

Introduction: Market Trends and Challenges

Marketing

Sales

Selling Products and Services

Product and Service Portfolio

Customer Invoicing

Sales Planning

Customer Contracts

Service

Customer Contracts



Contracts are essential documents when offering professional services, where suppliers and customers negotiate and document their agreement, including invoicing and payment rules.

Customer contract functionality in SAP Business ByDesign allows organizations to process support and managed services contracts. It supports the entire end-to-end service process from the initial request to service fulfillment and billing, so that end users can concentrate on their customers while the solution ensures an integrated document flow.

SAP Business ByDesign calculates the charges for ordered services on the basis of price agreements in the underlying customer contract. Ordered services can be invoiced in full or using an invoice schedule that specifies the invoice dates and amounts for each service item.

The contract functionality in SAP Business ByDesign helps organizations to:

- Generate new revenue streams from managed service operations and support activities
- Manage all aspects of the contract consistently, including creation, service provisioning, renewal and cancellation, invoicing, and financial accounting, to deliver greater operational efficiency
- Avoid off-line contract management and information silos by making contract management a standard part of the business solution
- Provide complete profitability analysis of contracts so that future pricing and service-level agreements can be managed more profitably
- Provide a consistent relationship with the customer, which helps increase loyalty and provide stability to the company's revenue stream





Introduction

Innovations

Executive
Management
Support

Financial
Management

**Customer
Relationship
Management**

Project Management

Human Resource
Management

Supplier Relationship
Management

Supply Chain
Management

Business Scenarios

Contact Us

Introduction: Market
Trends and Challenges

Marketing

Sales

Service

*Service Desk and
Entitlements*

*Field Service and
Repairs*

Service Desk and Entitlements

The service desk application in SAP Business ByDesign enables organizations to process and manage service requests that result from a customer enquiry. It includes the ability to track customer issues, provide answers through a knowledge base (articles about previous solutions, procedures, frequently asked questions, and repair hints), and create follow-up process steps such as service orders or activities.

A service request can be created through various channels, such as phone or e-mail. With e-mail integration a service request is automatically created and assigned to the service processor. Information is verified and further data added, such as entitlements related to the product, customer, contract, or information about the appropriate service level agreement (promised response times, resolution times, or hours of availability within which the issue must be solved or escalated).

A service request can also be created in the collaboration window provided by SAP. This additional desktop integration tool allows contacts and customers to be identified from an incoming call. It acts as a central hub for people-to-people collaboration and for external devices and services.

A search engine allows service desk agents and service engineers to retrieve knowledge base articles to quickly solve customer problems. Existing articles can also be edited to keep the knowledge base up to date.

If the issue cannot be solved directly or with a temporary workaround, it can be forwarded to the next support level, either in-house or externally.

In the case of a more complex issue, or where a service engineer is needed, a service order can be created as a follow-up process.

The service desk functions share the same document flow, making it possible to handle typical request-to-resolve situations. For more information about the request-to-resolve business scenario, refer to the “Business Scenarios” section. In SAP Business ByDesign service entitlements allow companies to provide better services for their customers. Service entitlements define warranties, service levels, and service categories and their relevance to products and services.

Once established in the system, service entitlements are automatically determined – for example, in service requests or service orders. Registered products apply the predefined warranties to a specific sold product.

Reports provide key insights into the performance of the service process and allow companies to identify areas for improvement. The service request compliance report shows the percentage of requests that are compliant to the defined service levels.

The report indicates the efficiency of the internal processes and allows companies to focus on areas for improvement.





Introduction	Innovations	Executive Management Support	Financial Management	Customer Relationship Management	Project Management
Human Resource Management	Supplier Relationship Management	Supply Chain Management	Business Scenarios	Contact Us	

Introduction: Market Trends and Challenges

Marketing

Sales

Service

Service Desk and Entitlements

Field Service and Repairs

Field Service and Repairs

SAP Business ByDesign also supports the processes for providing repair, maintenance, and on-site services to customers. It provides functions to plan service orders and to handle service confirmations and the related activities that are needed to fulfill and confirm services.

There are also enhanced functions for:

- Customer warranties – making coverage transparent, identifying legal requirements, and providing information on warranty-related costs and profits
- Service levels – defining reaction times, specifying and measuring performance objectives, and designating milestones and operating hours
- Outsourcing – offering and selling third-party services, whether they are outsourced partially or completely

Service orders are requests from a customer to maintain or repair equipment (and may need both service execution and spare parts). These services are typically invoiced but could also be free of charge, offered at reduced rates, or subject to a surcharge as a result of the working conditions. Service orders are also used to plan services, spare parts, and other expenses, as well as to schedule resources and check the availability of spare parts.

Once a service order is released, it is classified and routed to the field service engineers responsible for delivering the required services. Additional information, such as customer identification, the validation of existing contracts, and other entitlements, is also provided. The order can be scheduled taking priority, spare part availability, and other aspects, such as service levels and route optimization, into account.

Spare parts are often needed to fulfill service orders and the service order defines the parts that it is planned to use and invoice. The technician may bring the necessary parts with him or her, or these can be pre-delivered to the customer location using outbound delivery processing.

This latter procedure is used for bulky or rarely used items, which are stored in a central warehouse. In both cases an availability check is carried out and parts are reserved during the release of the service order. In addition, the pick-up or ship-from location is determined or selected by the user. After a service order has been executed, the technician has to confirm the actual values needed to perform the service, such as time, materials, and other expenses. Pricing is copied from the service order but can be updated if necessary in the service confirmation. The confirmation is the basis for customer invoicing, potential returns of unused spare parts, cost accounting, and service analytics – including a service profitability analysis that considers the labor resources used for executing the service.