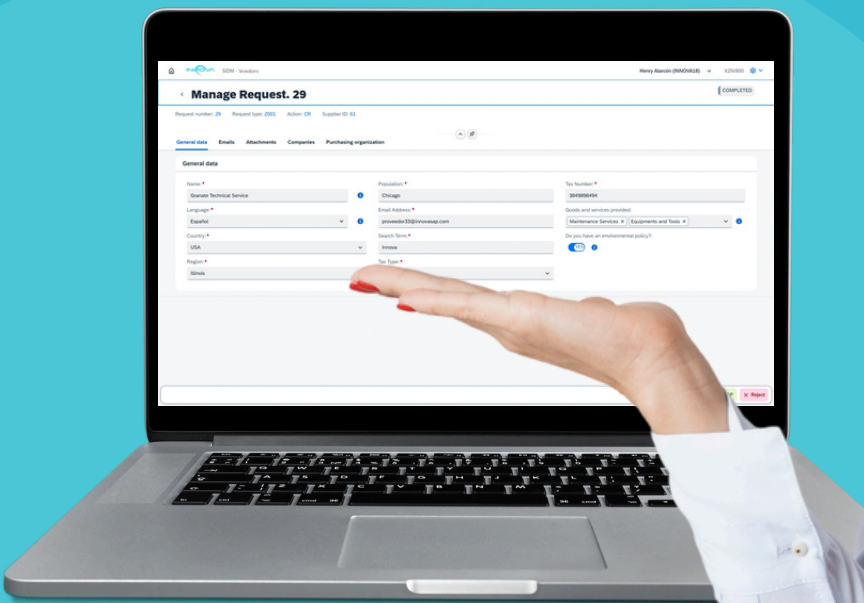




Master Your Master Data in SAP

Tips and tactics



What will you get?

How to improve data quality and reliability in SAP

How to structure efficient workflows for master data management

Practical tools to optimize the creation and maintenance of material and supplier data

How to prepare your data for SAP S/4HANA migration

The best solutions for master data management in SAP

INDEX

Current Challenges	1
CHAPTER 1: Benefits of effective master data management in SAP	2-3
CHAPTER 2: Challenges and solutions in material master data management in SAP	4
Manual and fragmented processes: How to achieve decentralization and control	5-6
Duplicate records	6
Incomplete or incorrect records	7
How can these errors be avoided?	7
Use of non-standard fields in SAP	7
Production: Bills of materials and routings	8
Standardization and automatic text generation	9
CHAPTER 3: Challenges and solutions in vendor master data management in SAP	10
Decentralized vendor onboarding requests without losing control	11
Involving vendors in data entry	11
Effective management of request documentation	12
CHAPTER 4: Are there digital tools to support these processes?	13-14
CHAPTER 5: Innova solutions	15
SiDM Materials for the material master	16-18
SiDM Vendors for the vendor master	19-20

Current Challenges

One of the key advantages of the SAP system is its ability to gather information and transform it into actionable business insights, enabling process improvement and, ultimately, optimized decision-making.

Within this process, efficient master data management is essential. Having reliable, complete, and up-to-date data allows the company to share consistent information across all stages of the supply chain.

Conversely, poor master data management can lead to serious issues that many organizations often overlook. Inaccurate, outdated, or duplicated data—as well as inconsistent information across departments—can cause errors that result in payment delays, supplier issues, and inefficient purchasing, among other problems.

Moreover, in today's AI-driven landscape, leveraging artificial intelligence tools for transactional data analysis in SAP requires master data to be of high quality and properly standardized. The higher the quality of master data, the better the structuring of transactional data—this directly affects processing times and the quality of the outcomes provided by these tools.





CHAPTER 1

Benefits of effective master data management in SAP





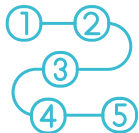
Data Quality: Error Reduction

Effective management helps avoid duplicates and incomplete records, ensuring reliable information. This prevents, for example, different departments from creating duplicate records for the same material or supplier—an issue that not only degrades data quality but can also increase resource usage due to the need for error correction, redundant record management, or even unnecessary stock purchases.



Increased Operational Efficiency

Properly managed master data enables smoother execution of both logistical and administrative processes. Consistent and standardized data facilitates task automation—such as procurement and payment management—reducing manual intervention and speeding up operational cycles.



Data Governance

Workflow definition and email notifications enable timely and organized involvement of various stakeholders in the data creation and modification processes—a feature not available natively in SAP.



Time Savings

Efficient master data management in SAP significantly reduces the time spent on error correction, information retrieval, and issue resolution.



Structured Data as a Prerequisite for AI Solutions

Although artificial intelligence tools have made great strides in delivering acceptable results from unstructured data, this often involves the long route of first attempting to structure it. Having standardized master data in SAP—which by nature is structured and forms the foundation of all transactional data—is the first step toward more effective AI-driven solutions.



Efficient Migration to S/4HANA

As more organizations prepare to migrate to S/4HANA, it becomes essential to cleanse and streamline master data. Fewer data records mean lower costs in S/4HANA, and applying governance rules from the outset ensures sustained data quality and control in the new environment.

It is important to remember that today, data is a company's most valuable asset. Since SAP integrates multiple modules, maintaining consistent master data across them is crucial to ensure seamless integration and fully leverage the capabilities of this powerful system.

So then, how can we apply effective master data management in SAP? In the following chapters, we offer practical tips for efficiently managing material and vendor master data, addressing the key challenges in each area and how to overcome them.

CHAPTER 2

Challenges and solutions in material master data management in SAP



Manual and fragmented processes: How to achieve decentralization and control

Despite digital transformation and the use of advanced tools like SAP, many companies still rely on **manual and fragmented methods** to input data into the system—such as Excel spreadsheets, emails, shared files, and weak validation mechanisms. This leads to rework and increases the risk of errors during the creation and modification of material master records.

The absence of clear workflows and well-defined roles results in delays, lost files during email exchanges, version confusion, and lack of traceability.

To address this, a key concept comes into play: **decentralization**. Decentralizing master data management—allowing any user to request the creation of a material while following structured workflows with clearly defined roles and responsibilities—enables organizations to distribute workload more evenly, improve process traceability, and identify and resolve potential bottlenecks.



Decentralization



It is essential to involve **multiple levels of participation** and to **define specific functions** for each role, such as:

1. **Completing purchasing data**
2. **Accounting and cost data**
3. **Audit**
4. **Material creation**
5. **Bill of materials creation**

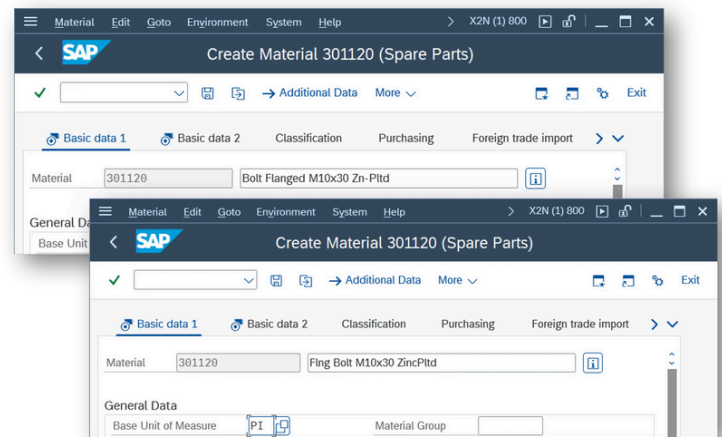


Once workflows are in place, the next critical element is **traceability**. To achieve this, companies need reports or tools that allow them to identify the status of each request, the number of requests being returned or rejected, the reasons for rejection, and the time taken to complete each stage.

It's worth emphasizing that implementing these workflows, along with proper data input and control, requires **complementary tools to automate tasks**. This becomes especially important given that most SAP-using businesses handle high volumes of material data, and manual processes often fall short of meeting today's market demands for speed and accuracy.

Duplicate records

One of the main issues arising from **fragmented and manual data** entry processes in SAP material master management is the creation of duplicate records.



Without adequate validation, the same material may be created multiple times with slight name variations—such as "Direct Current Motor 5HP" and "5 HP DC Motor"—leading to operational inefficiencies and complications in inventory and procurement management. To address this issue, it's crucial to implement **validation controls**—based on text, unique value fields (such as EAN or manufacturer part number), or descriptive characteristics within the classification system. These checks allow for the easy detection and prevention of duplicates prior to record creation.

The ability to quickly verify whether a material already exists, along with workflows involving multiple reviewers/validators and regular audits, helps maintain the integrity of master data.

Additionally, it is necessary to have **reports, tools, or control mechanisms** that support periodic data cleansing. These can help identify duplicates for deactivation or blocking—such as placing them on hold until their stock is depleted.

Incomplete or incorrect records

Even simple errors can have significant operational impacts:

- Confusing the **unit of measure** from kilograms to grams is easy, but it can severely affect the procurement process.
- A material that should be **batch-managed**, if not configured correctly, can result in substantial rework after goods receipt.
- A material **not extended to a plant** can halt warehouse operations at the moment of a transfer.
- An **incorrect valuation class** might go unnoticed but can affect accounting entries and even financial reporting.



How can these errors be avoided?

An effective approach is to define clear rules for allowable values, organizational units (such as plants, storage locations, and sales areas), and the required views for each material type.

Since automatic data validation and extension to required organizational units is not a standard feature in SAP, **it's necessary to implement additional tools to enable such automation**. Complex formulas in Excel are not sufficient. No matter how sophisticated, they are not scalable and can quickly become obsolete with changes in SAP configuration.

Use of non-standard fields in SAP

Our recommendation is to avoid using non-standard fields whenever possible, as these lead to custom developments that impact system scalability and may create long-term maintenance and compatibility issues.

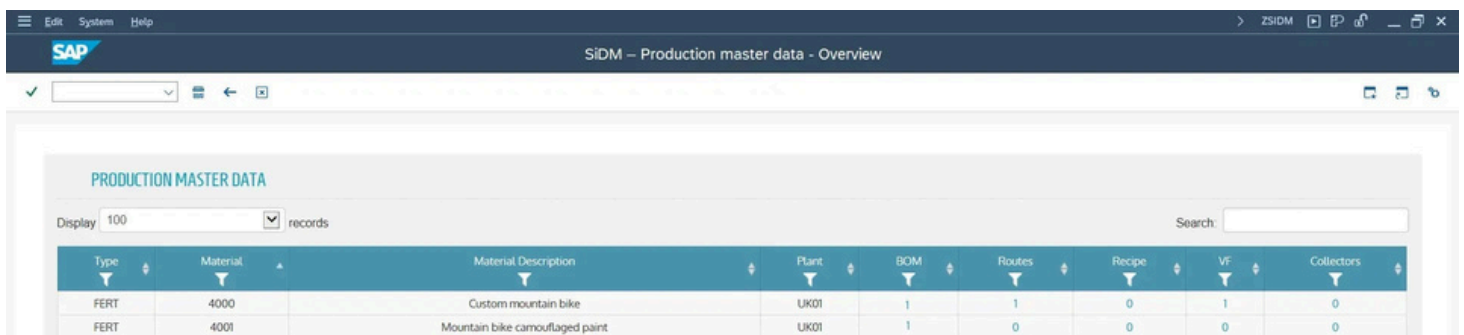
The strategy for implementing custom developments is crucial. Many companies resort to these solutions without proper planning, compromising system flexibility and scalability. Moreover, such developments require additional resources for maintenance and can complicate future system upgrades.

Where possible, it's best to leverage the **standard SAP classification system using class type 001**, rather than creating custom fields. If custom fields are absolutely necessary, they should be created as appends to standard material master tables (avoiding entirely custom tables where feasible). It's also advisable to use tools that support the management of these custom fields, applying centralized validation and data governance rules.

Production: Bills of materials and routings

In companies with manufacturing processes, the creation of a material should not be considered “complete” until it includes the **necessary production data** to generate a process or production order.

For instance, it's common for materials to be created in just a few hours—or even minutes—but it may take days before a production order is issued, simply because there's no easy way to check whether the material includes its routing, bill of materials (BOM), and production version.



The screenshot shows the SAP SiDM - Production master data - Overview interface. The table displays the following data:

Type	Material	Material Description	Plant	BOM	Routes	Recipe	VF	Collectors
FERT	4000	Custom mountain bike	UK01	1	1	0	1	0
FERT	4001	Mountain bike camouflaged paint	UK01	1	0	0	0	0

It is critical for manufacturing companies to include production data as part of the **master data governance process**. From the moment a material creation request is submitted, it should be determined whether production data—such as BOMs, routings, recipes, or production versions—is required. A workflow should only be considered “complete” once this information is included.

Involving those responsible for production data in the workflow, along with corresponding notifications, helps **accelerate the creation of fully production-ready materials** and makes it easier to identify and resolve bottlenecks in the process.

These practices provide a comprehensive view of the evolution of master data, making audits simpler and enabling quicker responses to any issues.

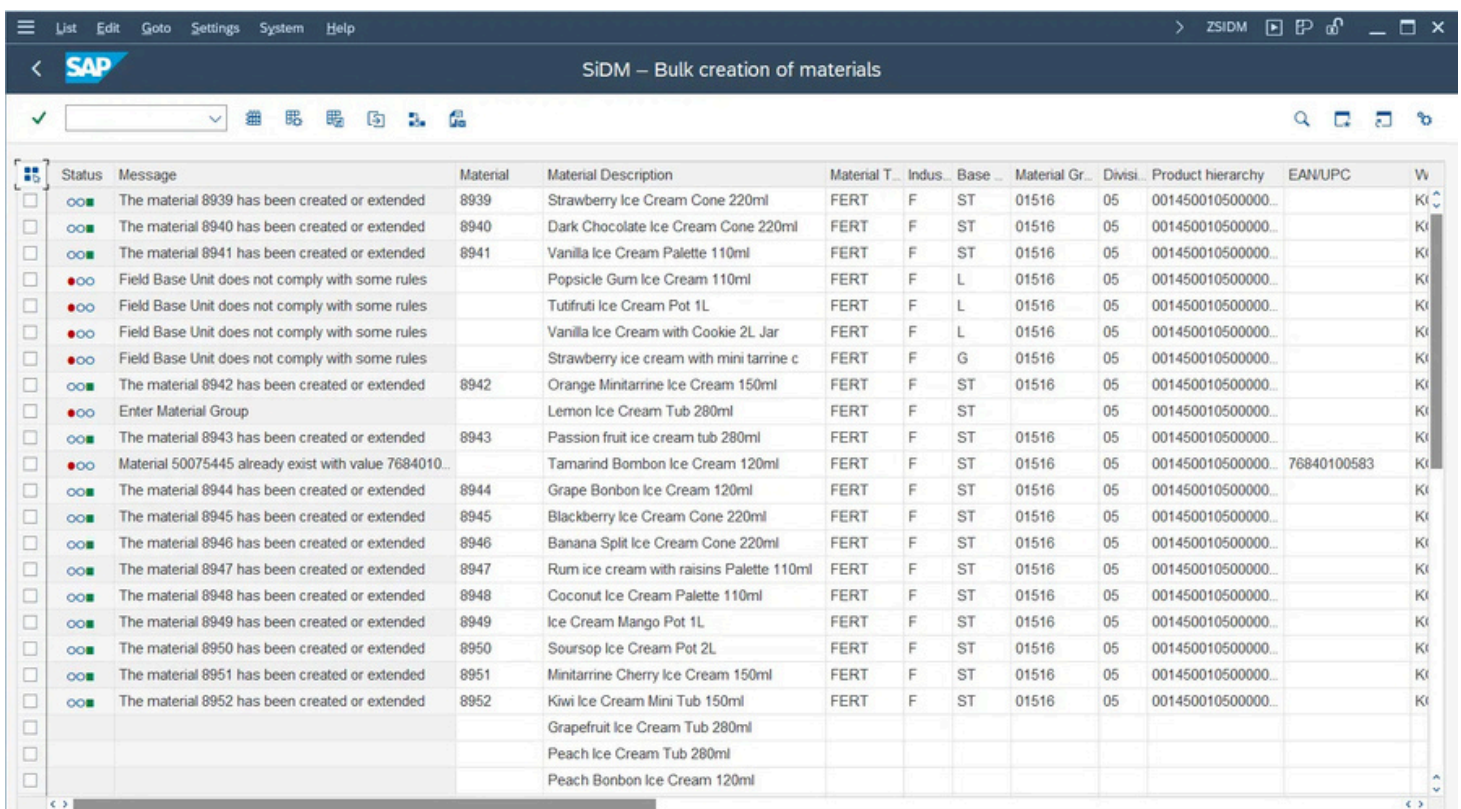
Standardization and automatic text generation

Material descriptions are often entered manually, leading to inconsistencies—especially due to changes in nomenclature. This not only causes errors but also makes it harder to search for information in the system.

To **improve the quality and consistency of text entries**, it's essential to implement clear naming rules, ideally based on the classification system's attributes, to standardize information across the organization.

If tools are available to **automate these tasks**, it's possible to define automatic description rules based on structured attributes. This significantly reduces errors, improves data quality, facilitates data management, and lowers the risk of creating duplicate materials.

A simpler alternative is to maintain a **standardized list of abbreviations**. Given that the short text field in SAP is limited to 40 characters, it's not advisable to leave abbreviations to the user's discretion or creativity (e.g., inches being entered as "in," "inch," "pulg.," "plg.," or ""). A unified list ensures consistency and avoids misinterpretation.



Status	Message	Material	Material Description	Material T...	Indus...	Base ...	Material Gr...	Divisi...	Product hierarchy	EAN/UPC	W
Success	The material 8939 has been created or extended	8939	Strawberry Ice Cream Cone 220ml	FERT	F	ST	01516	05	001450010500000...		KI
Success	The material 8940 has been created or extended	8940	Dark Chocolate Ice Cream Cone 220ml	FERT	F	ST	01516	05	001450010500000...		KI
Success	The material 8941 has been created or extended	8941	Vanilla Ice Cream Palette 110ml	FERT	F	ST	01516	05	001450010500000...		KI
Error	Field Base Unit does not comply with some rules		Popsicle Gum Ice Cream 110ml	FERT	F	L	01516	05	001450010500000...		KI
Error	Field Base Unit does not comply with some rules		Tutifrutti Ice Cream Pot 1L	FERT	F	L	01516	05	001450010500000...		KI
Error	Field Base Unit does not comply with some rules		Vanilla Ice Cream with Cookie 2L Jar	FERT	F	L	01516	05	001450010500000...		KI
Error	Field Base Unit does not comply with some rules		Strawberry ice cream with mini tarrine c	FERT	F	G	01516	05	001450010500000...		KI
Success	The material 8942 has been created or extended	8942	Orange Minitarrine Ice Cream 150ml	FERT	F	ST	01516	05	001450010500000...		KI
Error	Enter Material Group		Lemon Ice Cream Tub 280ml	FERT	F	ST		05	001450010500000...		KI
Success	The material 8943 has been created or extended	8943	Passion fruit ice cream tub 280ml	FERT	F	ST	01516	05	001450010500000...		KI
Error	Material 50075445 already exist with value 7684010...		Tamanind Bombon Ice Cream 120ml	FERT	F	ST	01516	05	001450010500000...	76840100583	KI
Success	The material 8944 has been created or extended	8944	Grape Bonbon Ice Cream 120ml	FERT	F	ST	01516	05	001450010500000...		KI
Success	The material 8945 has been created or extended	8945	Blackberry Ice Cream Cone 220ml	FERT	F	ST	01516	05	001450010500000...		KI
Success	The material 8946 has been created or extended	8946	Banana Split Ice Cream Cone 220ml	FERT	F	ST	01516	05	001450010500000...		KI
Success	The material 8947 has been created or extended	8947	Rum ice cream with raisins Palette 110ml	FERT	F	ST	01516	05	001450010500000...		KI
Success	The material 8948 has been created or extended	8948	Coconut Ice Cream Palette 110ml	FERT	F	ST	01516	05	001450010500000...		KI
Success	The material 8949 has been created or extended	8949	Ice Cream Mango Pot 1L	FERT	F	ST	01516	05	001450010500000...		KI
Success	The material 8950 has been created or extended	8950	Soursop Ice Cream Pot 2L	FERT	F	ST	01516	05	001450010500000...		KI
Success	The material 8951 has been created or extended	8951	Minitarrine Cherry Ice Cream 150ml	FERT	F	ST	01516	05	001450010500000...		KI
Success	The material 8952 has been created or extended	8952	Kiwi Ice Cream Mini Tub 150ml	FERT	F	ST	01516	05	001450010500000...		KI
			Grapefruit Ice Cream Tub 280ml								
			Peach Ice Cream Tub 280ml								
			Peach Bonbon Ice Cream 120ml								



CHAPTER 3

Challenges and solutions in vendor master data management in SAP



Decentralized vendor onboarding requests without losing control

As with material master data management, vendor onboarding **still relies heavily on physical forms, emails, or Excel** files in many organizations. The lack of structured workflows and clearly defined roles leads to delays and transcription errors in data handling.

To **decentralize the process** while maintaining control, it is advisable to implement workflows in which each user has a well-defined role and responsibility. This ensures that new vendor requests go through a structured and consistent review and approval process, meeting all requirements before the data is integrated into the system.

Additionally, organizations can implement **continuous quality improvement** programs that analyze error and duplication indicators over time, taking corrective actions. To support this, it's crucial to implement **tools or quality monitoring processes** that flag inconsistent data and notify responsible parties when a request is incomplete or requires correction.

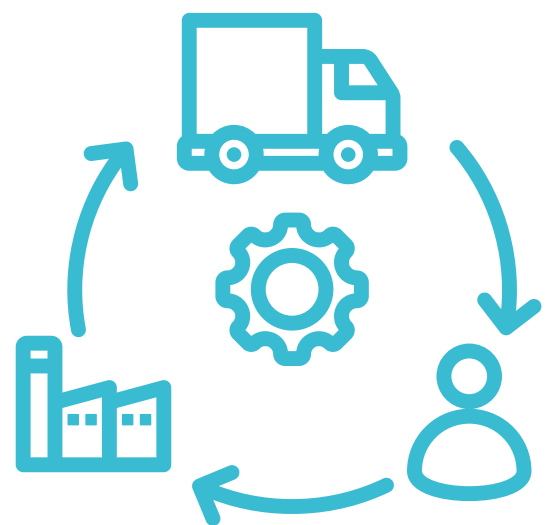
As mentioned previously, using **digital tools that complement SAP** allows the automation of request handling, applying business rules similarly to how it's done with material master data. This reduces lead times, improves transparency in tracking requests, and streamlines the approval process.

Involving vendors in data entry

A common issue in vendor data management in SAP is transcription errors caused by manual data entry, which slows down the process and increases the risk of inconsistencies. These issues can result in payment delays, audit complications, and even compliance risks.

An effective strategy to mitigate this problem is to **involve vendors directly** in data entry. How? By allowing them to input their own data and documents into the SAP system. However, this approach presents two challenges:

1. **Vendors require an SAP license to access the system**, which incurs additional cost.
2. Data and documents submitted by the vendor **must be validated** before being integrated into the system.



The optimal solution is to **implement a vendor portal** connected to SAP, allowing vendors to self-manage their data and upload documents without placing an additional burden on internal teams. This portal should also allow internal users to complete or review the information before it is approved.

As previously noted, these portals **integrate directly with SAP**, ensuring data is transferred without transcription errors, reducing the need for later corrections, and facilitating the onboarding of new vendors.



Effective management of request documentation

Managing the documentation associated with vendor master data—such as banking information, company incorporation documents, NDAs, and more—can be particularly challenging when these files are scattered across emails, personal servers, or physical filing cabinets. This lack of organization hinders access and auditability, increases the risk of losing sensitive documents, causes delays, and limits both traceability and compliance with KYP (Know Your Partner) policies.

An efficient strategy involves **implementing a platform to centralize and organize documentation**. It's important to avoid storing files unnecessarily in the SAP database, as this can result in high costs, especially **during S/4HANA migration projects**. Therefore, it is recommended to store documents in external content management systems such as SharePoint, Azure, or Amazon S3, while maintaining a structured link to the related business process, i.e., the creation or update of vendor master data.

To manage documentation efficiently, it is essential to define which **documents are required for each type of vendor** (e.g., domestic, foreign, transportation) and to maintain a well-organized digital repository for each file type. It is advisable to use tools that integrate these storage systems with SAP, ensuring traceability and availability of documents when needed.

Automation also plays a key role, especially for repetitive tasks. Automating document management reduces administrative workload, speeds up approvals, and balances control with operational efficiency, ensuring a centralized and standardized data repository. Once again, external complementary tools are required to perform this task effectively.

CHAPTER 4

Are there digital tools to support these processes?

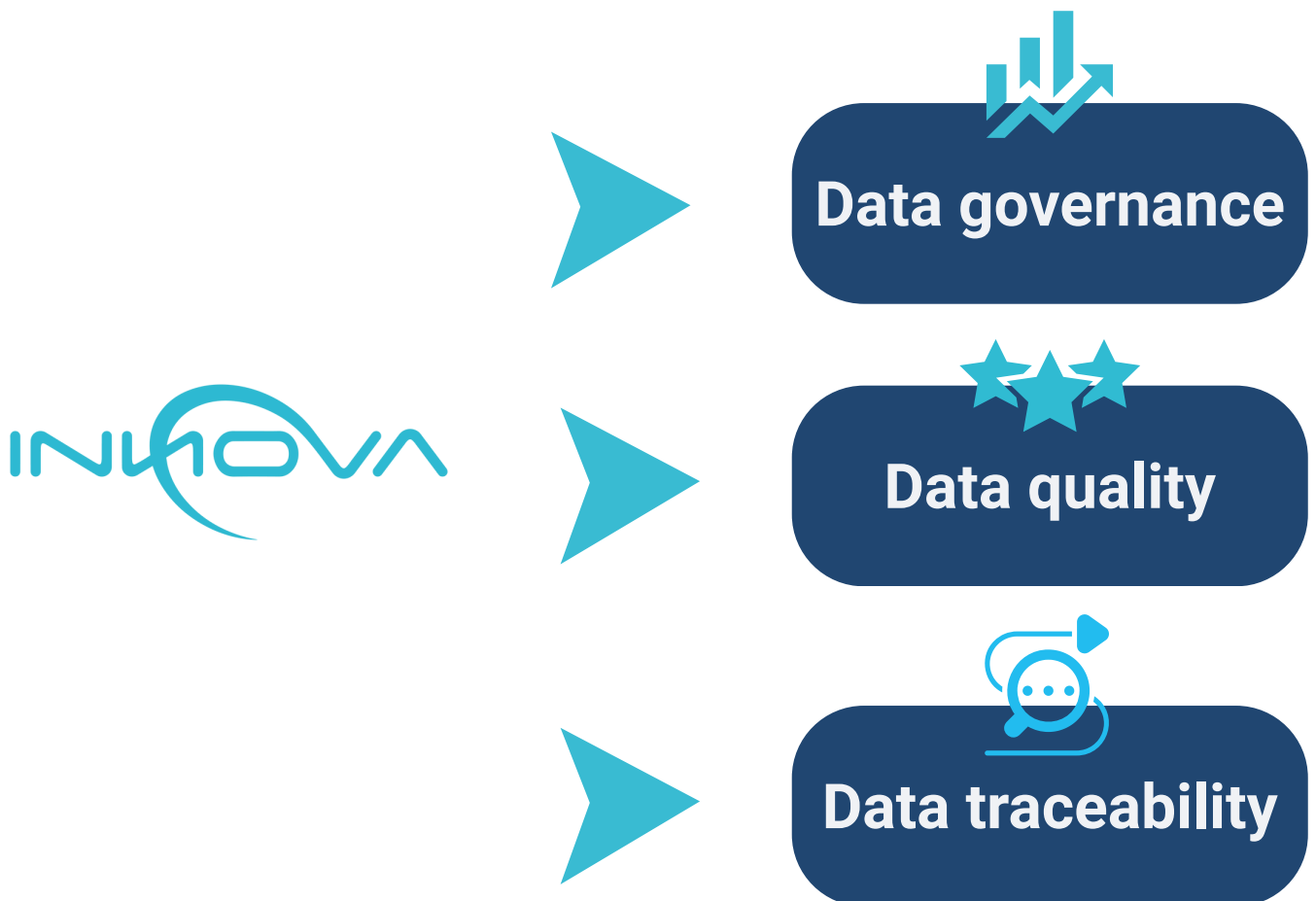


As mentioned throughout this document, each of the issues described can be effectively resolved through the use of **digital tools designed to enhance efficiency, reduce the need for additional resources, and optimize the time dedicated to master data management.**

These solutions enable automation, control, effective data management, and traceability. They also support task decentralization through structured workflows, minimize errors via automated validations, and improve the experience for both internal teams and vendors.

At **Innova**, we offer two solutions developed for this purpose: **SiDM Materials** and **SiDM Vendors**, both focused on ensuring more agile, accurate, and reliable master data management. In the next section, we explain how our solution addresses the challenges described and resolves them efficiently.

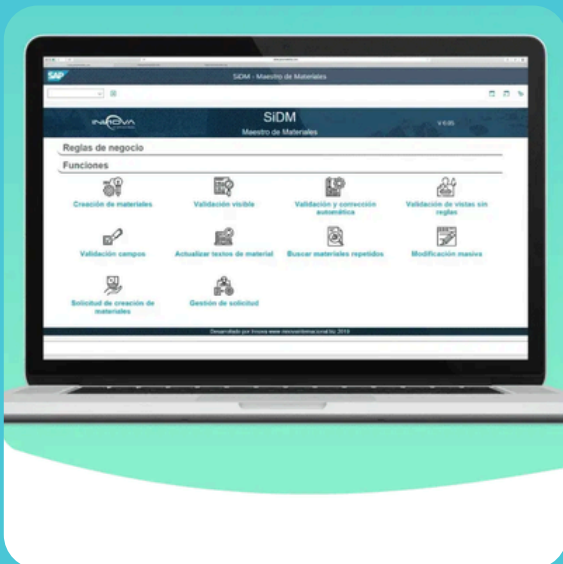
In summary, our applications cover three key aspects of master data management:





CHAPTER 5

Innova solutions

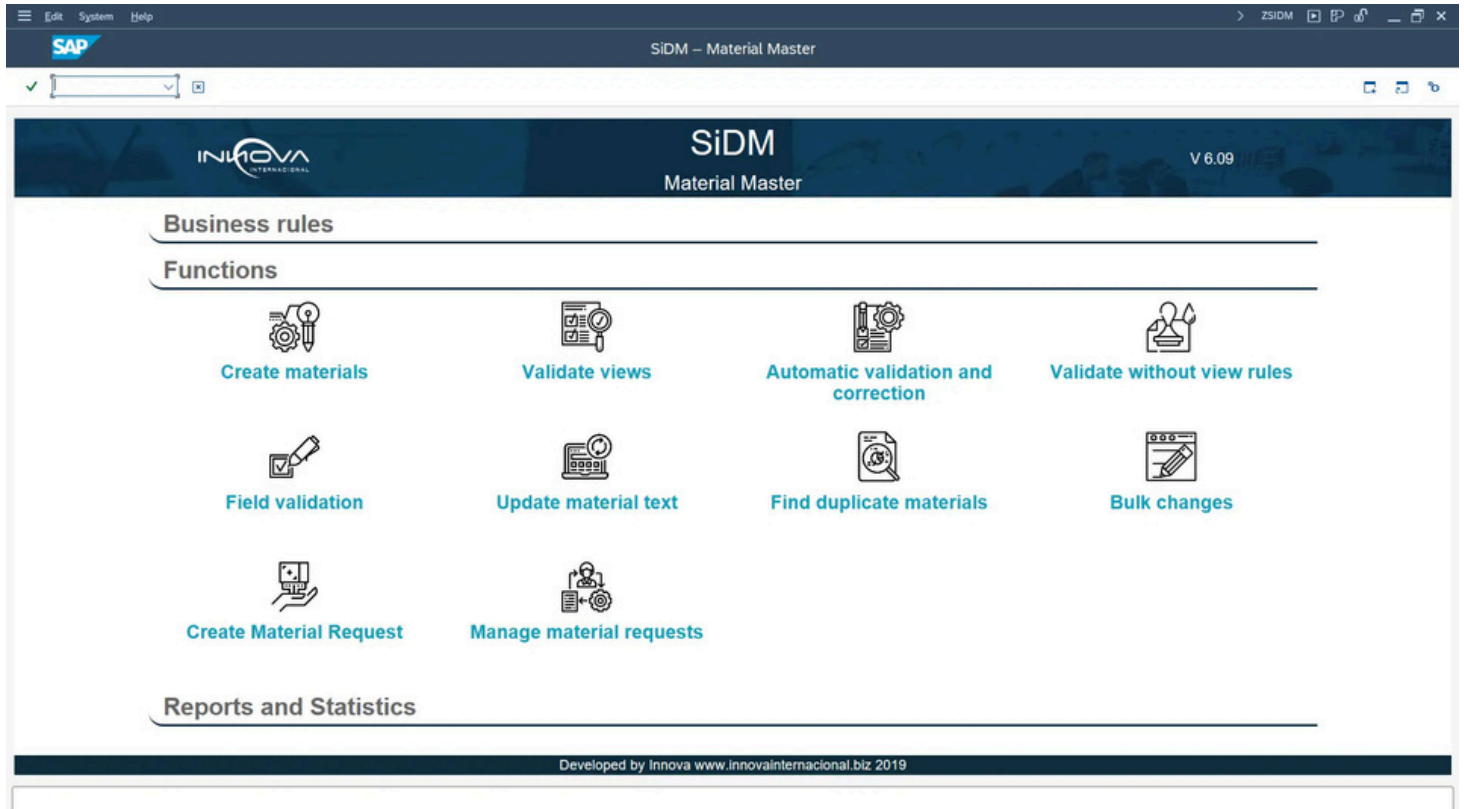


Our solutions offer a wide range of **features for managing material and vendor master data**. In this section, we focus on those functionalities that address the challenges discussed throughout this eBook.

However, if you'd like to learn more about our solutions in detail, click the contact button below:



SiDM Materials for the Material Master



The screenshot displays the SAP interface for SiDM Material Master. The top bar shows the SAP logo and the title 'SiDM - Material Master'. Below the title bar, there is a navigation menu with the following sections:

- Business rules**
- Functions**
 - Create materials
 - Validate views
 - Automatic validation and correction
 - Validate without view rules
 - Field validation
 - Update material text
 - Find duplicate materials
 - Bulk changes
 - Create Material Request
 - Manage material requests
- Reports and Statistics**

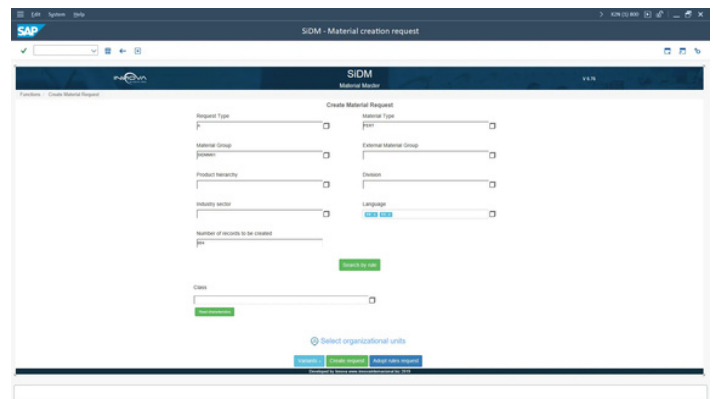
At the bottom of the interface, there is a footer that reads: 'Developed by Innova www.innovainternacional.biz 2019'.

Decentralization and Approval Workflows

- Enables the **definition of workflows** for data entry and management.
- Assigns specific **user roles** to complete data (purchasing, finance, logistics, etc.), as well as for approval, validation, and material creation.
- Facilitates **pre-creation review in SAP**, avoiding erroneous or incomplete records.

Creation of Complete, Error-Free Materials

- Defines **rules for organizational units and views, ensuring materials** are created where needed and with the required views.
- Allows **field-level rules** to ensure that each entered value complies with established criteria.
- These rules become **embedded** know-how within the system, not just stored in a PDF or held by a user who may be unavailable.
- Supports **attachment management** (e.g., product specifications or images) directly in the material creation request.



Duplicate and Error Elimination

- Incorporates **rules for unique-value fields** to detect potential duplicates from the outset.
- Evaluates **key fields** such as EAN, OEM, descriptions, and classification characteristics to detect duplicates, both during creation and within existing records.

Material Extension

- **Automatically extends materials** to all necessary organizational units and views.
- Ensures master data is complete from the moment of creation.

Management of Non-Standard Fields

- If **custom fields** (e.g., appends in SAP standard tables) are present, the application can manage them as well.

Validation of BOMs and Planning Recipes

- Integrates these data elements into the **creation workflow**, ensuring a material is not considered complete without its production information.

Automatic Text and Documentation Generation

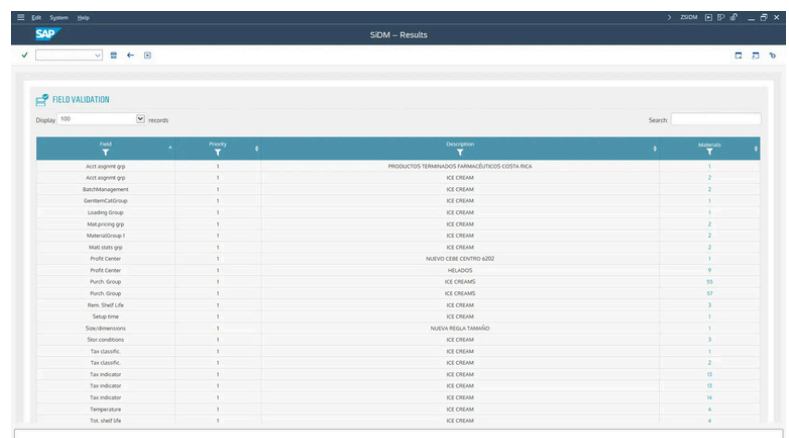
- Generates **material descriptions automatically** based on attributes and classification system characteristics.

Data Cleaning

- Applies all these benefits to the existing material master as well, **validating, correcting, and cleansing** based on robust business rules.

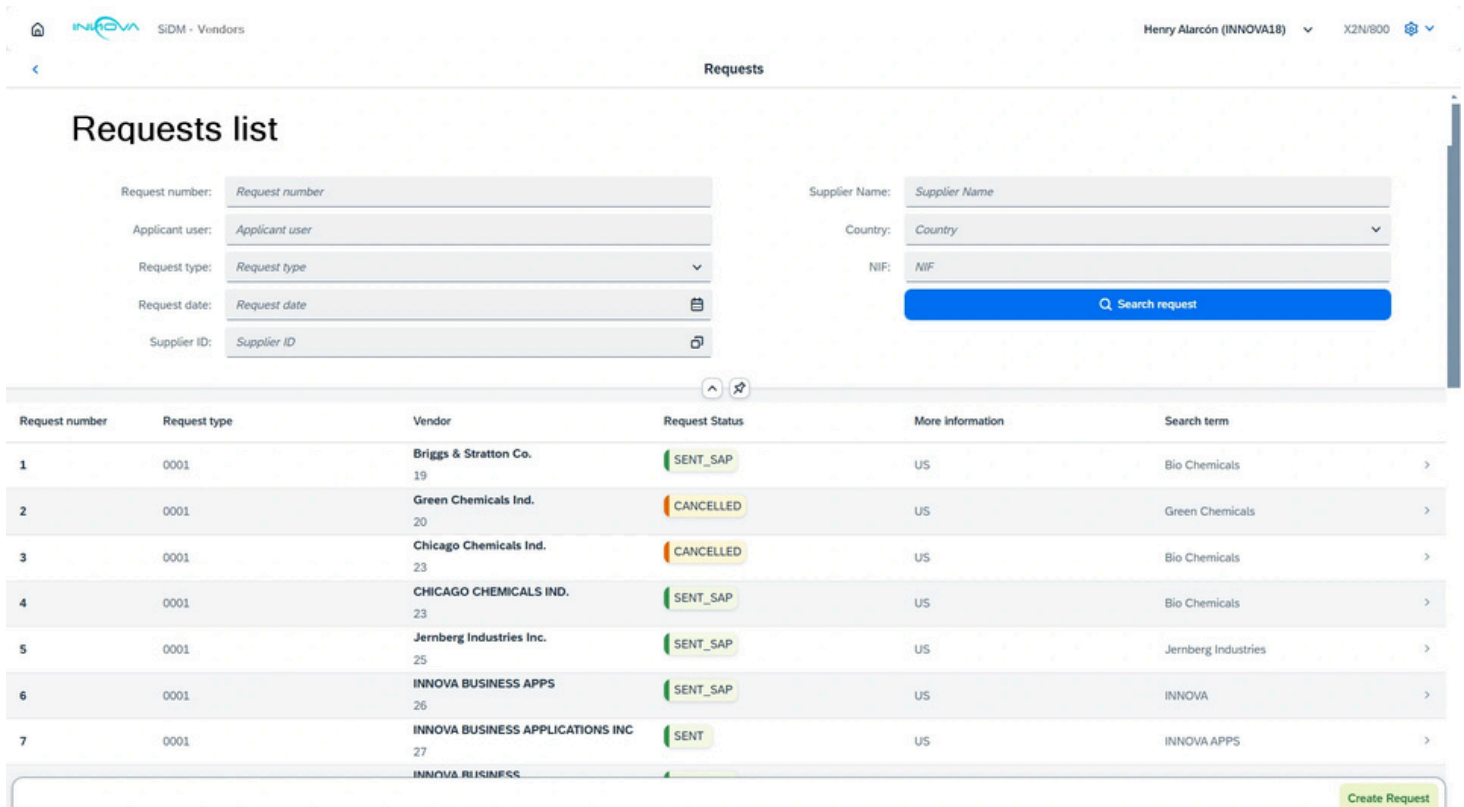
Artificial Intelligence

- Applies **machine learning** to your current database to help define business rules based on actual usage patterns and behavior.



Field	Priority	Description	Value
Act assign grp	1	PRODUCTOS TERMINADOS FARMACÉUTICOS COSTA RICA	1
Act assign grp	1	ICE CREAM	2
BatchManagement	1	ICE CREAM	2
GenItemCatGroup	1	ICE CREAM	1
Loading Group	1	ICE CREAM	1
Mfg prngng grp	1	ICE CREAM	2
Manufacturing 2	1	ICE CREAM	2
Multi date grp	1	ICE CREAM	2
Profit Center	1	NUOVO CIBE CENTRO 4202	1
Profit Center	1	HELADOS	9
Purch Group	1	ICE CREAMS	95
Purch Group	1	ICE CREAMS	97
Reqs Shelf Life	1	ICE CREAM	3
Temp time	1	ICE CREAM	1
Stat dimensions	1	NUOVA REGALAMARZO	1
Stat conditions	1	ICE CREAM	3
Tax classifc	1	ICE CREAM	1
Tax classifc	1	ICE CREAM	2
Tax indicator	1	ICE CREAM	10
Tax indicator	1	ICE CREAM	10
Tax indicator	1	ICE CREAM	10
Temp time	1	ICE CREAM	4
Tot shelf life	1	ICE CREAM	4

SiDM Vendors for the Vendor Master



Request number:

Applicant user:

Request type:

Request date:

Supplier ID:

Supplier Name:

Country:

NIF:

Request number	Request type	Vendor	Request Status	More information	Search term
1	0001	Briggs & Stratton Co. 19	SENT_SAP	US	Bio Chemicals
2	0001	Green Chemicals Ind. 20	CANCELLED	US	Green Chemicals
3	0001	Chicago Chemicals Ind. 23	CANCELLED	US	Bio Chemicals
4	0001	CHICAGO CHEMICALS IND. 23	SENT_SAP	US	Bio Chemicals
5	0001	Jernberg Industries Inc. 25	SENT_SAP	US	Jernberg Industries
6	0001	INNOVA BUSINESS APPS 26	SENT_SAP	US	INNOVA
7	0001	INNOVA BUSINESS APPLICATIONS INC 27	SENT	US	INNOVA APPS

Automated Workflows for Vendor Requests

- Allows the creation of **custom workflows** for vendor management.
- Supports **requests for modification**, extension, blocking, and unblocking.
- **Eliminates manual and fragmented processes** such as emails or Excel forms.
- Ensures structured execution with **full traceability**.
- Requests must be completed and approved before a vendor is created or modified in SAP, **preventing incorrect records**.

Vendor Self-Service Portal

- Enables **direct vendor participation via a web portal**, reducing time and transcription errors.
- Allows vendors to **upload their documents directly**, following defined checklists and clear instructions.
- Information is **automatically integrated into SAP**, avoiding rework.

Automatic Validation of Vendor Data

- Applies **validation rules** to key fields such as payment terms, GL accounts, or vendor currency.

Centralized Document Management

- **Stores and centralizes** all vendor-related documentation.
- Supports storage in **external platforms** like SharePoint, Azure, or Amazon S3.
- **Optimizes the SAP database** and ensures efficient access to information.
- Facilitates **audits and fast queries**, reducing the risk of losing critical documents.



SIDM - Suppliers Henry Alarcón (INNOVA18) QAS/800

Configure request type - z001

Vendor Category Request type SAP non-standard fields SAP standard fields Request Email templates

Request type: Proveedor Comprador Attachments

Attachments

Description	Buyer's status	Vendor's status	Comment	Order
Operating Agreement	Optional	Required	Operating Agreement	
Application form	View	Required	Send this document properly filled	1
Shareholder Agreement	View	Required	Additional.	2
Non-Disclosure Agreement	View	Required		3
Federal Tax ID	Optional	Optional		4

To make your SAP processes easier with Innova Apps

In 30 – 45 minutes we present you our solutions, online.

So you can see in detail how your processes will be optimized in SAP.

Schedule a **DEMO**

