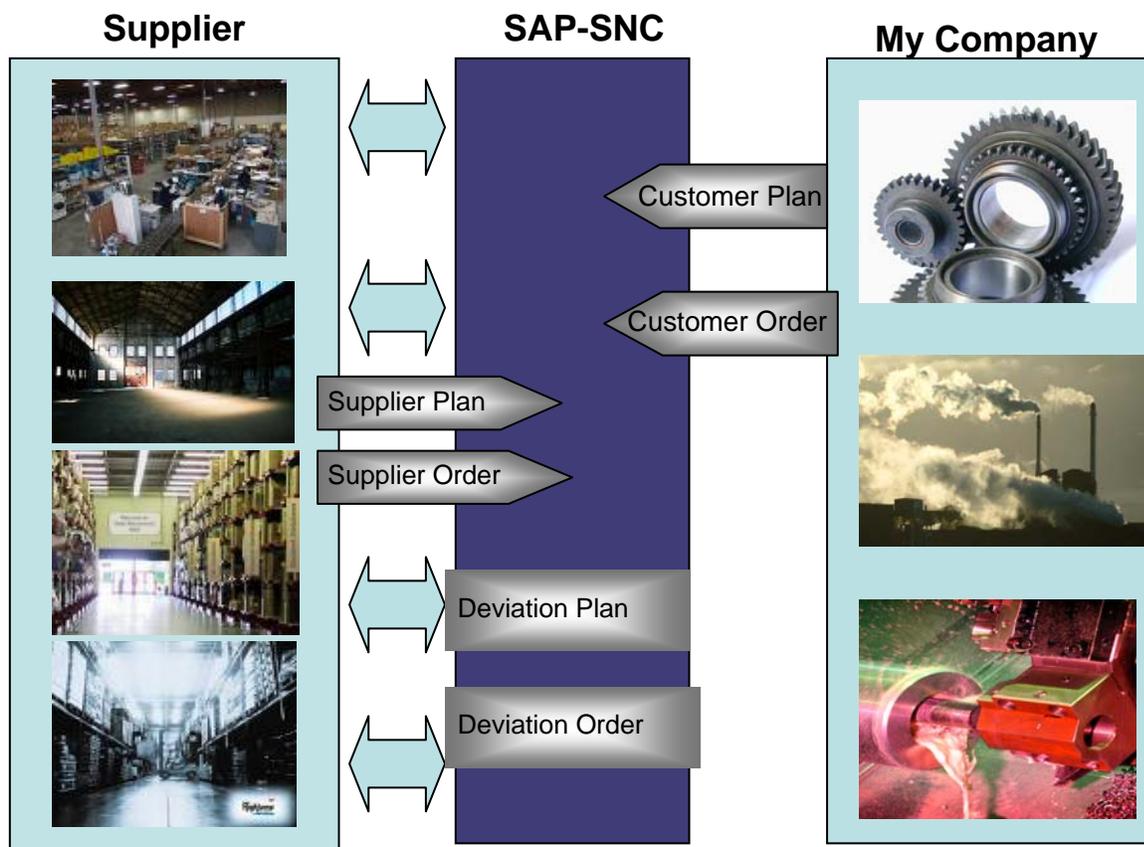
Key Figures in Order Forecast Monitor

Customer planned demands: This key figure contains the following demands

1. Customer's net demands; for example, from the customer's net demand planning

2. Dependent demands from the customer's orders that are still at the planning stage; for example, planned orders, purchase requisitions, and scheduling agreement release schedule lines in the second firm/trade-off zone

Customer firm demands: This key figure can contain the following demands standard, open demands from orders in the customer system that the customer regards as firm. These include scheduling agreement release schedule lines in the first firm/trade-off zone and purchase orders.

Supplier planned receipts: This key figure contains receipts that the supplier has forecast in his or her backend system for the customer and transferred to SAP SNC.

Alternatively, the supplier can manually enter planned receipts in the Demand Monitor or in the SMI Monitor of SAP SNC

Supplier firm receipts: As standard, this key figure contains confirmation schedule lines that the supplier has created manually in SAP SNC or sent from his or her backend system to SAP SNC.

Percentage plan deviation:

100*(supplier planned receipts - customer planned Demands)/customer planned demands

Absolute plan deviation: supplier planned receipts – customer planned demands

Percentage order deviation:

100*(supplier firm receipts – customer firm demands)/customer firm demands

Absolute order deviation: supplier firm receipts – customer firm demands

Order Forecast Monitor in SAP SNC Web UI

Related Content

SAP links:

- [SNC Business Processes](#)

- [SNC Help](#)

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

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