

Executive overview on Solution Orders

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Most companies have “bundles” of product plus service they sell. This article is an attempt to give decision makers “a birds eye view” on the new Solution Order process that could replace a home-grown, historically grown, made-up implementation of such a process working only barely – in all due respect to the people who built it, because when they did, they had to use what was available at the time. This article is not a video sales pitch, has no pretty pictures or graphics – but it hopefully has relevant and useful information, to be consumed at your leisure:

What a Solution Order is, its building blocks, its lifecycle, communications, roles, process steps

*Solution Order is a new solution process in S/4HANA Cloud Public Edition (main scope item **4GT**). You can think of it as a “bundle” combining (physical) products, services (e.g. installation or maintenance) and service contracts into a single order for which you bill your customer. There is an additional solution process for Recurring Services (scope item **4X5**), if you have those. For project-based services (PBS), the solution processes Customer Project Management-PBS (scope item **J11**) and Project Billing-PBS (scope item **4E9**) have to be implemented and incorporated in the testing activities for **4GT**. The solution processes Sales Order Processing for Non-Stock Material (**2ET**) and Solution Order Management with Advanced Variant Configuration (**6HY**) have to be included in scope, if you have these in a Solution Order.*

The lifecycle of a Solution Order is represented in the system as the “header status” and is determined by the system (cannot be changed by any user or program). The status for Solution Orders controls the business processes and progresses, as follows:

- **Open:** the default and initial status when the order is created and can be freely changed.
- **In process:** the first item you start working on and set to “in process” will result in the order (header) to be set to “in process” automatically by the system.
- **Released:** order item is commercially finalized and no more changes are required; the system automatically generates follow-on documents; if an error occurs, the system rolls the status back to “in process”.
- **Completed:** an item is completed when all its follow-up processes are completed; the Solution Order (header) is automatically set to completed when all items are completed.

The items in a Solution Order can have dependencies on other items in the order. If and when a contract exists for a service item, the system will alert the user to this circumstance and present a list of applicable contracts.

A communication arrangement serves the purpose to integrate Solution Orders (which you most likely want to). This will define the systems involved and the authentication of in- and outbound messages to secure them. The benefits are obvious, to you and the business partners you integrate. If you do not integrate Solution Orders, the amount of manual processing and follow-ups will most likely be overwhelming.

Lastly, more details about the user roles, role-to-person mapping (RTPM) and some of the steps involved in the processing of Solution Orders.

User roles (executive overview): Solution Order Specialist is a new role which must be defined for the organization, including RTPM. Presumably you already have Internal Sales Representative, Customer Service Manager, Billing Specialist-Projects, Project Manager-Commercial Services; these roles and RTPM may change; if you are currently processing project-based service items, and do not have Billing Specialist-Projects and Project Manager-Commercial Service roles defined, you must introduce them, including RTPM. Roles in shipping, billing, purchasing, cost accounting, accounts payable may be slightly affected. Accounts receivable and collections are not affected.

Processes (executive overview): the previous statements about the roles do not necessarily hold true at the process step level. For example, if you must collect receivables, your collections specialist will have to be trained in processing Solution Orders, because that is the legally binding document based on which the collection specialist takes action.

Quote: you can create a quote for a Solution Order.

Pricing: can be one-time or recurring. The Solution Order will be the leading document and the information copied to follow-on documents, such as sales orders, that originate from it. Since the Solution Order pricing procedure is copied entirely, the pricing and the account determination will be consistent across all follow-on documents.

Billing: occurs for one-time and recurring items; the Solution Order billing is consolidated at the bill-to-party when you run the billing-due-list, but you can force a billing document split to ensure Solution Orders are billed separately by making a system setting.

AR and collections: not affected.

I hope this added a little clarity. For more details or a discussion, feel free to get in touch.

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