



GLOSSARY OF SAP S/4HANA LOGISTICS 1909

**A Quick Reference Guide to
SAP Terminologies**

Concept/Term	Definition
SAP S/4HANA Logistics	Core set of modules handling supply chain, procurement, inventory, and sales. Powered by HANA for real-time operations.
Embedded Analytics	Real-time, in-system reporting using CDS Views and Fiori apps. Replaces traditional static reports.
Material Master	Central record that stores all data related to materials. Used across MM, SD, PP, and other modules.
Business Partner	Unified master data object for customers, vendors, and contacts. Replaces customer/vendor master in S/4HANA.
MRP Live	Real-time material requirements planning using HANA engine. Offers faster, simplified planning runs.

Concept/Term	Definition
Fiori	SAP's UX interface using tiles for simplified transactions. Standard in S/4HANA for logistics apps.
Procurement	End-to-end process of acquiring goods or services. Includes sourcing, ordering, and invoicing.
Inventory Management	Module handling stock movements, adjustments, and valuations. Fully integrated with Finance.
Advanced ATP	Checks product availability using rules, supply types, and backorders. Enhances classic ATP checks.
Warehouse Management	Manages stock location, movements, and automation within warehouses. Embedded WM and EWM available.

Concept/Term	Definition
Extended Warehouse Mgmt (EWM)	Advanced warehouse module managing high-volume operations. Integrated with TM and Yard Management.
Transportation Management (TM)	Plans, executes, and tracks inbound/outbound freight. Embedded in S/4HANA Logistics 1909.
Source-to-Contract	Procurement phase covering vendor selection and contract creation. Streamlined via Fiori apps.
Purchase Requisition	Internal document requesting the purchase of materials/services. Often auto-generated via MRP.
Purchase Order (PO)	Legal document sent to vendors to order materials/services. Contains delivery and payment terms.

Concept/Term	Definition
Inbound Delivery	Document used to manage incoming goods. Enables warehouse visibility and scheduling.
Outbound Delivery	Used to manage goods issued to customers. Linked to shipping, picking, and packing.
Goods Receipt (GR)	Confirmation of received materials into stock. Updates inventory and triggers invoice process.
Goods Issue (GI)	Reduces stock when materials are shipped, consumed, or scrapped. Integrates with costing.
Material Document	Records all physical material movements. Automatically created during GR, GI, or transfer postings.

Concept/Term	Definition
Transfer Posting	Movement of materials between storage locations or valuation types. May or may not involve physical movement.
Stock Types	Categories of inventory such as unrestricted, quality, or blocked. Determines usability and status.
Valuation Class	Assigns material to a G/L account for inventory valuation. Key in automatic account determination.
Movement Type	Three-digit code defining type of inventory movement. Determines posting and update logic.
Physical Inventory	Process to verify actual stock levels. Results in adjustments if discrepancies are found.

Concept/Term	Definition
Procurement Types	Classify how a material is procured – externally, internally, or subcontracted.
Purchasing Info Record	Stores price and delivery info for a material-vendor combo. Used in PO creation and price automation.
Scheduling Agreement	Long-term purchasing agreement with delivery schedules. Automates repetitive ordering.
Outline Agreement	Framework contract for bulk or long-term purchasing. Includes contracts and scheduling agreements.
Source List	List of approved vendors for materials. Controls sourcing and purchasing decisions.

Concept/Term	Definition
Condition Record	Stores price, discount, freight, and tax conditions. Used in purchasing and sales processes.
Quotation	Vendor's formal offer in response to an RFQ. Stored in the system for comparison and decision.
RFQ (Request for Quotation)	Sent to vendors to request pricing and terms. Part of sourcing process in procurement.
Stock Transport Order (STO)	Document for moving goods between company locations. Supports inter- and intra-company transfer.
Consignment	Inventory owned by vendor but stored at customer site. Liability arises only when used.

Concept/Term	Definition
Subcontracting	Process where vendor uses provided components to produce semi-finished goods. Tracked using special PO types.
Batch Management	Tracks individual production lots of materials. Enables traceability, expiry, and quality control.
Serial Number	Unique identifier for individual product units. Used for tracking and warranty purposes.
Delivery Document	Central document managing shipment details. Linked to sales, picking, and billing.
Picking	Process of retrieving goods from warehouse for delivery. Managed via delivery documents and warehouse tasks.

Concept/Term	Definition
Packing	Assigns materials to handling units for shipment. Stored in the delivery document.
Handling Unit	Combination of packaging material and contained items. Tracks inventory in logistics execution.
Transportation Planning Point	Organizational unit for transportation planning. Used in TM for carrier assignment and route scheduling.
Route Determination	Automatically selects the path for delivery. Based on shipping point, destination, and transport group.
Lead Time	Time required from order to delivery. Includes processing, production, and shipping time.

Concept/Term	Definition
Availability Check	System check during order or delivery creation. Ensures stock is available as per requested schedule.
Service Entry Sheet	Confirms services received against PO. Triggers invoice and payment cycle.
Integration with Finance	Logistics transactions like GR, GI, and invoice posting automatically update accounting.
MIGO	Transaction used for all goods movements. Central hub for GR, GI, and transfer postings.
MIRO	Used for invoice verification in procurement. Posts vendor invoices and matches with PO and GR.