MDO Master Data - Materials Management

The MDO Master Data for Materials allows to manage the life cycle of materials with all the complexities of the data areas in SAP. The solution has evolved over many years with a strong integration to all the core material data and also the reference data areas of material master. SAP has the same transactions and screen to manage materials, MDO simplifies this by providing a business context to the materials both in the areas of supply chain and finished goods.
Key Challenges

SOME OF THE KEY CHALLENGES IN ACHIEVING QUALITY DATA ARE:

- Incorrect use of Material Types, Groups and Classification.
- Duplicates and Naming Conventions.
- Ownership of the data areas based on the org levels.
- The impact of global data on the local data information.
- Additional data integrity areas such as Info Records, Source Lists and even contracts.
- Controlling Changes as the impact of Material Data can result in operational and financial loss.
- Managing new request processes, as various business organisations can have different rules, legislative requirements and compliance based on region or the nature of business.

Material Types

MDO SUPPORTS ALL MATERIAL TYPES AND SOME OF THE KEY ONE ARE:

- Finished Product (FERT) - Goods Produced by the company
- Semi Finished (HALB) - Goods procured externally to be manufactured in house.
- Spare Parts (ERSA) - Spare Parts for replacements
- Maintenance Assemblies (IBAU) - A logical object with various materials
- Manufacturer Parts (HERS) - Manufacturer Parts for your spare parts
- Configurable Materials (KMAT) - These are materials based on variant configuration.
- Non Stock Materials (NLAG) - Non Stock materials that are consumed immediately, good for tracking spend.
- Packaging Materials (VERP) - Packaging of goods.
- Raw Materials (ROH) - Direct Materials procured to produced goods.
- Trading Goods (HAWA) - Produced Externally and Sold.
- Services (DIEN) - Any Services done internally or externally.

All custom Material Types can also be configured based on the rules and processes.
### Data Areas in Material

<table>
<thead>
<tr>
<th>DATA AREA</th>
<th>DETAILS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Basic Data, Descriptions &amp; Classification</td>
<td>This includes all the header data, descriptions, alternate unit of measures, class and characteristics. Long Text can also be maintained and searched in MDO.</td>
</tr>
<tr>
<td>Plant Level Data, including Storage Location</td>
<td>All Plant Level Information, including rules for extensions.</td>
</tr>
<tr>
<td>Sales Org</td>
<td>All Sales Org Level Data, including rules for extensions.</td>
</tr>
<tr>
<td>Valuation Data</td>
<td>All Valuation Data Information, including split valuation and extensions.</td>
</tr>
<tr>
<td>Warehouse Data</td>
<td>Warehouse Management Data.</td>
</tr>
<tr>
<td>Info Records</td>
<td>Info Records, can be a part of the material setup, based on the suppliers</td>
</tr>
<tr>
<td>Source List</td>
<td>Sources of Supply and managing the activation and deactivation of Materials</td>
</tr>
<tr>
<td>Contracts / Outline Agreements</td>
<td>Update Contracts with Materials, that have changed or needs to be removed.</td>
</tr>
<tr>
<td>Quality and Quality Info Record</td>
<td>Quality Master Data including Inspection</td>
</tr>
<tr>
<td>Interchangeability of Materials</td>
<td>Interchangeability of materials for alternates and replacements.</td>
</tr>
<tr>
<td>Bill of Materials</td>
<td>Bill of Materials for Production or Assemblies.</td>
</tr>
<tr>
<td>Recipes</td>
<td>Materials that make up a recipe, used in food and FMCG industries</td>
</tr>
</tbody>
</table>
Key Use Cases - Spare Parts & Finished Goods

SPARE PARTS

Spare Parts has been a strong use case to implement a governance process in MDO. The core driver has been operational cost and avoiding duplicates. MDO creates a bridge between the maintenance and supply, keeping a single source of truth for your spares information. The Spare Parts solution in MDO also includes Manufacturer parts (HERS) and other areas like Info Records, Bill of Material and Source List, linking the spares to different other data areas in SAP.

ADDITIONAL VALUE ADD - THERE ARE OTHER ADDITIONAL VALUE ADD AREAS IN MDO WHICH ARE:

- Description Generator - This feature allows generate descriptions for both short and long text based on nouns and modifiers. The attributes are further mapped to the SAP characteristics. Manage both OEM and Non OEM parts based on UNSPC Standards. It also integrates with our global library for parts and also ECCMA which is one of the largest sources of manufacturer and parts.
- Request for Spares - This is a collaborative process where suppliers are sent a simple form or a excel front end to send part information based on the classification standards and also the price, the same as integrated back to SAP, which can also update the info records.
- Order automation - This decreases the data entry of a combining the accuracy of master data process along with the material maintenance process.
- There are various Fortune 50 and 500 companies use MDO Spares to manage their part information across various countries and languages.

FINISHED GOODS

MDO supports the process of managing Finished Goods, from a project to the creation of all the relevant master data. This includes packaging, raw materials, semi finished and reference areas like info records and price conditions.

The processes can be streamlined with all the other areas integrated with defined SLA's for setup of finished goods. One of the key features of Finished Goods has been the extension to other areas and org levels.