



# **Maximizing SAP Materials Management and Inventory Control Efficiency Training Course**

**Ref: #IM2117**



## Course Introduction / Overview:

This comprehensive training course provides an in-depth understanding of SAP MM (Materials Management) and its critical sub-module, Inventory Management. In today's complex supply chain environment, mastering these functionalities is essential for optimizing business operations, minimizing costs, and ensuring seamless material flow from procurement to consumption. This program explores the core concepts of SAP MM, focusing heavily on goods movements, stock management, physical inventory, and special stock types within the SAP system. Participants will learn how to configure and utilize key features like Goods Receipt, Goods Issue, Transfer Posting, and Physical Inventory procedures, which are fundamental to accurate stock valuation and inventory accuracy. We delve into the critical integration points between SAP MM and other modules, such as Finance (FI) and Controlling (CO), ensuring a holistic view of the materials management process. According to logistics expert Martin Murray, co-author of *Materials Management with SAP ERP: Functionality and Technical Configuration*, a solid grasp of MM functionality is paramount for successful enterprise resource planning. The content is designed to move participants from foundational knowledge to advanced topics like batch management and special procurement types. By focusing on real-world business scenarios and practical application, BIG BEN Training Center ensures participants gain the skills needed to immediately enhance their organization's materials planning and procurement processes, ultimately driving efficiency and cost savings in their supply chain management. We aim to equip professionals to effectively manage their materials lifecycle and mitigate risks associated with stock discrepancies and operational delays.



## **Target Audience / This training course is suitable for:**

- SAP MM Consultants and end-users seeking advanced Inventory Management skills.
- Supply Chain and Logistics Managers.
- Procurement and Purchasing Professionals.
- Warehouse and Stock Control Staff.
- ERP System Analysts and Business Process Owners in materials management.
- Financial Accountants involved in stock valuation and reporting.
- IT support staff working with SAP Logistics modules.

## **Target Sectors and Industries:**

- Manufacturing and Production Industries, facing complex material requirements planning (MRP) and inventory control challenges.
- Retail and Wholesale Distribution, managing high-volume goods receipt and long-tail inventory.
- Pharmaceutical and Life Sciences, with strict batch management and quality control requirements.
- Oil, Gas, and Energy Sectors, handling special procurement types and remote stock transfers.
- Automotive and Aerospace Industries, requiring precise inventory valuation and serial number management.
- Technology and Telecommunications, managing equipment stock and goods issues for projects.
- Government agencies and equivalents, ensuring compliance in public sector procurement and inventory tracking.

## **Target Organizations Departments:**

- Supply Chain Management Department, optimizing material flow and stock levels.
- Procurement and Purchasing Department, managing vendor consignment and purchase order receipts.
- Inventory Control Department, responsible for physical inventory and cycle counting.
- Warehouse and Logistics Department, executing goods movements and stock transfer processes.
- Finance and Accounting Department, reconciling stock with material valuation and general ledger.
- Production Planning Department, coordinating material availability with MRP.
- IT and ERP Support Department, maintaining system configuration for SAP MM Inventory Management.

## **Course Offerings:**



By the end of this course, the participants will have able to:

- Perform all critical goods movement transactions, including Goods Receipt and Goods Issue, with accuracy in the SAP MM system.
- Apply the correct movement types to various business scenarios like transfer posting and stock adjustments.
- Execute and manage the complete physical inventory process, from document creation to posting differences, and utilize methods like cycle counting.
- Handle and process different special stock types, such as vendor consignment, project stock, and returnable transport packaging.
- Configure and maintain material master data settings relevant to inventory control and valuation.
- Understand the financial impact of inventory valuation and automatic account determination in integration with SAP FI/CO.
- Troubleshoot common issues related to stock discrepancies and material document errors in SAP MM.
- Effectively use inventory reporting tools and transaction codes (T-codes) to monitor stock levels and performance.

## **Course Methodology:**



This course by BIG BEN Training Center employs a highly engaging and practical methodology designed for maximum retention and immediate applicability in materials management. The program integrates instructor-led presentations with hands-on, real-time practice directly within an SAP environment (simulated or live sandbox). Participants will utilize structured case studies that simulate end-to-end procurement and inventory management scenarios, allowing them to apply learned concepts like goods receipts and stock transfers in a controlled setting. We strongly emphasize interactive activities and group teamwork sessions where participants collaborate to solve complex SAP MM Inventory Management challenges, such as reconciling physical inventory differences or managing special stocks. This approach encourages peer-to-peer learning and problem-solving, mirroring real-world organizational dynamics. Continuous feedback is provided by expert instructors, who are professional SAP practitioners, ensuring participants ascertain a deep, technical, and business understanding of how to maximize materials planning efficiency and inventory accuracy. The focus remains on practical configuration, system navigation, and best practices in supply chain management, ensuring valuable learning experience.

## **Course Agenda (Course Units):**

### **Unit One: Introduction to SAP MM and Core Inventory Concepts**



- Understanding the organizational structure in SAP MM (Plant, Storage Location, Purchasing Organization).
- Exploring material master data and its views for inventory management.
- Defining the key concepts of Inventory Management and its role in the supply chain.
- Introduction to the Material Document and Accounting Document after goods movements.
- Overview of different types of stock and their statuses in the system.
- Navigating common SAP MM Inventory Management transaction codes.
- Introduction to movement types and their significance in stock posting.

## **Unit Two: Goods Movements in SAP MM - Receipt and Issue**

- Performing Goods Receipt against a Purchase Order without reference.
- Handling returns to vendor and subsequent adjustments.
- Processing Goods Issue for consumption, cost center, and production orders.
- Understanding the concept of Transfer Posting for stock status changes.
- Executing Stock-to-Stock Stock Transfers within a plant (Storage Location to Storage Location).
- Analyzing the financial and stock effects of various goods movements.
- Managing goods movements for different material types and scenarios.

## **Unit Three: Physical Inventory Procedures and Inventory Accuracy**

- Fundamentals of physical inventory and its importance for financial reporting.
- Steps for creating, processing, and posting a physical inventory document.
- Implementing various physical inventory methods, including cycle counting.
- Troubleshooting and resolving inventory count differences and stock discrepancies.
- Introduction to the MRP process and its reliance on accurate stock levels.
- Monitoring and reporting on inventory accuracy key performance indicators (KPIs).
- Best practices for preventing stock losses and maintaining inventory control.

## **Unit Four: Special Stock Types and Advanced Inventory Scenarios**



- Managing vendor consignment stock, including goods movements and settlement.
- Handling subcontracting process and monitoring components provided to the vendor.
- Working with project stock and sales order stock for specific assignments.
- Processing returnable transport packaging (RTP) from and to vendors.
- Implementing batch management for materials with expiration dates or specific characteristics.
- Exploring the integration of SAP MM Inventory Management with Quality Management (QM).
- Understanding the configuration impact on special procurement types.

### **Unit Five: Valuation, Account Determination, and Reporting**

- Deep dive into material valuation and the concept of valuation classes.
- Understanding the role of automatic account determination (OBYC) in Goods Movements.
- Analyzing the integration points between SAP MM, FI, and CO modules.
- Utilizing standard SAP reports for inventory analysis and stock monitoring.
- Designing custom reports for enhanced materials planning and inventory control.
- Overview of SAP S/4HANA changes and new features in Inventory Management.
- Refining best practices for global supply chain management utilizing SAP MM.

### **FAQ:**

#### **Qualifications required for registering to this course?**

There are no requirements.

#### **How long is each daily session, and what is the total number of training hours for the course?**

This training course spans five days, with daily sessions ranging between 4 to 5 hours, including breaks and interactive activities, bringing the total duration to 20 - 25 training hours.

#### **Something to think about:**



How does a discrepancy in the physical inventory process directly impact both the financial statements (inventory valuation) and the efficacy of subsequent MRP runs within a large-scale enterprise resource planning system?

## **What unique qualities does this course offer compared to other courses?**

This academic and highly professional course distinguishes itself by offering a deep dive into the practical application and configuration aspects of SAP MM Inventory Management, going beyond simple transaction execution. We don't just teach 'how' but 'why', grounding all practical exercises and case studies in sound supply chain and financial principles. The curriculum meticulously integrates the core functionalities of Goods Receipt, Goods Issue, Physical Inventory, and special stock types with their direct financial and planning consequences, which is crucial for senior roles. Our approach to troubleshooting and inventory accuracy is based on real-world scenarios from diverse target sectors, like complex manufacturing and retail distribution, ensuring participants are ready for immediate impact in their workplace. We place a specific focus on the subtle configuration points that govern material valuation and automatic account determination, which is often overlooked in basic training but is vital for robust SAP MM implementation. By providing expert insights into materials planning and supply chain management best practices, and ensuring an emphasis on robust inventory control mechanisms, BIG BEN Training Center delivers a unique and comprehensive skill set, transforming participants into highly effective SAP MM practitioners capable of maximizing organizational efficiency and minimizing costly stock errors.