MM Purchasing
Purpose

The R/3 System consists of a number of components that are completely integrated with one another. This integration allows the various departments and units of an enterprise to share and maintain the same information

Purchasing is a component of Materials Management (MM). The Materials Management (MM) module is fully integrated with the other modules of the SAP System. It supports all phases of materials management: materials planning and control, purchasing, goods receiving, inventory management, and invoice verification.

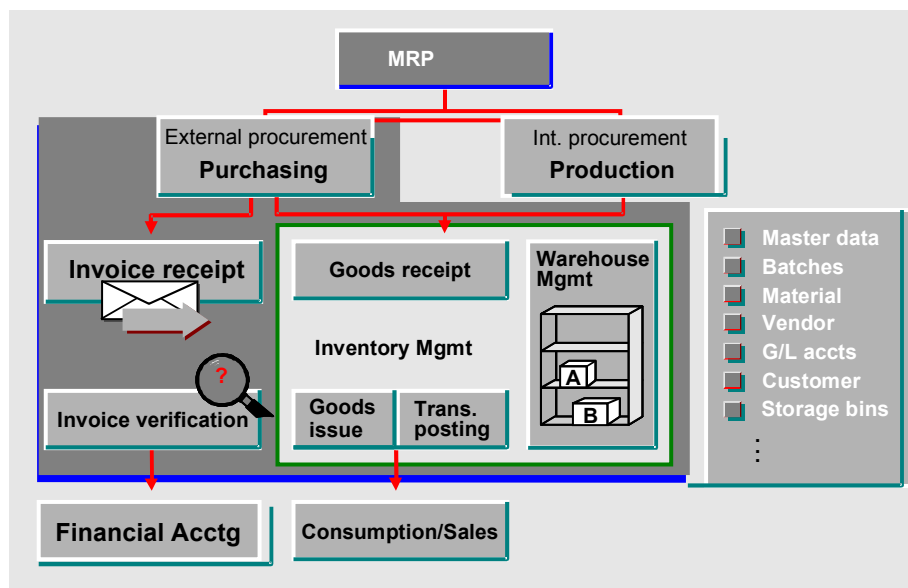The Purchasing component has the following tasks:

- External procurement of materials and services
- Determination of possible sources of supply for a requirement identified by the materials planning and control system or arising directly within a user department
- Monitoring of deliveries from and payments to vendors

Good communication between all participants in the procurement process is necessary for Purchasing to function smoothly.

Integration of Inventory Management in the Logistics System
Use

Inventory Management is part of the Materials Management module and is fully integrated throughout the Logistics system:

Material is procured from external or internal sources on the basis of the requirements determined by Material Requirements Planning. The delivery is entered in Inventory Management as a goods receipt. The material is stored (and managed under Inventory Management) until it is delivered to customers (Sales & Distribution), or is used for internal purposes (for example, for production).

During all transactions, Inventory Management accesses both master data (such as material master data) and transaction data (such as purchasing documents) shared by all Logistics components.