Simplify Hybrid and Cloud Integration
Integrating SAP Enterprise Resource Planning (ERP) with Ariba Procure-to-Pay

The procure-to-order/pay business integration scenario for self-service procurement between SAP ERP and SAP Ariba Procurement solutions (SAP Ariba Procure-to-Order and SAP Ariba Procure-to-Pay) enables you to drive compliant, automated purchasing and collaboration with suppliers. Furthermore, users can benefit from a simple, self-service purchasing experience; covering indirect and maintenance, repair and operations (MRO) spend type with easy catalog maintenance.

Packaged Best Practices:

SAP Ariba Procure-to-Pay integration rapid-deployment solution

This integration scenario enables you to manage your indirect procurement process in SAP Ariba Procure-to-Order or Pay with integration to the business capabilities already deployed in SAP ERP as the system of record.

Big Picture: Integrating SAP ERP with Ariba Procure-to-Pay

SAP ERP

SAP Ariba — Ariba Procure-to-Pay

1. Integrate with Ariba Procure-to-Pay using choice of:
   - Web services and direct connectivity
   - Ariba integration toolkit
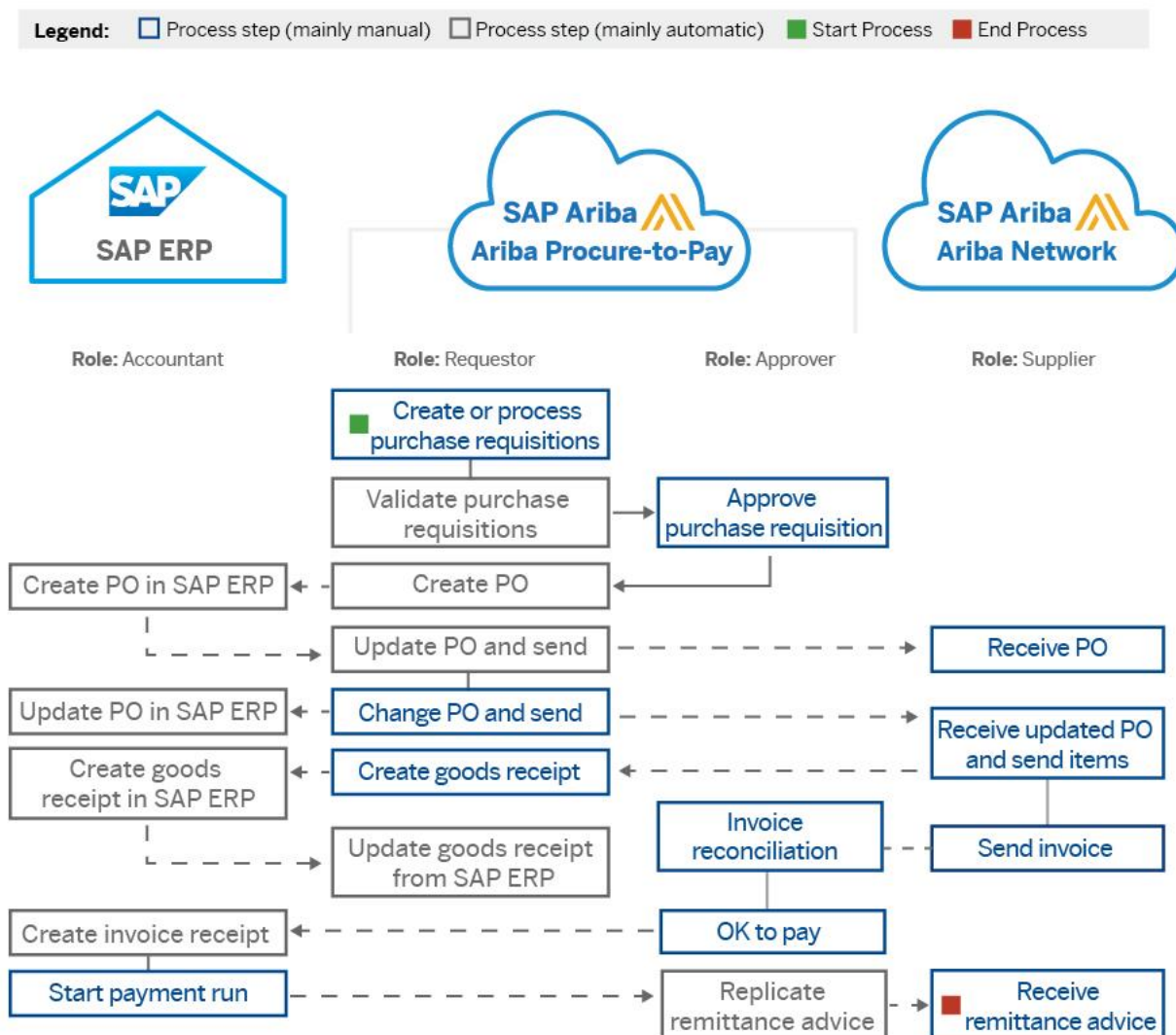   - SAP Process Orchestration

- **What is it and how does it work?**
- **How to realize the integration**
- **Prerequisites**
- **Further Information**

WHAT IS IT AND HOW DOES IT WORK?

The defined integration for the procure-to-order/pay scenarios covers the supplier, purchasing, and organizational data loads from SAP ERP to SAP Ariba, as well as the end-to-end transactional integration. The transactional flow begins in SAP Ariba with the creation of the requisition and purchase order for both catalog and non-catalog items, goods receipt, invoice remittance, and the approvals required to issue a purchase order to the suppliers and in return the processing of invoices.

Key purchasing documents are replicated in SAP ERP, and the release of the outgoing payment in SAP ERP concludes the process. The integration scenario provides full transparency on the status of the transaction by supporting change requests and adjustments required by the business, reflected in both SAP ERP and SAP Ariba.

Process Flow: Integrating SAP ERP with Ariba Procure-to-Pay

There are two primary business flows for this hybrid integration scenario between SAP Ariba and SAP ERP:

SAP Ariba Procure-to-Order:

- You can also extend the Procure-to-Order process described above with goods receipt handling and invoice handling in SAP Ariba. After invoice reconciliation, SAP Ariba triggers the creation of an invoice receipt in SAP ERP for payment.
- Shopping carts are processed according to pre-defined business rules. If the cart is approved, a purchase order is automatically created in SAP Ariba and the integration automatically triggers a purchase order to be created in SAP ERP. It is then sent to the supplier from SAP Ariba. From SAP Ariba, the purchase order can be communicated to the supplier for example by fax, email, electronic data interchange (EDI), or optionally via the SAP Ariba Network.
- Further, buyers can be enabled to oversee the requisitioning process in SAP Ariba to support the compliance.

SAP Ariba Procure-to-Pay:

- You can also extend the Procure-to-Order process described above with goods receipt handling and invoice handling in Ariba. After invoice reconciliation, Ariba triggers the creation of an invoice receipt in SAP ERP for payment.
- The combination of electronic automation with SAP Ariba and the application of business rules in SAP ERP allows for a significant increase in order accuracy, transparency on exceptions, and significantly improves process efficiency overall.

You can integrate SAP ERP with SAP Ariba Procure-to-Pay and Procure-to-Order faster with integration content covers the following integration scenarios:
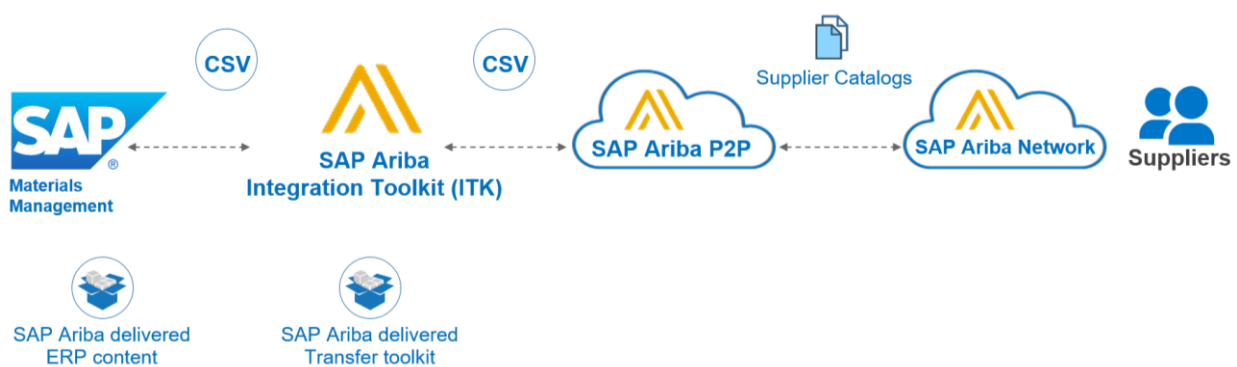- Master Data Onboarding – The content covers master data like supplier, purchase organization, accounting, general ledger
- Transactional Data Integration – The content includes the business objects purchase order, goods receipt, invoice, and remittance.

HOW TO REALIZE THE INTEGRATION

You can choose from different integration technology options based on your needs and current investments from two main options comprising a point-to-point integration without the need of middleware using the SAP Ariba ITK, or by leveraging SAP Process Orchestration.
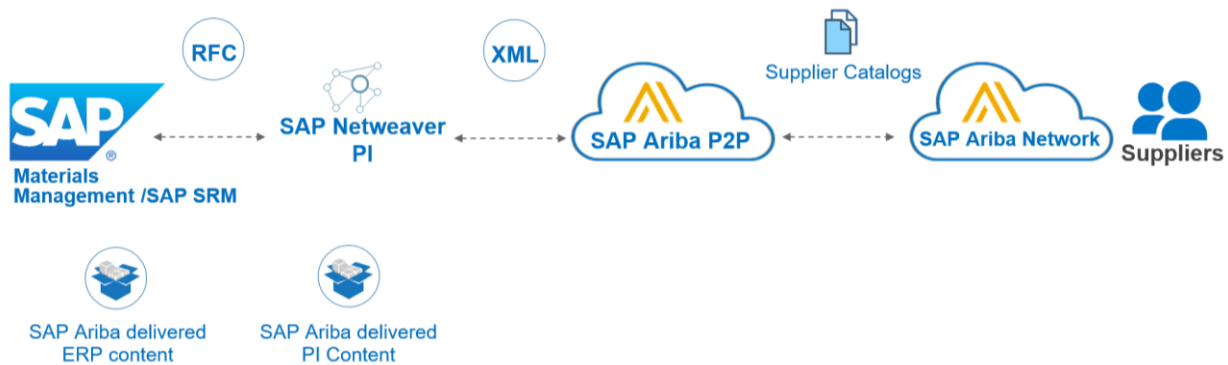
Option 1: Batch asynchronous integration with SAP Ariba Integration Toolkit (ITK) via a comma-separated (CSV) file

Connectivity via SAP Ariba ITK is best leveraged by customers who have not yet implemented integration middleware/process integration (PI) and prefer to maintain a smaller IT footprint by leveraging an SAP provided integration option at no additional cost.
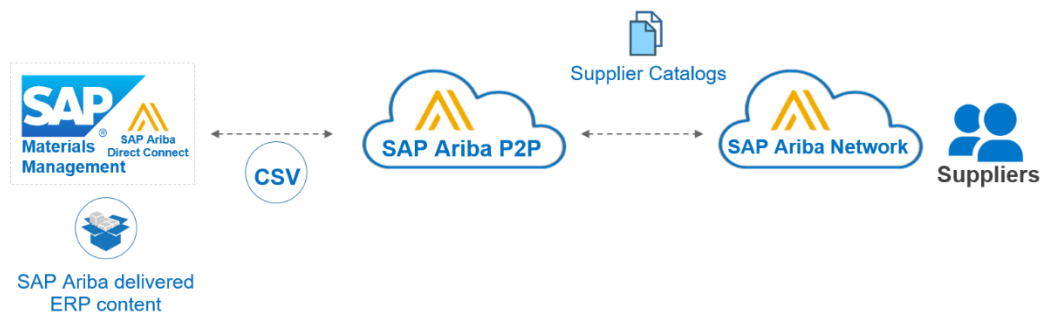
Option 2: Real-time synchronous integration with SAP Process Orchestration:

Integration via SAP Process Orchestration is also further streamlined with packaged best practices to support customers who have already selected SAP Process Integration as their strategic middleware.

Option 3: Connectivity via SAP Ariba Direct Connect:

Connectivity via SAP Ariba Direct Connect has the advantage of no additional licensing cost and zero additional IT footprint because there is no middleware component to deploy. Direct connect is ideal for replicating master data from SAP ERP to SAP Ariba to support the Procure-to-Pay process for indirect procurement.

PREREQUISITES

Required software components:

- SAP ERP 6.0 or higher
- SAP Ariba Downstream13s and higher (SAP Ariba Procure-to-Pay and Procure-to-Order)
- SAP Ariba Integration Toolkit – ITK version for 12s (Cloud Integration 2.0) provided via connect.ariba.com
- (Optional) SAP Process Orchestration 7.31 or higher (SAP PI)

FURTHER INFORMATION

- SAP Ariba Procure-to-Pay Integration rapid-deployment solution
- SAP SRM 7.0 business functions
- SAP Ariba Procurement Content Solution
- Recorded webinar: Discover SAP and SAP Ariba Hybrid Scenarios
- Security Guide