ENABLING NEW EFFICIENCY, CONTROL, AND PROFITS FOR SMALL AND MIDSIZE BUSINESSES

CONTENTS

EXECUTIVE SUMMARY

SAP® Business One is an affordable, integrated business management solution designed specifically for small and midsize businesses (SMBs). For the first time, business owners have a single system built to automate business processes and deliver a true and unified picture of critical, up-to-the minute business information across customer relationship management (CRM), manufacturing, and finance. With SAP Business One, business owners can increase profitability and achieve new levels of control.

SAP® BUSINESS ONE: AN INTEGRATED SOLUTION FOR TODAY'S BUSINESS CHALLENGES

Uncertain economic conditions, intensified competition, and new customer demands magnify the pressure to perform that SMBs face. Responding effectively to this pressure requires companies to achieve new levels of control over their business operations. However, traditional business management applications – which are often poorly integrated collections of outmoded applications – no longer support a company's changing needs. Information gaps, business process breakdowns, and old data inhibit business owners' ability to control operations. These systems isolate business-critical information in multiple locations that are not interconnected, forcing users into time-consuming workarounds just to get the job done. The result: missed market opportunities, wasted effort, and costly inefficiencies.

To thrive, companies need an affordable, integrated business management solution – a single system that automates processes and delivers a reliable picture of operations based on up-to-the-minute information. Introducing SAP® Business One from SAP, the world's leading provider of business software solutions.

Simple yet powerful, SAP Business One puts your business users in charge. Now users can get the information they need, when and how they need it, to run business operations. SAP Business One can be easily tailored to fit your specific business needs today, and adjusted to meet changing needs over time. SAP Business One is delivered by a worldwide network of qualified business partners that leverage SAP global knowledge to provide local service and support.

Enhance Your Control

SAP Business One provides the key capabilities companies need to grow profitability and achieve a new level of control over business operations, including:

A true and unified picture of the business. With SAP Business One, you can:
- Control company operations from one comprehensive solution that automates and streamlines all critical business processes – including financial management, warehouse management, purchasing, inventory, manufacturing, banking, and CRM
- Use the embedded CRM functionality to seamlessly integrate all sales, support, and customer-facing processes with all relevant functions across the company
- Automate and streamline the material planning and bill-of-material processes of your manufacturing operations. In five easy steps, you can define planning scenarios and manage material planning, efficiently matching customer demand with production

Instantaneous access to critical information across CRM, manufacturing, and finance. SAP Business One enables users to easily find accurate, relevant, timely, and complete business information across any functional area. From a single source, users now have end-to-end visibility of the entire business operation. With SAP Business One, you can:
- Navigate simply and quickly through the system, thanks to an easy-to-use interface. You can immediately access current data on business performance, working more efficiently and getting answers fast
- Instantly understand key relationships and transactions by using the patented Drag&Relate™ feature. For any data that requires additional information, you can simply drag that data from one area and place it in another. You can also drill down for more detailed information and view the corresponding relationships
- Synchronize communications with seamless integration between SAP Business One and Microsoft Outlook. With SAP Business One, users can synchronize calendars, contacts, and tasks, as well as capture and access all relevant customer, partner, and vendor information

Immediate notification and automatic response to important business events. With SAP Business One, business owners can manage by exception – monitoring, notifying, and taking action when specific events occur. Any breach of preset business policies triggers an immediate notification to the manager and initiates a workflow process to manage the event. With SAP Business One, you can:

- Receive alerts that not only focus attention on a particular business event, but also trigger workflow processes to automatically take action
- Quickly and easily access detailed information about the business event that triggered the alert, enabling fully informed decisions
- Establish unique workflow processes – including the approvals, procedures, and steps that are automatically initiated, allowing managers to instantly respond to the event

Ability to cost-effectively grow with the needs of the business. SAP Business One can be easily adapted to changing business conditions and new requirements, without creating a heavy, ongoing IT burden. With SAP Business One, you can:

- Quickly modify and adjust the solution to support different business requirements or comply with changing customer mandates
- Reintegrate modifications into new versions of the solution with minimal effort, eliminating the frustration and costs typically associated with upgrades
- Easily integrate with other applications, thereby leveraging investments in existing systems or taking advantage of new technologies

User empowerment. SAP Business One gives users powerful tools to tailor the solution to meet specific business needs. With SAP Business One, users can:

- Specify their preferences for forms, policies, queries, and reports – allowing them to run their business the way they want
- Use powerful customization capabilities to easily define most changes to the solution – without technical training
- Implement changes to SAP Business One instantaneously, enabling the solution to quickly fit the way users run the business

Quick time to benefit. SAP Business One enables businesses to reduce implementation time and quickly realize the benefits of a modern solution. With SAP Business One, you receive:

- An intuitive user interface and standard Microsoft Windows environment that helps users become productive quickly by significantly reducing the learning curve. SAP Business One requires only a single-server environment, further simplifying implementation and reducing costs
- Simplified administration capabilities that streamline the daily operations and maintenance of the solution, significantly lowering ongoing costs
- A low total cost of ownership (TCO), because the solution makes it easy for nontechnical people to add new functions without programming. In addition, you can easily upgrade the solution with new capabilities. Finally, SAP Business One eliminates the integration or maintenance costs associated with multiple systems.

The SAP Business One Difference

How can SAP Business One help you succeed? The solution offers:

Integration – SAP Business One is the only integrated business management solution for SMBs that was built to automate CRM, manufacturing, and financial management – all through one single system.

Embedded CRM – Only SAP Business One is built with CRM embedded into the application. Sales, support, and customer-facing processes are seamlessly integrated with all relevant functions across the company.

Drag&Relate – SAP Business One is the only solution that uses Drag&Relate to provide users at all levels with end-to-end visibility of complete operations and the ability to instantly understand key relationships and transactions within the business.

Workflow-based alerts – Only SAP Business One offers workflow-based alerts that let users monitor, notify, and take action based on specific events.

Adaptability – SAP Business One is the only solution that provides users with the freedom to easily add fields, change forms, and personalize queries and reports. You can add new functionality or upgrade the solution as the needs of the business change.
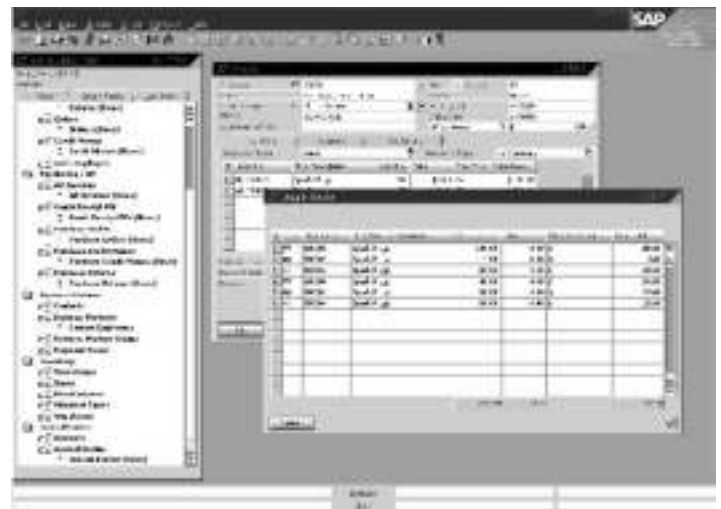
Figure 1: With the Drag&Relate™ feature, users can generate customized reports in seconds.

SAP BUSINESS ONE: DESIGNED FOR YOUR SUCCESS

Architecture
Built for Flexibility, Scalability, and Power

SAP Business One is a fully integrated solution with a single, intuitive look and feel across all functions.
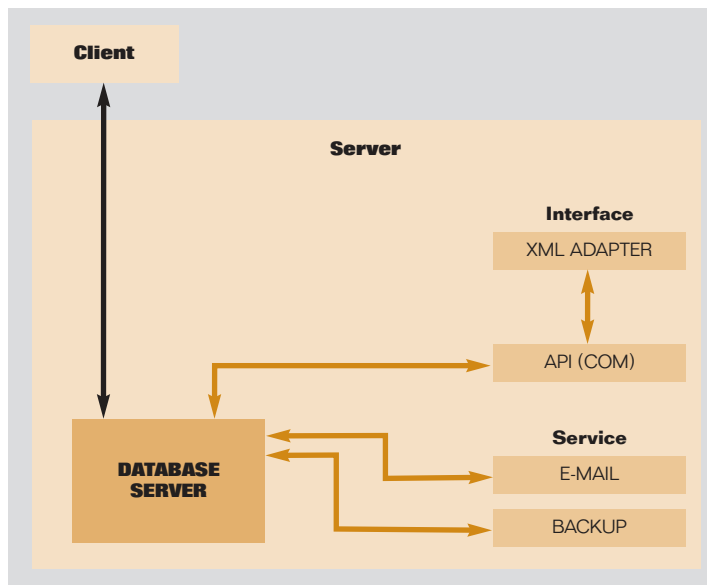
Figure 2: A single-server environment makes SAP® Business One easy to administer, maintain, and integrate with other solutions.

The SAP Business One application resides on a single server that integrates seamlessly with your Windows network. Using a Win 32-based, two-tier client-server architecture, SAP Business One secures peak performance and leverages your existing network for maximum efficiency. It includes security, backup, and network access protocols. Access is granted via wide area network (WAN) terminal services or dial-up network connectivity.

In the SAP Business One environment, you can utilize standard database backup procedures, easily saving and transferring the database to another machine and providing immediate access to critical business information. The streamlined SAP Business One architecture supports the following databases:
- Microsoft SQL Server
- Sybase Adaptive Server Enterprise – Small Business Edition
- IBM Universal Database Express Edition

To simplify maintenance, the security model allows the administrator to view a list of all functions for each capability and specify which types of access users have to these functions – read, write, or both.

Functions and Properties
Overview of Functional Areas

Simple yet powerful, SAP Business One can serve as a company's primary business management application. The core SAP Business One solution gives companies all of the functionality they need to run their businesses – plus it offers specialized features to meet the unique needs of your company. If necessary, you can even add further functional enhancements. SAP Business One connects seamlessly to other applications via numerous standard interfaces. As a result, the solution offers a comprehensive and versatile enterprise management tool for SMBs.

The solution provides all of the administrative functions you need to customize and back up data, define currency exchange rates, configure permissions and alerts, and access information from non-SAP software. In addition, it includes 12 key capabilities that extend SAP Business One far beyond its primary administrative function – thereby streamlining your entire business process. This modular design allows components to "talk" to each other, using an Application Programming Interface (API) for improved adaptability. These key capabilities include:
- **Financials** – Handles all financial transactions including general ledger, account setup and maintenance, journal entries, foreign currency adjustments, defining budgets, setting up cost centers, and cost distribution rules.

- **Sales Opportunities –** Records every sales opportunity, from the first phone call to the successful close of a transaction. This key component of SAP Business One's integrated CRM solution allows users to enter various details concerning the opportunity, including the source, potential, closing date, competitors, and activities. As soon as the first relevant quotation is created, they can link it with the opportunity to simplify later tracking and analysis. Another critical piece of the CRM functionality is the powerful reports that allow users to analyze opportunities by lead source, territory, industry, customer, and item. Furthermore, they can manage forecasts and view anticipated revenue by a variety of date ranges, such as month and quarter. Users can also see the distribution of leads by source over time to identify the most profitable lead generation activities.
- **Sales-A/R** – Helps create price quotes, enter customer orders, set up deliveries, update stock balances, and manage all invoices and accounts receivables.
- **Purchasing-A/P** – Manages and maintains vendor contracts and transactions, such as issuing purchase orders, updating in-stock numbers, calculating the landed cost value of imported items, handling returns, and credits.
- **Business Partners** – Controls all information on customers, resellers, and vendors – including profiles, activities with business partners, and account balances – and provides a calendar for user activities.
- **Banking** – Takes care of all payment processing such as cash receipts, check writing, deposits, credit card payments, and bank reconciliations. The flexible banking system accommodates user preferences and working styles. You can open mail, put a check in a pile to be posted, then later in the day deposit it in the bank.
- **Inventory** – Handles inventory levels, item management, price lists, special price agreements, transfers between warehouses, stock adjustment transactions, and picking and packing of inventory for shipment.

- **Production** – Delivers production tools that define multilevel bills of materials (BOMs) and create work orders while verifying and reporting on product and material availability.
- **MRP** – Manages material requirements planning (MRP) through a wizard-based process. This process enables users to define a planning scenario in five easy steps based on a range of criteria; it also enables them to predict demand based on forecasts.
- **Service Management** – Optimizes the potential of service departments, providing support for service operations, service contract management, service planning, tracking of customer interaction activities, and customer support. This capability offers a knowledge database that helps technicians research or troubleshoot issues.
- **Human Resources** – Supports staff management with capabilities such as employee details, contact information, and presence reports.
- **Reporting** – Creates powerful reports for nearly every aspect of the enterprise, including customer and supplier debt, sales, cash flow, customer-contact summaries, bookkeeping, warehouse stock, financial statements, pricing, and customer activity.

Configuration of the Solution
Customization Flexibility

SAP Business One lets users configure the basic system settings for all capabilities. This includes defining exchange rates, setting authorization parameters, creating internal mail, e-mail, and SMS settings, and configuring data import/export functions.

In the administration capability, the key functions that can be configured include:
- Company selection – Various basic settings
- System initialization and general preferences – Company data and general settings

- User definitions – Chart of accounts, tax codes, sales employees, territories, projects, address formats, payment terms, vendor, customer, item and commission groups, warehouses, service contract templates and queues, banks, payment methods, and shipping methods
- Authorizations – Administrators can define what information users may access. Documents have owners and, based on a user's relationship to the owner, they will be granted either full, read-only, or no access. Access can be defined on whether the user is in the same team, department or branch, or has the same manager as the owner or is the owner's manager or a subordinate.
- Definition of exchange rates – This is the basis for all reports and recorded data
- Utilities – Back up data, define automated processes
- Data import/export
- Recovery – Data administration/recovery
- Alert functions – Personal profile definition for warning messages
- Send message – Internal user, customer, and vendor
- Opening balances – Define general ledger account opening balances and business partner opening balances

For a detailed review of the configuration options for the other capabilities, see the "Appendix" section.

User-Defined Fields
In SAP Business One, users can define their own fields for all objects, including items, business partners, and orders. This enables them to manage the typical information required for many different business activities. They can also select user-defined fields to enter various types of information, such as texts, addresses, phone numbers, URLs, file attachments, images, and drop-down lists.

Formatted Searches
The formatted search ensures that values from a predefined search process are recorded for each field in the system (including user-defined fields). Possible uses for the formatted search (selection) include:
- Automatic entry of values in fields, based on the use of different objects in the system
- Entry of values in fields, based on predefined lists
- Automatic entry of values in fields, based on predefined queries (user-defined)
- Definition of dependencies between system fields – for example, the value in field X is dependent on the value in field Y
- Display fields that can only be used for queries – for example, user signature, creation date, and balance of open checks (for a business partner)

Dynamic Enhancement Options
SAP Business One offers a robust base system with powerful core functionality, including CRM, manufacturing, and finance capabilities. The solution includes the primary processes for a company as well as country-specific localizations, such as legal, currency, and financial requirements for use in any given country. Application programming interfaces (APIs) enable companies to use this base system with industry-specific functions – and to adapt existing functions to their needs.

The base system is equipped with a programming API that is based on COM technology. Companies can use this API to enhance the functional scope of the solution or adapt it to their specific requirements. The available COM objects can be edited with programming languages such as Visual Basic, C/C++, and Java. Two different APIs are available: one for data interfaces and one for editing the user interface.

Data Interface: Center for Object Exchange

The data API applies the objects and procedures to read and process the most important data objects in SAP Business One. This API allows users to access both master and transaction data, along with a variety of general objects. The objects and procedures supplied by the data API include:

- **DBConnection** – Establishes a connection to an SQL server
- **Company** – Represents an enterprise database
- **RecordSet** – Contains SQL data; its DoQuery function can be used to start SQL queries and presaved processes
- **SBObob** – Helps find valuable information quickly and easily
- **Message** – Enables sending a message to another SAP Business One user along with file attachments and links
- **UserFields** – Contains a collection of all user-defined fields
- **Field** – Processes field data
- **Items** – Represents the master data record for a product
- **BusinessPartner** – Contains the master data record of a customer or vendor
- **ProductTrees** – Represents the header of a BOM
- **ProductTrees_Lines** – Represents the individual materials that are assigned to a BOM
- **Documents** – Represents the header line of a sales or purchasing document
- **Documents_Lines** – Contains the individual items that are assigned to a sales or purchasing document
- **JournalEntries** – Represents journal entries

Access to the User Interface

The user interface API supplies objects and procedures that can be used to access input fields/check boxes, internal system events, and much more. The objects and procedures supplied by the user interface include:

- **Application** – Establishes the connection to the SAP Business One application
- **Form** – Represents a window within SAP Business One
- **Item** – Enables the processing of dialog boxes (and alters their contents as well as their position, size, or visibility)
- **Check box** – Processes check boxes
- **Matrix** – Stands for a table in a window
- **ItemEvent** – Is used to process events
- **MenuItem** – Activates individual menu items
- **MenuEvent** – Is used to influence an event process

Optional Functions

In addition to the basic solution, SAP offers a variety of optional functional extensions to SAP Business One. These features require no additional investment.

Outlook Integration

SAP Business One is fully integrated with Microsoft Outlook, enabling seamless communication that can span the organization and business functions. You will be able to share contacts, appointments, and tasks between SAP Business One and Outlook. There is also integrated quotation management in Outlook.

Migration Packages

- **Data Transfer Workbench**
  The data transfer workbench for SAP Business One migration tool assists you in your implementation projects to easily migrate master and transactional data from a legacy system into your SAP Business One system. Predefined data file templates are provided to simplify the preparation of date for importation.
- **Migration to mySAP™ Business Suite**
  Companies that use SAP Business One have a solution that grows to meet their changing requirements. SAP offers a migration path from SAP Business One to the mySAP Business Suite family of business solutions that allows businesses to interface with parent companies or to support dramatic growth up to thousands of employees.

Business Configuration Sets (BC Sets)

The BC set is an implementation toolset that is typically used to simplify the customization process. This feature makes partner solution packages easier to create and maintain. You can reuse settings for a certain function or an entire business process.

Payment Engine

The SAP Business One payment engine creates the file formats for electronic payments. You can access predefined file formats for bank transfer, direct debit, bank files for bill of exchange documents, importing bank statements, and electronic checks specific to different countries. The integrated cash & bank functionality permits you to process and reconcile several bank statement transactions in one step.

Advanced Layout Designer

The Advanced Layout Designer is a modular development tool that is integrated with SAP Business One to enhance functionality in the areas of print form and layout design, providing more control over the design and appearance of labels.

Support Desk

The support desk enables you to access the SAP Service Marketplace directly from your SAP Business One application. After a quick configuration you will be able to create a service message offline and then send the message with an attachment of maximum 4MB to the SAP Service Marketplace after going online.

SAP EarlyWatch® Alert

SAP EarlyWatch® Alert allows you to receive information on your system's performance. This helps to prevent system problems before they actually happen. The data is collected from your SAP Business One system and exported to the SAP system for analysis. The results of the analysis are replicated to the SAP Service Marketplace where you can access them. Additionally, you can receive all analysis reports via e-mail directly to your in-box.

Fixed Assets
(Austria, Belgium, Canada, Germany, Finland, France, Republic of Ireland, Netherlands, Portugal, Spain, Sweden, Switzerland, United Kingdom)

As a subsidiary ledger to financial accounting's general ledger, the software for fixed assets in SAP Business One enables you to manage and monitor fixed assets. Important processes like acquisition, credit memo, retirement, and transfer are supported. The system calculates planned depreciation according to the costs of acquisition and production as well as the useful life and carries out the necessary postings in the general ledger. In the fixed assets master data, you can monitor the change of values over the course of a year as a quick overview, and the depreciation forecast can simulate the future depreciation. As an important supplement to the balance sheet the asset history sheet displays all changes to the asset portfolio (transactions) in a fiscal year. Historical data and beginning values of a fiscal year can be made available by data import functionality.

DATEV-FI (Germany)

The DATEV-FI feature is an interface that allows users to export their financial information to their tax advisor. The DATEV-FI interface can be used to create and transfer financial data from SAP Business One to the German DATEV office accounting system. This data can be transferred from SAP Business One to the DATEV system or made available to an accountant in the DATEV postal shipping format. This is specific only to the German market.

Intrastat

Intrastat (intra-European-Union-trade statistics) reporting gives you a comprehensive statistical system for the monitoring of the goods flow between member states of the European Union. The Intrastat add-on creates the country-specific declaration files out of the SAP Business One data for declaration to the statistical office.

ELSTER Integration (Germany)

The acronym ELSTER stands for "Elektronische Steuererklärung" (electronic tax return). This project of the tax administration is designed to allow tax software users anywhere in Germany to complete their tax declaration electronically via the Internet. SAP Business One as ELSTER-compatible application software currently supports the advance returns for tax on sales and purchases.

Stampit Integration (Germany)

The Stampit tool is a PC-based franking software of the Deutsche Post AG (German postal service) to create online franking stamps that can be printed with the document itself. You can fill in a report template with current application data (for example, content of a quote). Given the address lines, Stampit creates a "stamp" picture including the stamp bitmap and the address lines.

Integration with mySAP Business Suite

The open architecture of SAP Business One integrates with mySAP Business Suite, as well as other independent software vendors, allowing companies to realize the extensive benefits of SAP from the largest division to the smallest subsidiary.

SAP Business One easily integrates corporate subsidiaries, partners, and suppliers into the mySAP Business Suite environment through the SAP NetWeaver™ technology platform, which enables all mySAP Business Suite solutions. The SAP NetWeaver platform allows companies to obtain more business value from existing IT investments and to deploy a services-oriented architecture. SAP NetWeaver provides the best way to integrate all systems running SAP or non-SAP software technologies into a single platform.

The Microsoft Windows environment within SAP Business One enables users to easily exchange data with other Windows desktop applications, such as Word, Excel, and Outlook.
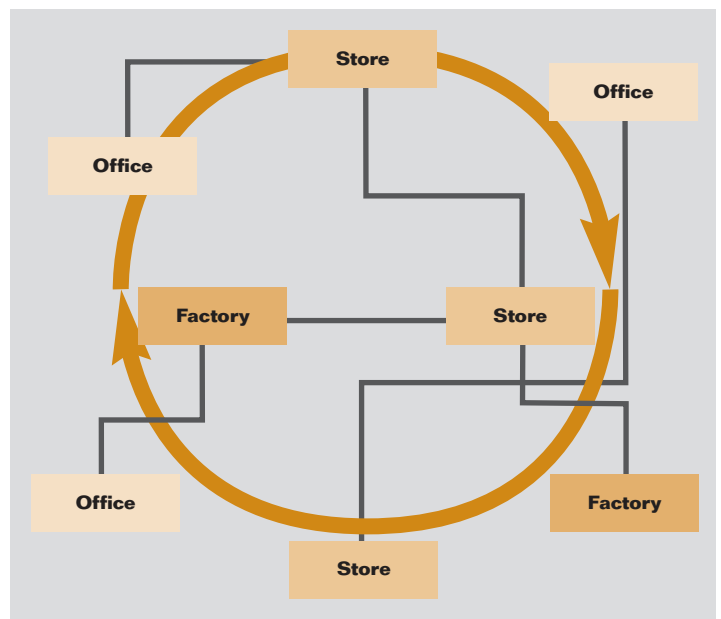

Figure 3: SAP® Business One introduces a new paradigm: it views your entire organization as a single object, regardless of office location.

Integration Scenarios for SAP System Groups

SAP Business One is the ideal solution for multinational corporations to use in individual branches or subsidiaries. An integration package seamlessly links mySAP Business Suite, which is used at headquarters, with the SAP Business One systems installed remotely by the international subsidiaries. The result is a seamlessly integrated system landscape based on SAP Business Information Warehouse (SAP BW), SAP Enterprise Portal, and SAP NetWeaver technology.

Data Consolidation with SAP BW

Managers of multinational corporations need integrated information systems that let them monitor the data from different production systems in order to make the best decisions. SAP Business One provides a preconfigured solution that monitors data in the solution and extracts it for reporting. SAP provides international subsidiaries that use SAP Business One with both the necessary configuration package and the corresponding capabilities for data access and data allocation.

SAP Enterprise Portal

Accessing data via SAP Enterprise Portal enables companies to integrate SAP Business One with mySAP Business Suite and external data sources as well as with other software solutions. Via the portal, they can create a central point of access for all shared business activities and can make information available to employees, partners, and customers all over the world. The benefits of this capability include:

- Centralized access to information, independent of the location of the data source (intranet or Internet)
- Integration of cross-company business processes
- Transparent, uniform access to solutions that enable both intracompany and intercompany cooperation
- High-level interaction technology – Intelligent content staging, user-friendly point-and-click, timesaving Drag&Relate

Portal Content Functions

SAP Business One includes portal content that enables companies to configure a geographically widespread system landscape. Users can access information in one or more installations of SAP Business One.

In the initial release of the software, the portal content consists of:

- iView software that displays information from SAP Business One and pages that contain iViews
- Pages that display SAP Business Information Warehouse Web reports
- Work sets for structuring the provided pages

This portal provides a well-structured overview of information from various sources and offers direct or indirect access to different SAP Business One installations via SAP Business Information Warehouse.

Defined User Roles

In their day-to-day work, employees at the international subsidiaries typically use the standard graphical user interface (GUI) from SAP Business One rather than the one available through SAP Enterprise Portal. If an enterprise portal is available within a global enterprise group, however, it can be used to provide system access for sales staff. With this approach, sales employees from the international subsidiaries can use an Internet browser to access SAP Business One remotely.

SAP Business One supports users in the international subsidiaries of multinational corporations who require information about the processes at these companies – many of which may use SAP Business One. These users also need:

- An initial screen that displays key figures, key performance indicators, or warning messages
- Functions for breaking summarized information into details – and for enabling the Drag&Relate function to drag objects from a report or alert to components in the iPanel so that users can find additional information or start cross-company processes
- Information, especially from the financial accounting and sales areas

System Requirements

Ensure Low Total Cost of Ownership

The solution's minimal system requirements keep total cost of ownership low and make administration and system maintenance straightforward and simple. The following table outlines the SAP Business One requirements.

Server	
Operating System	Microsoft Windows 2000 Server/Advanced Server Microsoft Windows 2003 Server Standard/Enterprise 32 Bit
CPU	MS SQL Server – 1x Intel Pentium III Sybase ASE – 1x Intel Pentium IV IBM Universal Database Express Edition – 1x Intel Pentium IV
RAM	MS SQL Server – 512MB Sybase ASE – 1GB IBM Universal Database Express Edition – 1GB
HD Free Space	MS SQL Server – System partition 0.5GB/Data partition 2GB Sybase ASE – System Partition 0.5GB/Data Partition 2GB + additional 1GB for each company IBM Universal Database Express Edition – System partition 0.5GB/Data partition 2GB
CD-ROM Drive	24x or higher
Display	640 x 480 with 256 colors or higher
Database	Microsoft SQL Server 2000 SP3 Sybase Adaptive Server Enterprise – Small Business Edition Version 12.5.2 GA IBM Universal Database Express Edition – Version 8.1 FP5
Software	Microsoft IE 6.0 SP1 Microsoft Data Access Components (MDAC) 2.6 / 2.8 for Windows 2003 Server For IBM Universal Database Express Edition: Microsoft Net SDK – Windows 2000 Microsoft Visual C++ .NET – Windows 2003
Workstation	
Operating System	Microsoft Windows 2000 Professional Microsoft Windows XP SP1 32 Bit
CPU	1x Intel Pentium
RAM	128 MB
HD Free Space	500 MB
CD-ROM Drive	24x or higher
Display	800 x 600 with 24 Bit colors or higher
Software	Microsoft IE 6.0 SP1 Microsoft Data Access Components 2.6 (MDAC) or higher

Table 1: Minimum Hardware and Software Requirements for
SAP® Business One

AN IDEAL BUSINESS SOLUTION

SAP Business One is the new standard for business management solutions. Offering an affordable, integrated business management solution designed specifically for SMBs, SAP Business One puts business users in charge by providing them with the power to make changes to the software and easily get the answers they need to run the business. SAP Business One is from the world's leading provider of business software solutions with more than 30 years of experience and 12 million users worldwide.

Take advantage of the strategic power of SAP Business One for getting ahead, growing profits, and achieving a new degree of control. For more information, visit our Web site at **www.sap.com/smb/businessone**

Appendix: Functions
Financials

Accounting – SAP Business One features a chart-of-accounts template for every country, which can be adapted to business requirements. This template can also be used to define individual charts of up to ten segments if reporting needs require.

Journal entries – The solution allows users to create new journal entries and search for existing ones. (Note: Most journal entries are posted automatically from the sales, purchasing, and banking areas.) In addition, users can automatically allocate each transaction to a project or a profit center.

Journal vouchers – Users can save multiple manual journal entries to a batch and process simultaneously, which allows verification and correct postings before they are entered in the general ledger.

Posting templates – Users can define G/L account assignment models, which saves time and helps avoid mistakes during the manual posting of journal entries.

Recurring postings – Users can define their own postings for regular execution in accounting – and specify a frequency for each recurring posting. (In this case, the solution automatically reminds them to enter these postings.)

Reversing journals – The solution allows users to reverse month-end accruals postings automatically. By default, reversal of specified postings will occur on the first day of the following calendar month, but if necessary, users can specify a different reversing date for each posting.

Exchange rate differences – The solution lets users periodically evaluate their open items in foreign currencies, then identify differences and choose the appropriate correction transaction.

Financial report templates – Users can quickly and easily generate any number of financial report templates. This form lets them create templates for any purpose (such as additional profit-and-loss statements).

Budgets – This feature helps users define and manage budgets. Users can configure budget allocation methods, define budget figures in any currency (local, foreign, or both), and display a summarized budget report that compares actual and planned figures. In addition, users can define an online alert that notifies them whenever a transaction exceeds a monthly or annual budget limit.

Define profit center – This function allows users to define different profit centers or departments. Users can allocate the corresponding revenue and cost accounts to a predefined profit center in the chart of accounts.

Define distribution rules – Based on defined costs and experience, users can define different distribution rules to characterize business activities, and then allocate a revenue or cost account to the corresponding distribution rule.

Table for profit centers and distribution rules – This function allows users to display profit centers and distribution rules in table form. All figures are displayed clearly and can be adjusted as necessary. Users can also define additional profit centers and distribution rules here. Once all cost factors have been defined, the system automatically allocates them to the individual cost centers in each transaction, giving rapid access to detailed cost information.

Profit center report – This profit-and-loss statement is based on revenues and costs – both direct and indirect – as defined in the allocation rules, and it can be run for any profit center. Users can choose between annual and monthly display format and compare the results with figures for the previous period.

1099 processing – SAP Business One can record 1099 form and box information for each appropriate vendor payment. This information can be edited right up until the time it is submitted. Beginning balances can be entered for information brought in from other systems partway through the year, and the appropriate 1099 information can be output at year's end for submission to the relevant authorities.

Sales Opportunities
The sales opportunities capabilities allow users to record every sales opportunity, from the first phone call to the successful close of a transaction. Users can enter various details concerning the opportunity, including the source, potential, closing date, competitors, and activities. As soon as the first relevant quotation is created, users can link it with the opportunity to simplify later tracking and analysis.

Sales A/R
The sales quotation capabilities of SAP Business One offer flexibility when creating the contents of quotations or any marketing document. Different line types are supported, allowing users to create subtotals of previous lines. Users can insert free-form text anywhere within the body of the document, as well as display recommended alternative items. Standard comments can be stored and reused. Header and footer text can also be user-defined for each document. The gross profit can be calculated for each quotation. The last sales prices offered to a customer can be viewed easily. Once a quotation is created, users can export it to Microsoft Word with a click of the mouse.

Order – This feature simplifies sales order entry by giving the order taker full view of an item's stock position in multiple warehouse locations when a shortage arises. The order taker can choose to order from a list of alternative items to back order the item or allow the item to be partially delivered. Orders can be created that support different delivery dates and ship-to addresses for each line item. Users can automatically create purchase orders from a sales order and drop ship them to the customer's site.

Delivery – The delivery function allows a shipping department to generate the necessary packing documentation for all goods shipped to a customer. The built-in packaging process facilitates the allocation of items into different packages during the delivery process. Users can store the delivery tracking number and access the shipping status within the delivery note with a click of the mouse. Warehouse quantities are automatically updated when a delivery is made.

Returns – Users can easily handle returns without credit, or repair returns using the returns document.

A/R invoice – The invoice automatically creates a corresponding journal entry. As a result, users can create an automatic receipt if the customer pays part of the invoice immediately.

A/R invoice and payment – Users can create an invoice and receipt in one step, using the same document.

A/R credit memo – When creating a credit memo for the customer – for example, for returned merchandise – users can easily import the required data from the original invoice or from any other sales and purchasing document.

Document printing – This function helps users print any sales and purchasing documents. Users can select by period, document number, or document type.

Automatic summary wizard – This wizard allows users to group all existing sales documents in a single invoice for a given customer. The wizard is especially helpful to those who create a variety of orders and delivery notes over the course of the month but need a summarized invoice for each customer at the end of the month.

Document drafts – This feature allows users to print, edit, and manage all documents that have been saved as drafts.

Dunning wizard – This powerful wizard handles multiple dunning letters per customer and maintains a dunning history for each customer. The wizard can be executed at regular intervals, such as monthly or weekly, to check all outstanding customer invoices. A series of dunning letters at different levels can be sent at predefined intervals. In addition, users can determine the method of calculating interest and dunning fees.

Purchasing

Purchase order – SAP Business One lets users order materials or services from vendors. These orders update the available quantity of the ordered items and inform the warehouse manager of the expected delivery date. Users can split a single purchase order into multiple parts when, for example, items need to be shipped to multiple warehouses. The split or revisions are required so that different packing slips and delivery notes can be created for each shipment. Each line item within a purchase order or an account payable (AP) voucher can be shipped to, or specified as, a different warehouse location.

Goods receipt purchase order – This function allows users to receive a delivery at the warehouse or allocate deliveries to multiple warehouses. Goods receipts may be linked to a purchase order, and users can change the purchase order quantity versus the actual received quantity.

Goods returns – Vendor returns for repair or without credit can be handled using the goods returns document.

AP invoice – When processing vendor invoices, SAP Business One also creates a journal entry. Users can use this information to process subsequent payments to the vendor.

A/P credit memo – Through this function, the solution lets users issue a credit memo to the vendor for returned merchandise. The required data can easily be imported from the original invoice, as it is with any other sales and purchasing document.

Landed costs – SAP Business One enables users to calculate the purchase price of imported merchandise. They can allocate the various landed cost elements (such as freight, insurance, and customs duties) to the FOB costs of each item, updating its actual warehouse value.

Document drafts – This feature allows printing, editing, and management of all purchasing documents that have been saved as drafts.

Document printing – This function helps users print all sales and purchasing documents. Users can select by period, document number, or document type.

Business Partners

All critical information on customers and vendors – such as address, preferences, sales employees, and credit terms – is entered in the business partner capability. Users can define an unlimited number of contact persons for each business partner, along with their phone numbers, e-mail addresses, and other important data. They can also enter a customer contact or vendor name and send e-mail or SMS messages. All relevant associated data – including customer sales reports and detailed balances – can be displayed. SAP Business One allows search methods such as "starts with," "contains," and "greater than," to find the appropriate items.

Activities – This feature tracks interactions with customers, such as phone calls, meetings, and follow-up tasks. Users can also add special notes and attachments to activities and schedule next action items.

Calendar – SAP Business One allows users to maintain a calendar that graphically displays the activities for one or more users. The calendar also provides functionality for scheduling activities as well as modifying scheduled activities. The calendar can be configured to show only specified activities and users. Users can also view activities in different layouts, such as daily, monthly, work week, full week, and team calendar.

Banking

Incoming payments – This feature allows users to record all incoming payments, including checks, credit card payments, cash, and bank transfers. Users can also allocate payments to open invoices in order to simplify the payment receipt process. When a user creates a payment, the general ledger is updated automatically.

Check fund – This feature helps users manage all check data, as well as endorse or cancel individual checks.

Credit card management – This feature helps users easily manage all credit card data, as well as endorse or cancel a credit card document.

Deposits – This function records cash payments, credit card payments, and check deposits. For deposits, a list of all checks is displayed and users choose the ones they want to deposit. Credit card payments can be deposited automatically, depending on agreements with the credit card vendors.

Outgoing payments – The outgoing payments function lets users define payments to vendors. They can allocate payments to open vendor invoices as well as initiate the automatic issue of checks to vendors.

Payment wizard – This feature saves time by helping users step through the process of creating a payment batch for electronic bank transfers or outgoing checks. Users select the vendors that need to be paid according to a series of user-defined criteria such as invoice due date or terms discount date. The system then creates a payment batch which can be viewed in the form of a report. The batch can be saved as a recommendation or executed at the time of creation.

Voiding checks – This feature allows users to reverse an entire payment posting and start again with the correct information. It is useful when a payment run encounters unforeseen circumstances (such as a printer jamming) that results in the recorded data differing from the information actually printed on the checks.

Bank statements and reconciliation – The solution enables fully automatic reconciliation. Users can reconcile credit and debit transactions with one another as a means of reconciling any general ledger account or comparing the cashbook balance with the bank statements balance.

Reconciliation wizard – This SAP Business One wizard can save your bookkeeper time. Once the reconciliation parameters are defined, the solution uses a sophisticated algorithm to calculate the correct bank reconciliation automatically.

Inventory

The inventory capabilities enable users to manage item master information and maintain serial and batch numbers as well as price lists. Users also can define alternative items, perform inventory increase or decrease adjustments, revalue inventory costs based on current market values, and perform cycle counts, as well as generate pick lists for open sales orders.

Item master data – This feature allows users to define production (make) items, purchase (buy) items, or noninventory items, including labor, travel, or fixed assets. Default information – such as purchasing vendor, purchasing and selling

unit of measure, as well as the tax status for an item – is maintained here. Stocked items can be maintained in multiple warehouses; the solution also can maintain the costs for each item in each warehouse. SAP Business One also supports different inventory valuation methods on a per item basis. The methods currently supported are standard cost, moving average, and FIFO. Planning data is also maintained within item master data. Users can define a procurement method (such as make or buy) as well as the order intervals in which to purchase an item (such as monthly, weekly, or daily). They can also define the lot sizes in which to purchase items, as well as the minimum order quantity and average lead time.

Serial numbers – Serial numbers can be automatically generated based on predefined masks; they can also be manually created and assigned only on release of an item from inventory or optionally on every transaction.

Batches – Users can assign batches to products and classify them by shelf life or any other freely definable attributes. The batches can then be defined for these products in sales orders, delivery notes, and inventory movements. A separate batch report is available for batch monitoring.

Substitute items – This feature allows users to create a list of items that can be suggested to the customer as alternatives if the required item is not available. Substitutes can be ranked based on similarity of item, price, or quantity.

Define business partner catalog number – This feature maintains a cross-reference table of vendor part numbers to inventory part numbers. Vendor part numbers can be used on purchasing documents in lieu of inventory part numbers.

Update stock method – Different situations or market conditions may require changes of the valuation method for your inventory. With the update stock valuation method report, users can easily select items from a list and change the current valuation method to an alternative method.

Goods receipt and goods issue – These two functions enable users to record goods receipts and issues that are not directly related to a sales or purchasing document.

Stock transfer – This feature allows users to move inventory between warehouse locations.

Inventory/stock posting – Users can use this function to:
▪ Enter opening balances for inventory items
▪ Update warehouse data in the system

Cycle counting system – In large warehouses, counting stock is often a continual process. This function streamlines the process by identifying when each item in stock is due to be counted. The alerts and reports produced help ensure that items of different levels of importance are counted as frequently as required.

Material revaluation – This feature enables users to make changes in existing inventory prices. This can be necessary when the current price of the material does not match the actual market price. In that case, the price is adjusted and a manual posting on the change is posted.

Price list – Users can define any number of price lists and link them with customers or vendors. In addition, they can create dynamic links between price lists, quickly and easily, updating the links automatically whenever the primary price list changes.

Special prices – Users can define special prices for individual customers or vendors. They also can define quantity-specific prices that link to order volume and define a validity period for each price list; the validity period is adjusted automatically whenever the data changes. In addition, users can even define discounts based on different terms of payment.

Pick and pack manager – The pick and pack manager capabilities allows users to manage the picking and packing process within three queues. As sales orders are entered, they are

displayed in the "open" queue; quantities can be marked as fully or partially released for picking. The "released" queue displays all orders released for picking; it can be marked as fully picked or partially picked. Either within the "open" or "released" queues, users can automatically create pick lists per order or for a range of orders. Within the "picked" queue, orders marked as picked can be displayed and selected for packing. The pick and pack manager offers a range of sorting options and flexibility to work with your picking and packing processes.

Production

Define BOM – A multilevel BOM can be defined in this window. To do so, users define a finished goods product – and all the raw materials that are required to produce it – with precise specifications for the quantities and warehouses involved.

Production order – The production capabilities allow users to create three types of production orders: a standard order, which is created from an existing bill of material; a special order, which is built from scratch; and a disassembly order, which is used to disassemble finished goods and put components back into inventory. Production orders can be created for "make" items with a planned status and later released to the shop floor. Components assigned to a finished goods item can be issued to the production order manually or using the back flush method. Components can be substituted or added. The solution also supports partial completion of production orders, giving complete flexibility and control of work orders. Users can view planned quantity versus completed and rejected quantities, and they can monitor the due dates of the order. Customer sales orders can be referenced on a production order, allowing users to check the status of the item while it is in work-in-process.

Receipt from production – This feature allows users to receive completed production orders into finished goods inventory.

Issue for production – This feature allows users to issue raw material components to specific production orders.

Material Requirements Planning (MRP)

SAP Business One offers a simple yet powerful planning system that helps production planners or buyers schedule and manage items for production or purchasing based on a variety of criteria.

Define forecasts – This feature allows users to predict demand based on forecasts, instead of relying solely on received orders. Forecast calculations help users foresee future demand for the product and adjust material planning accordingly. These demand forecasts can be used as an additional requirement in the report.

Planning wizard – The planning wizard steps users through the process of creating planning scenarios in five easy steps. Users define the planning horizon, which can be viewed in weeks or days. They also can opt to exclude nonworking days from the production and purchase planning. Scenarios can be run for a range of items or item groups. The user selects the desired criteria in the scenario, such as existing stock levels, open purchase orders, sales orders, work orders, and inventory that reached its minimum stock level, as well as predefined sales forecasts. Once a scenario is executed, the solution presents a recommendation to "make" or "buy" items in a recommendation report. Numerous drill-down options are available to allow planners to view the net requirement calculations and view the actual documents driving the gross requirements. Exception warnings and visual queues are also available; these help users identify orders that need to be expedited. Planning scenarios can also be saved as "simulations;" users can run a series of "what if?" scenarios without impacting the recommendation report.

Order recommendation report – From the recommendation report, planners can automatically select recommended production orders and purchase orders for automatic creation. If an item needs to be outsourced, the system allows planners to easily convert a production order to a purchase order. Purchase orders to the same vendor can be optionally consolidated into one order, streamlining the purchasing process.

Service Management

The service management capabilities help service departments provide support for service operations, service contract management, service planning, tracking of customer interaction activities, customer support, and management of sales opportunities. The capabilities include:

Service call – This feature enables users to manage, track, and resolve customer questions and deal with item-related problems. Users also can view and maintain call history related to a particular incident. Various call statuses can be monitored, and calls can be assigned to individual technicians or maintained in a team queue.

Customer equipment card – This feature provides service technicians with detailed information about an item sold to a customer, such as a manufacturer's serial number, replacement serial number, and all service call history. It also lists service contracts assigned to the item.

Service contract – This feature allows users to create a regular support or warranty contract for items or services sold to a customer. The contract maintains the start and end dates, as well as specific terms of the contract, such as guaranteed response or resolution times. Service call history can be viewed from any contract; this feature also displays all items related to the contract.

Knowledge base solution – This feature includes key solutions for resolving various problems and situations. It helps streamline service and speed up service representatives' performance. It also allows external sources to view questions and solutions regarding the organization's products.

Service reports – These reports enable users to view and analyze data related to service contracts, customer equipment, and service calls. Users can check service calls made by individual sales representatives or those reported by certain customers; they also can use the reports to evaluate efficiency and performance.

Human Resources

The HR capabilities provide staff management capabilities, including employee details and contact information, including:

Employee master data – This feature allows users to track important information about each employee, such as name, job title, skills, department, reporting manager, attendance information, salary, team membership, and address information.

Reporting

The reporting capabilities enable users to create reports and initiate corrective actions immediately afterwards. It includes accounting reports, enterprise reports, inventory reports, financial reports, and reports to aid decision making. Users can export any report to Microsoft Excel with a click of the mouse. Via the solution's simple data navigation, users can easily retrieve the exact data needed from these reports, saving valuable time while accessing new data and information. Internal and external reconciliation can be executed with exception reporting, which saves time when closing the books and preparing reports. The reporting capabilities include the following functions:

Accounting reports, including:
- Account balances for business partners and general ledger accounts
- Aging reports, including customer receivables or vendor payables by due date. When users click on a customer line, a detailed report for that customer is displayed. A "hot link" with Microsoft Word displays the customer's account balances with a single click, showing the status of the respective customer receivables.
- Transaction journal
- Transaction journal by projects
- Tax report, which shows accumulated tax liabilities in accordance with local legal requirements

Company reports, including:
- Balance sheet
- Trial balance
- Profit-and-loss statement
- Cash flow, which analyzes cash flow across all revenues and expenses, including checks, credit card payments, recurring transactions, and customer receivables. Users can select from numerous detail levels.

Comparative reports – All reports can also be run as comparisons (months, quarters, years, or any other period).

Budget reports – These reports help users define and manage budgets. Users can configure budget allocation methods, define budget figures in any currency (local, foreign, or both), and display a summarized budget report that compares actual and planned figures. They can also define an online alert that lets the user know whenever a transaction exceeds the monthly or annual budget limit.

Sales opportunity reports, including:
- **Opportunities** – Lets users perform an opportunity analysis from three perspectives: by customer, item, and sales employee. Perspectives can be combined. The report automatically creates charts to illustrate the data visually. Users can display every report in any degree of detail – from the most general (opportunities by customer group, for example) to the very specific (opportunities by customer).
- **Stage analysis** – Allows users to view sales opportunities at different stages in the sales cycle.
- **Opportunities pipeline** – Generates a dynamic opportunity overview of all sales steps, from lead to order, in a funnel chart. Users can click the mouse on any element to display a detailed report for each level. Other graphical functions are available to illustrate the sales process. For example, the solution can display the most important 10 to 30 opportunities, with all details, from inception to closing. This report makes it much easier to spot trends and buying patterns.

- **Opportunity forecast** – Allows users to estimate open opportunities grouped either by a territory, sales person, or business partner.
- **Opportunity forecast over time** – Shows sales opportunities over specified time periods (such as month, quarter, or year), so that trends can be identified and analyzed, helping an organization to make the correct marketing and sales decisions.
- **Won opportunities** – Helps users to analyze sales opportunities that were won and the stages at which deals were closed.
- **Lost opportunities** – Provides information on lost opportunities and stages when each opportunity was closed.
- **My open and closed opportunities** – Displays open or closed opportunities for a specific user.
- **Lead distribution over time** – Provides information on the distribution of open and closed opportunities within the selected time period.

Sales and purchasing reports, including:
- **Open items list** – Enable management to quickly generate an overview of all open items in their areas, including unpaid invoices, open quotations, and pending orders. Integration with Microsoft Word helps you generate letters to the relevant customers.
- **Sales analysis** – Lets users conduct a sales analysis from three perspectives: by customer, item, and salesperson. Perspectives can be combined to highlight additional detail (for example, items sold by a certain salesperson or items purchased by a customer). The report automatically creates diagrams to display the data visually. Users can display information in any degree of detail, from the most general (such as sales by customer group) to the most specific (an invoice for a specific customer).
- **Purchase analysis** – Similar to the sales analysis report, this report allows users to analyze purchasing trends for various items purchased from vendors over various periods of time.

Business partner reports, including:

- **Activities overview** – Sorts all open contacts by date and with reference to the current day or week. Users can complete current activities and contacts, and close activities and contacts that have already been completed.
- **Inactive customers** – Provides a complete list of customers considered inactive.
- **Dunning history** – Tracks the dunning history for a business partner.

Service, including:

- **Service calls** – Allows users to view all service calls entered in the system that were created, resolved, or closed on a speci-fied date or within a range of dates. Users can restrict the report to only see service calls for a specific queue, technician, problem type, priority, item, and call status. Users also can view only overdue calls.
- **Service calls by queue** – Tracks all pending service calls in the queue.
- **Response time by assignee** – Enables users to follow the interaction between a customer and service and to record the time necessary to respond to a single service call.
- **Average closure time** – Analyzes the average amount of time taken to close an incident or a range of incidents.
- **Service contracts** – Lists service contracts for a customer or range of customers by contract type and status.
- **Customer equipment report** – Shows all equipment and corresponding serial numbers sold to a customer or a range of customers.
- **Service monitor** – Monitors open calls and past-due calls through a dynamic graphical report. Sound warnings are triggered when a call reaches an open call or overdue call limit.
- **My service calls** – Allows service technicians to manage and monitor their calls with various statuses.
- **My open service calls** – Displays open calls by technician.
- **My overdue service calls** – Shows overdue calls by technician.

Inventory reports, including:

- **Item list**.
- **Last prices** – Displays a list of prices last offered to a specific customer.
- **Inactive items** – Lists inactive items in a defined period, which helps companies reduce warehousing costs.
- **Item query** – Retrieves item details.
- **Inventory posting list by item** – Groups all inventory post-ings by business partner or item.
- **Inventory status** – Displays the warehouse inventories by item in stock, quantity ordered, and available quantity. It lets users click the mouse on an item line to execute an open sales order report for the selected item.
- **Inventory in warehouse report** – Displays all item stocks by warehouse as well as the total balance for each item.
- **Inventory valuation report** – Evaluates inventory on hand using a variety of valuation methods, such as FIFO, LIFO, standard cost, moving average and last purchase price, regard-less of the actual valuation method used for transaction post-ings. It also displays an overview of all items or each individual item in detail. The solution includes a special algorithm that ensures that negative item stocks are interpreted correctly.
- **Serial number transaction report** – Lists every transaction involving a serialized item.
- **Batch number transaction report** – Shows every trans-action involving items assigned to batches.

Production reports, including:

- **Open work order** – Summarizes all work in progress and displays the corresponding work orders with just one click.
- **Bill of materials** – Displays an overview of all product BOMs at each requested level and with different degrees of detail.

Human resources, including:
- **Employee list** – Contains employment information such as branch, department, job title, position, manager, and personal details.
- **Absence report** – Lists lost workdays.
- **Phone book** – Displays contact details for each employee, including phone number, extension, mobile phone, pager, and fax.

Query generator – This tool features a simple language for creating database queries and defining reports. Users can use all the data from any field to create a detailed or summary report. Once a query is defined, it can be saved in the query library for future use. The report editor can be used to refine and change existing queries.

Query wizard – This tool is similar to the query generator, but it allows users to generate queries using a wizard to step them through the process. This tool is helpful to users unfamiliar with SQL syntax who want to build queries.

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