SAP Ariba ⋀

Feature at a Glance
Central Contracts integration support from SAP Ariba Contracts to SAP S/4 HANA Cloud

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THE BEST RUN **SAP**

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Customer challenge

Customers using SAP solution expect an integrated end to end Source to Pay process between SAP Ariba and SAP S/4 HANA Cloud.

One of the elements of this integrated flow is the ability to manage the strategic contract management process in SAP Ariba while seamlessly operationalizing the contract in downstream systems through integration with the Central Contracts process in S/4 HANA.

Meet that challenge with
SAP Ariba

This feature allows integration of central contracts between SAP S/4HANA Cloud and SAP Ariba Contracts through SAP Cloud Integration Gateway. Buyers using SAP Ariba Contracts can create and send contracts with the document category, Central Contract, to SAP S/4HANA Cloud.

This provides the capability to maintain the prices in SAP Ariba while updating the contracts centrally through Central Procurement in S4 HANA Cloud as required.

The process integration adopts standard SAP technology guidelines for an true end to end integrated experience.

Experience key benefits

Enjoy fast time-to-value and low total-cost-of-ownership with cloud-based delivery.

Integrate your SAP S/4HANA to SAP Ariba Contracts by simple activation.

Simplify and accelerate your configuration by taking advantage of built-in SAP Best Practices.

Receive predictable results fast as these best practices guide you through the integration process step-by-step.

Solution area

- SAP S/4 HANA Cloud (Public / Private)
- SAP Ariba Strategic Sourcing Suite
- SAP Ariba Contracts

Implementation information

This feature is automatically on for all customers with the applicable solutions, but requires customer configuration..

- This feature is activated with scope item 4BO for S/4HANA Cloud customers
- It requires customer configuration within SAP S/4HANA Cloud, SAP Ariba Contracts and SAP Ariba Cloud Integration Gateway.

Prerequisites and Restrictions

This scope item uses SAP Ariba Cloud Integration Gateway for the integration and covers the full functional scope of the Sourcing with SAP Ariba Contracts (4BO) scope item.

Master Data Integration with Product Service in S4 HANA Cloud should be enabled (DMS-10349, PI-22097).

The current scope (4BO) works only in a single S/4 HANA tenant i.e., both Central Procurement and its connected ERP should be in the same S/4 HANA instance.

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Feature Overview

SAP Ariba Contracts Integration with S4HANA Cloud (4BO) enables you to connect your SAP S/4HANA digital core with SAP Ariba Contracts for managing strategic contract activities and while integrating it with operational system. This provides the central procurement organization the capability to negotiate and maintain prices in SAP Ariba and keep the operations activities going with all latest information from flowing from strategic applications to the operational system. This can be maintained for the lifetime of the contract with the third party.

This feature allows users to utilize the best of breed sourcing and contract management capabilities in SAP Ariba with the central procurement capabilities in S/4 HANA Cloud. SAP Ariba provides a guided experience to users to create contracts with pre-approved templates, rich clause library, supplier negotiation tools, and pricing terms management. Upon finalization, the central contract can be consumed in S/4 HANA Cloud for central procurement processes that takes care of operational procurement of multiple ERPs. The integration between the systems ensures compliance adherence to the pricing terms during the term of the contract.

All data is routed through SAP Ariba Cloud Integration Gateway (CIG).

This integration also supports using the item master data from S4 HANA Cloud.

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Key Process Flows Supported

The following key process flow is enabled with the feature Central Procurement (Central Contract) integration support from SAP Ariba Contracts to SAP S/4 HANA. This feature enables users to seamlessly connect SAP S/4HANA digital core with SAP Ariba Contracts.
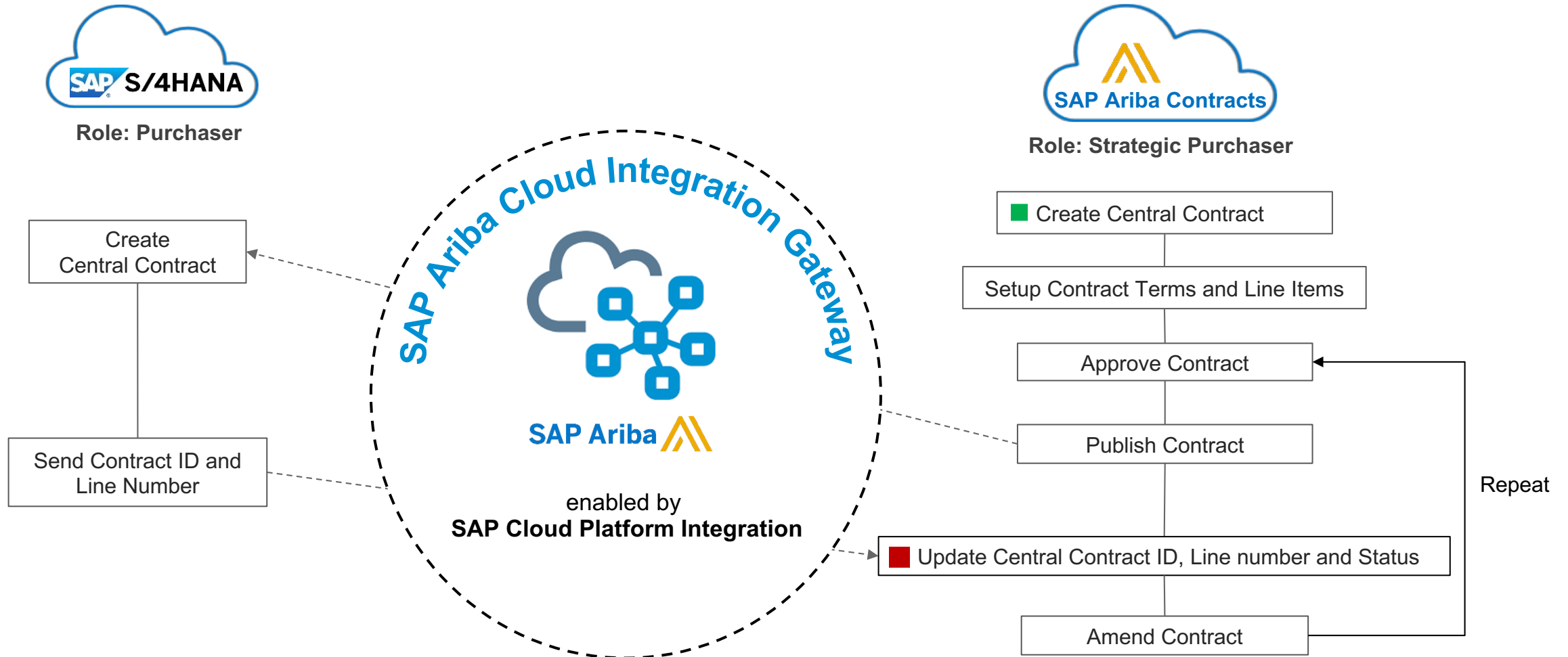
Process flows
A buyer in the organization is responsible for sourcing and negotiating materials and services at lowest total cost. This includes finalizing the negotiated prices for goods to be procured and signing the legal contract with a supplier. To operationalize the contract, the pricing details can be passed over to S/4 HANA Cloud as a Central Contract so that functional buyers can use the negotiated prices to buy goods as required.

➢ Buyers on SAP Ariba Contracts create contracts with document types Quantity Contract (MK) and Value Contracts (WK).

➢ Buyers then publish the contract and send it to SAP S/4HANA Central Procurement through SAP Ariba Cloud Integration Gateway.

➢ When buyers update an existing contract, they can send the updates to single or multiple line items for a Central Contract.

➢ SAP S/4HANA Central Procurement buyers receives and processes the contracts containing the items from SAP Ariba Contracts to create contracts with the document category, Central Contract. These Central Contracts in S/4HANA Central Procurement will be used by functional buyers from central purchasing organization and take care of distribution lines to connected ERP.

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Legend: ☐ Process step (mainly manual)   ☐ Process step (mainly automatic)   🟩 Start process   🟥 End Process

SAP S/4HANA
Role: Purchaser

SAP Ariba Contracts
Role: Strategic Purchaser

SAP Ariba Cloud Integration Gateway

SAP Ariba

enabled by
SAP Cloud Platform Integration

Create Central Contract

Send Contract ID and Line Number

🟩 Create Central Contract

Setup Contract Terms and Line Items

Approve Contract

Publish Contract

🟥 Update Central Contract ID, Line number and Status

Amend Contract

Repeat

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Documentation

Detailed documentation for end to end process, configuration guides for S/4 HANA Cloud, SAP Ariba and SAP Ariba Cloud Integration Gateway can be found at below locations.
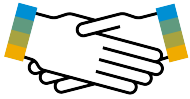
➤ SAP help portal
  - url: https://help.sap.com/viewer/0e602d466b99490187fcbb30d1dc897c/2005.500/en-US/238e750c2cee4afeb07bd9514807c0d3.html
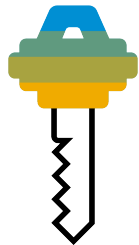
Appendix

SAP Best Practices Content

SAP Best Practices Explorer – **The web channel experience to search, browse, and consume SAP Best Practices**

Benefits for Customers & Partners

- One place to find all packaged solutions and best practices (from SAP and partners) for SAP products
- Available for online and offline use

Key Facts on the App

- SAP Fiori 2.0-like navigation – simple and easy – built using SAPUI5 technology
- High performance, flexible search, detailed reporting capabilities
- Customer and partner validated usability
  - In-page search with color highlighting of search results
  - Search by scope item ID and scope item description possible
- Ready for partners: Qualified partners will use an easy-to-use publishing – SAP Cloud-based offering – the SAP Best Practices Package Manager

SAP Best Practices Explorer