



GLOSSARY OF SAP S/4HANA Ariba UPSTREAM & DOWNSTREAM WITH CIG

**A Quick Reference Guide to
SAP Terminologies**

Concept/Term	Definition
SAP Ariba	A cloud-based procurement and supply chain collaboration solution for both upstream and downstream processes.
S/4HANA	SAP's next-generation ERP suite designed for digital transformation, offering real-time analytics and seamless integration.
CIG (Cloud Integration Gateway)	An integration platform that connects SAP Ariba with SAP S/4HANA and other ERP systems to simplify data transfer and integration.
Upstream Procurement	The strategic procurement processes including sourcing, contract management, and supplier management.
Downstream Procurement	The operational procurement processes, including purchase requisitions, orders, invoicing, and payments.

Concept/Term	Definition
Supplier Management	The practice of managing supplier information, performance, and risk, enabling better collaboration.
Sourcing	The process of identifying and selecting suppliers to procure goods and services at optimal costs and terms.
Contract Management	The systematic management of contracts from creation through execution and analysis to maximize performance and minimize risk.
Procure-to-Pay (P2P)	The end-to-end process of procuring goods and services from suppliers and processing payments, covered under downstream processes.
Source-to-Contract (S2C)	The upstream procurement cycle including supplier discovery, sourcing, and contract management.

Concept/Term	Definition
Purchase Requisition (PR)	An internal document that authorizes the procurement of goods or services.
Purchase Order (PO)	A formal document sent to suppliers to purchase goods or services.
Invoice Management	The process of handling supplier invoices, validating, and processing them for payment.
Supplier Qualification	A process to assess a supplier's ability to meet business requirements before contracting.
Supplier Onboarding	The initial process of collecting, verifying, and storing supplier information to facilitate procurement and payments.
Ariba Network	A digital marketplace connecting buyers and suppliers for B2B commerce and collaboration.

Concept/Term	Definition
Catalog Management	The process of managing and maintaining supplier catalogs, including pricing and product information.
Purchase Order Confirmation	An acknowledgment from the supplier that they have received and accepted the purchase order.
Goods Receipt	The process of recording the receipt of goods or services in the system to confirm delivery.
Invoice Reconciliation	The process of matching invoices with purchase orders and goods receipts to ensure accuracy before payment.
Spend Visibility	The ability to analyze and monitor procurement spending across the organization.
Contract Compliance	Ensuring that procurement activities adhere to contractual agreements and policies.

Concept/Term	Definition
Supplier Performance Management	Monitoring and evaluating supplier performance to ensure compliance with agreements and service levels.
Sourcing Event	An online event where suppliers compete for business through bidding or tendering.
Request for Quotation (RFQ)	A document sent to suppliers requesting pricing and availability for specific goods or services.
Request for Proposal (RFP)	A document issued to suppliers to solicit proposals for services or complex goods, including technical and cost specifications.
Ariba Guided Buying	A user-friendly interface that helps employees purchase goods and services within policy guidelines.

Concept/Term	Definition
Contract Workspace	A collaborative environment within SAP Ariba to create, manage, and execute contracts.
Invoice Rejection Handling	The process of resolving discrepancies in invoices before payment, typically by communicating with suppliers.
Supplier Risk Management	Identifying and mitigating risks associated with supplier relationships and procurement activities.
Integration Suite	A cloud-based platform that connects SAP and non-SAP systems, enabling end-to-end process integration.
Ariba Strategic Sourcing Suite	An integrated suite of applications that support sourcing, contracting, and supplier management.

Concept/Term	Definition
Supplier Self-Service (SSS)	A portal that allows suppliers to update their information and track transactions independently.
Invoice Collaboration	An Ariba feature that enables buyers and suppliers to work together on invoicing and payment processes.
Payment Terms	The conditions under which a buyer will complete a payment, including time frames and discounts.
Supply Chain Collaboration	Working with suppliers to enhance visibility and performance across the supply chain.
Payment Processing	Handling payments to suppliers, including invoice validation and fund transfers.
Transactional Data	Data related to procurement transactions such as purchase orders, goods receipts, and invoices.

Concept/Term	Definition
Compliance Check	Verifying that procurement activities adhere to legal, policy, and contractual requirements.
Supplier Discovery	Finding and qualifying new suppliers to meet business needs.
Supplier Enablement	Integrating suppliers into the Ariba Network to facilitate electronic transactions.
Catalog PunchOut	Directly accessing supplier catalogs from the procurement application through a seamless connection.
Supplier Risk Workspace	A centralized place within SAP Ariba to manage risk assessments and mitigation strategies.
Invoice Automation	Automating the processing and validation of supplier invoices to streamline payment cycles.

Concept/Term	Definition
Order Confirmation	Verification from the supplier that an order has been accepted and is being processed.
Supplier Collaboration Portal	A web-based platform that allows suppliers to track orders, submit invoices, and update information.
Supplier Data Enrichment	Enhancing supplier data with additional attributes or updates from verified sources.
Performance Scorecard	A tool used to evaluate and monitor supplier performance based on KPIs and metrics.
Risk Assessment	Evaluating potential risks associated with suppliers or procurement activities.
API Integration	Enabling communication between SAP Ariba and SAP S/4HANA using APIs to synchronize data and transactions.