



SAP Collection Management Configuration

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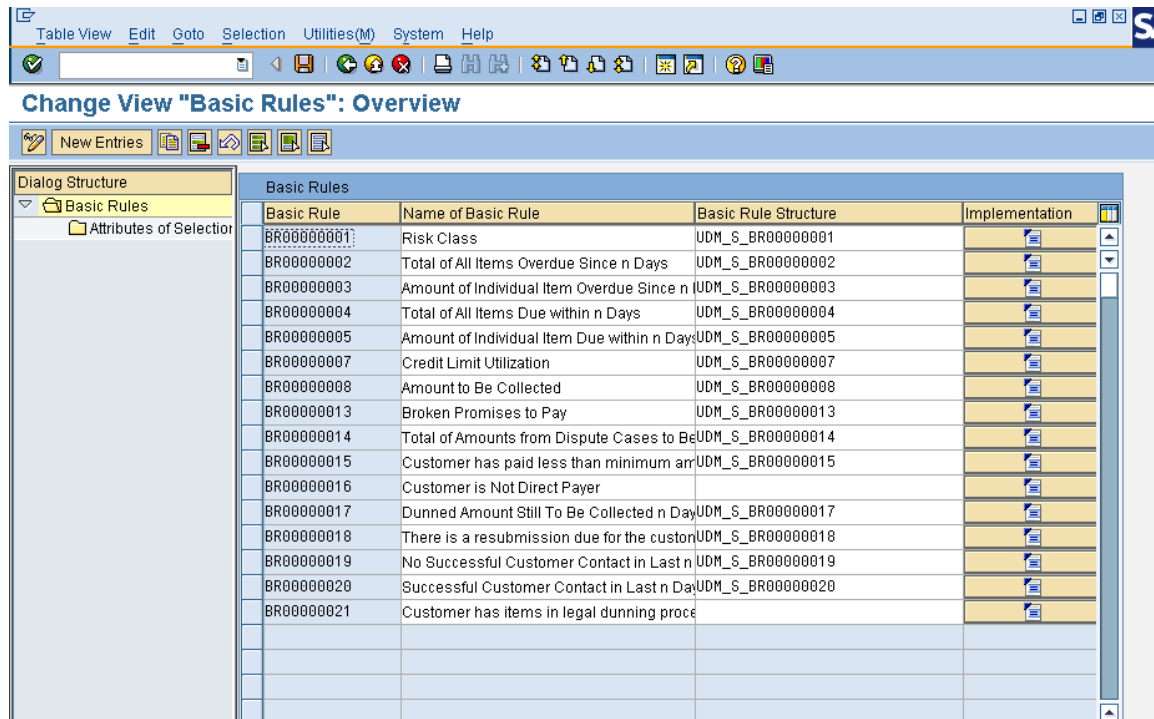
1.2 Collection Strategies

1.2.1 Define Basic Rules for Collection Strategies

SAP Customizing Implementation Guide → Financial Supply Chain Management → Collections Management → Basic Settings for Collections Management → Collection Strategies → Basic Rules → Define Basic Rules

Here we can define new basic rules in addition to the basic rules delivered. These basic rules are then used to define collection rules.

We work with the SAP standard rules.

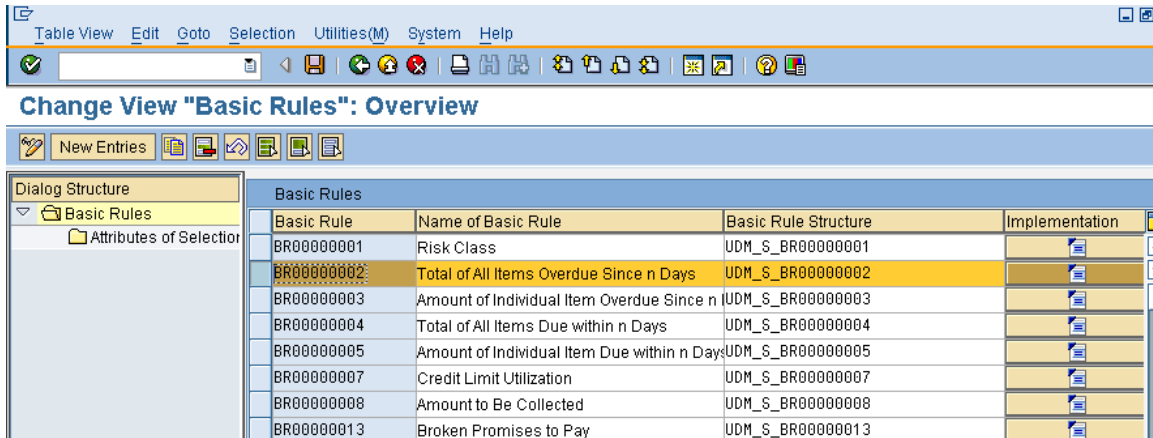


The screenshot shows the SAP 'Basic Rules' overview table. The table has four columns: 'Basic Rule', 'Name of Basic Rule', 'Basic Rule Structure', and 'Implementation'. The 'Implementation' column contains icons for each rule. The table lists 21 standard rules.

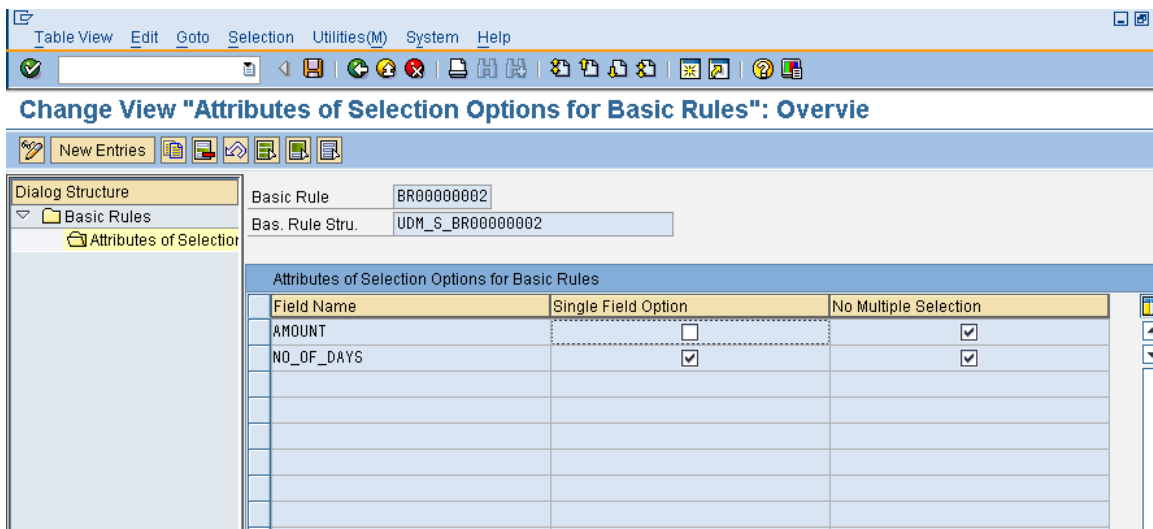
Basic Rule	Name of Basic Rule	Basic Rule Structure	Implementation
BR00000001	Risk Class	UDM_S_BR00000001	[Icon]
BR00000002	Total of All Items Overdue Since n Days	UDM_S_BR00000002	[Icon]
BR00000003	Amount of Individual Item Overdue Since n	UDM_S_BR00000003	[Icon]
BR00000004	Total of All Items Due within n Days	UDM_S_BR00000004	[Icon]
BR00000005	Amount of Individual Item Due within n Days	UDM_S_BR00000005	[Icon]
BR00000007	Credit Limit Utilization	UDM_S_BR00000007	[Icon]
BR00000008	Amount to Be Collected	UDM_S_BR00000008	[Icon]
BR00000013	Broken Promises to Pay	UDM_S_BR00000013	[Icon]
BR00000014	Total of Amounts from Dispute Cases to Be	UDM_S_BR00000014	[Icon]
BR00000015	Customer has paid less than minimum arr	UDM_S_BR00000015	[Icon]
BR00000016	Customer is Not Direct Payer		[Icon]
BR00000017	Dunned Amount Still To Be Collected n Day	UDM_S_BR00000017	[Icon]
BR00000018	There is a resubmission due for the custom	UDM_S_BR00000018	[Icon]
BR00000019	No Successful Customer Contact in Last n	UDM_S_BR00000019	[Icon]
BR00000020	Successful Customer Contact in Last n Day	UDM_S_BR00000020	[Icon]
BR00000021	Customer has items in legal dunning proced		[Icon]

Collection Management

Let us check a few rules:-



Double Click Attributes of Selection



1.2.2 Collection Rules

SAP Customizing Implementation Guide → Financial Supply Chain Management
→ Collections Management → Basic Settings for Collections Management →
Collection Strategies → Collection Rules → Define Collection Rules

Here we create the collection rules to be used later for the definition of collection strategies

When work lists are created, the collection rules lead to a prioritization of the business partners. The system checks the conditions of all basic rules that make up the individual collection rule. If all conditions are fulfilled, the priority in the worklist increases accordingly.

We work with the standard collection rules.

Collection Management

Table View Edit Goto Selection Utilities(M) System Help

Change View "Rules": Overview

New Entries

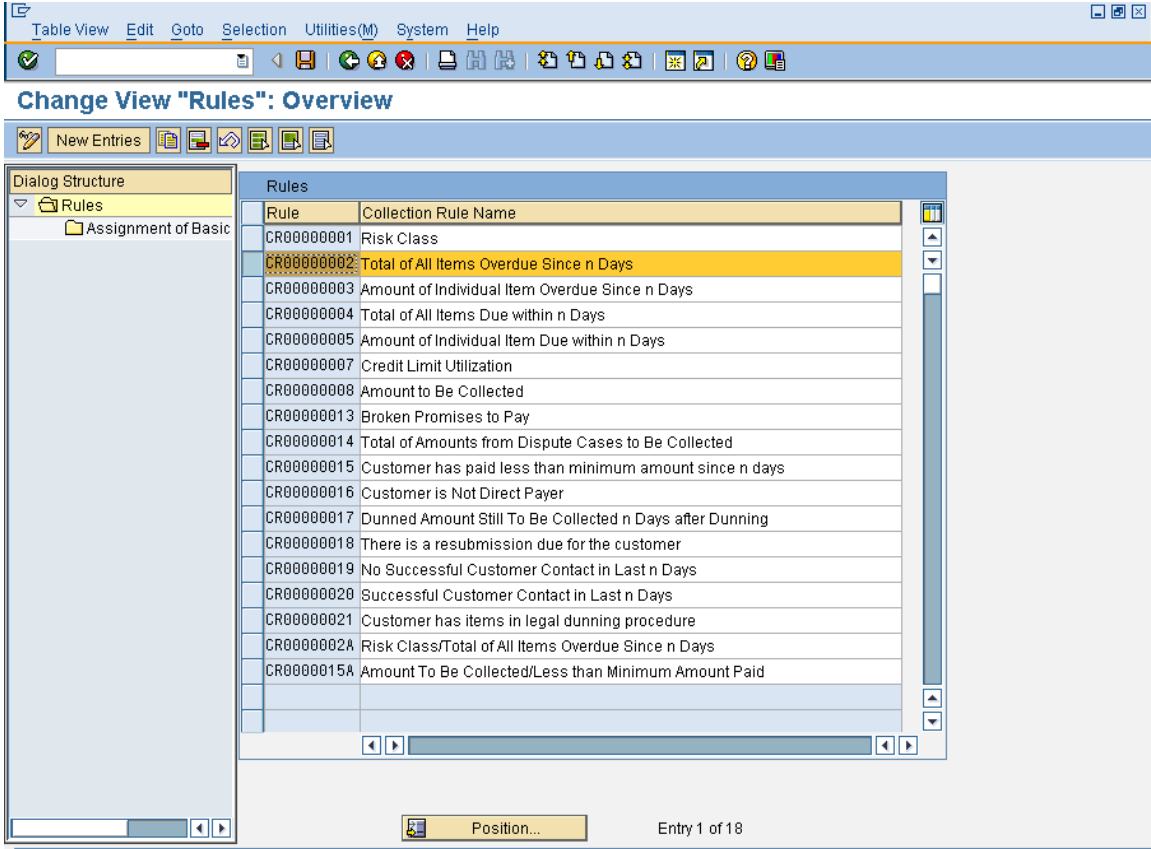
Dialog Structure

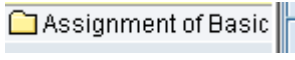
- Rules
 - Assignment of Basic

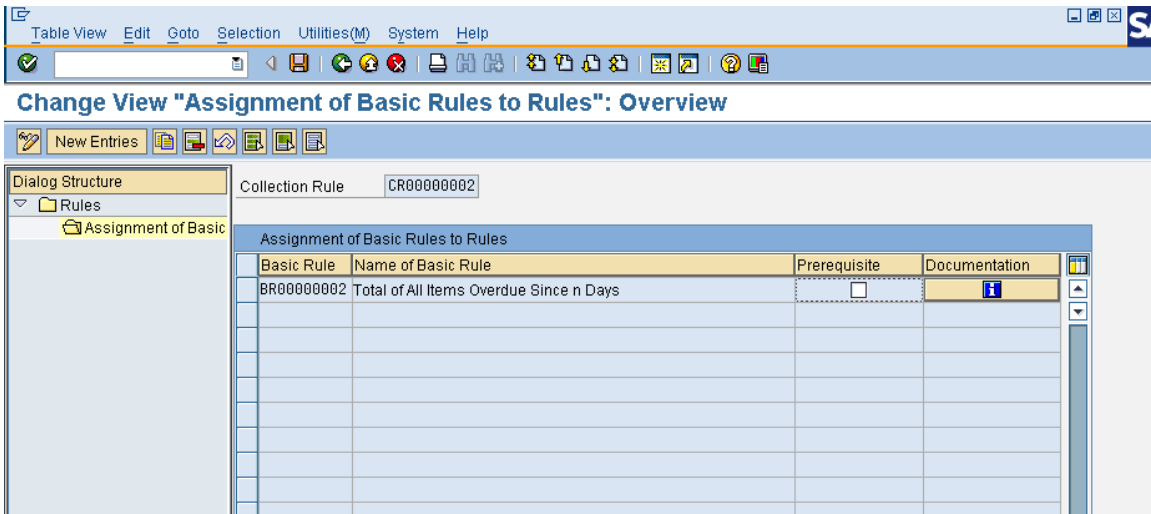
Rule	Collection Rule Name
CR00000001	Risk Class
CR00000002	Total of All Items Overdue Since n Days
CR00000003	Amount of Individual Item Overdue Since n Days
CR00000004	Total of All Items Due within n Days
CR00000005	Amount of Individual Item Due within n Days
CR00000007	Credit Limit Utilization
CR00000008	Amount to Be Collected
CR00000013	Broken Promises to Pay
CR00000014	Total of Amounts from Dispute Cases to Be Collected
CR00000015	Customer has paid less than minimum amount since n days
CR00000016	Customer is Not Direct Payer
CR00000017	Dunned Amount Still To Be Collected n Days after Dunning
CR00000018	There is a resubmission due for the customer
CR00000019	No Successful Customer Contact in Last n Days
CR00000020	Successful Customer Contact in Last n Days
CR00000021	Customer has items in legal dunning procedure
CR00000024	Risk Class/Total of All Items Overdue Since n Days
CR0000015A	Amount To Be Collected/Less than Minimum Amount Paid

Position... Entry 1 of 18

Collection Management



Double Click 



Collection Management

The screenshot displays the SAP Change View 'Rules': Overview. The interface includes a menu bar with 'Table View', 'Edit', 'Goto', 'Selection', 'Utilities(M)', 'System', and 'Help'. Below the menu is a toolbar with various icons. The main area is titled 'Change View "Rules": Overview' and contains a 'New Entries' button and a 'Dialog Structure' tree on the left. The tree shows 'Rules' expanded to 'Assignment of Basic'. The central table lists 18 collection rules, with 'CR00000013 Broken Promises to Pay' highlighted. At the bottom, there is a 'Position...' button and the text 'Entry 1 of 18'.

Rule	Collection Rule Name
CR00000001	Risk Class
CR00000002	Total of All Items Overdue Since n Days
CR00000003	Amount of Individual Item Overdue Since n Days
CR00000004	Total of All Items Due within n Days
CR00000005	Amount of Individual Item Due within n Days
CR00000007	Credit Limit Utilization
CR00000008	Amount to Be Collected
CR00000013	Broken Promises to Pay
CR00000014	Total of Amounts from Dispute Cases to Be Collected
CR00000015	Customer has paid less than minimum amount since n days
CR00000016	Customer is Not Direct Payer
CR00000017	Dunned Amount Still To Be Collected n Days after Dunning
CR00000018	There is a resubmission due for the customer
CR00000019	No Successful Customer Contact in Last n Days
CR00000020	Successful Customer Contact in Last n Days
CR00000021	Customer has items in legal dunning procedure
CR0000002A	Risk Class/Total of All Items Overdue Since n Days
CR0000015A	Amount To Be Collected/Less than Minimum Amount Paid

Collection Management

Table View Edit Goto Selection Utilities(M) System Help

Change View "Rules": Overview

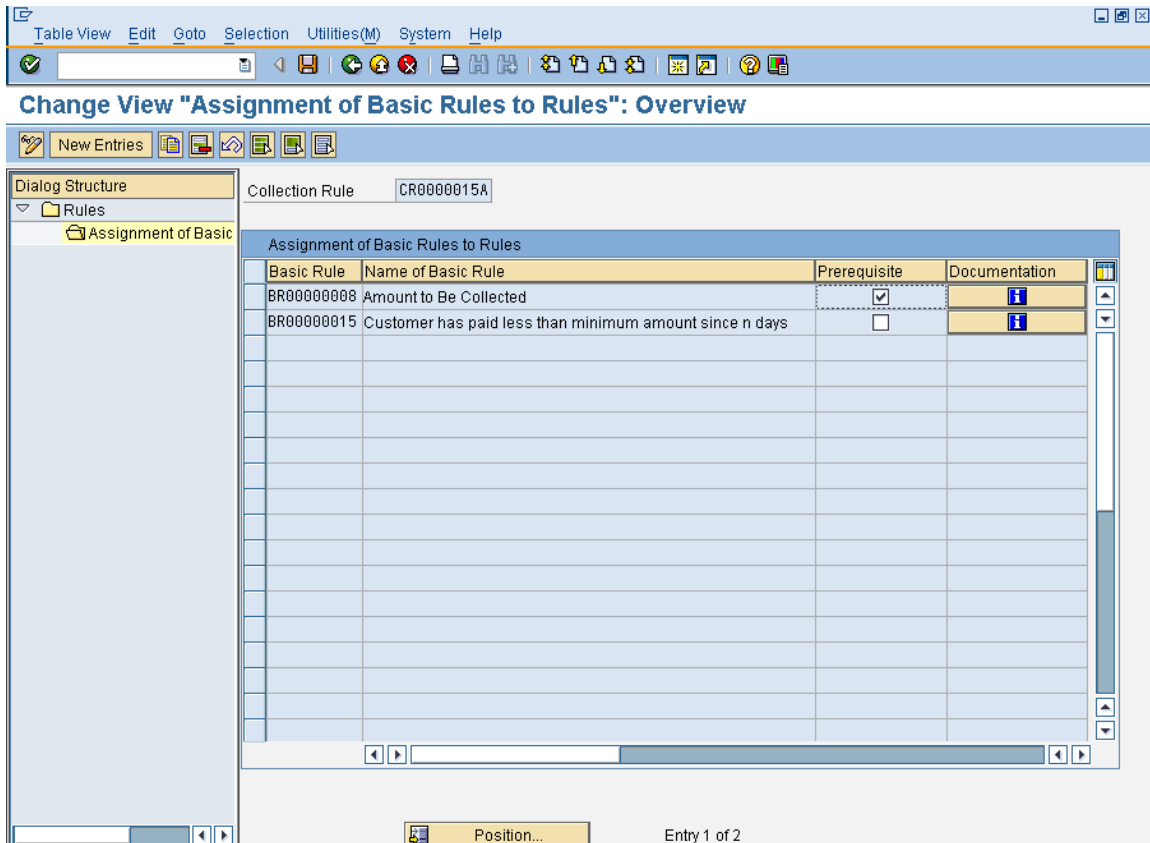
New Entries

Dialog Structure

- Rules
 - Assignment of Basic

Rule	Collection Rule Name
CR00000001	Risk Class
CR00000002	Total of All Items Overdue Since n Days
CR00000003	Amount of Individual Item Overdue Since n Days
CR00000004	Total of All Items Due within n Days
CR00000005	Amount of Individual Item Due within n Days
CR00000007	Credit Limit Utilization
CR00000008	Amount to Be Collected
CR00000013	Broken Promises to Pay
CR00000014	Total of Amounts from Dispute Cases to Be Collected
CR00000015	Customer has paid less than minimum amount since n days
CR00000016	Customer is Not Direct Payer
CR00000017	Dunned Amount Still To Be Collected n Days after Dunning
CR00000018	There is a resubmission due for the customer
CR00000019	No Successful Customer Contact in Last n Days
CR00000020	Successful Customer Contact in Last n Days
CR00000021	Customer has items in legal dunning procedure
CR00000024	Risk Class/Total of All Items Overdue Since n Days
CR0000015A	Amount To Be Collected/Less than Minimum Amount Paid

Collection Management



1.2.3 Process Strategies

SAP Customizing Implementation Guide → Financial Supply Chain Management
→ Collections Management → Basic Settings for Collections Management →
Collection Strategies → Process Strategies

Here we create the collection strategies.

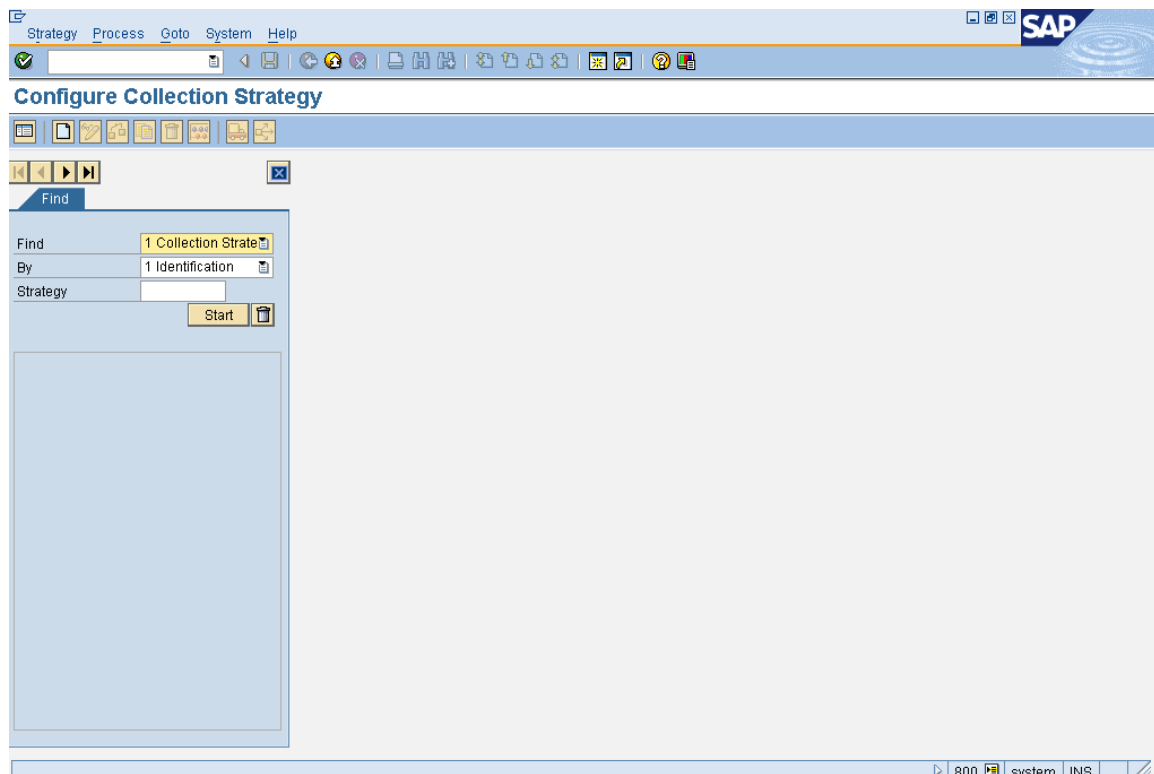
Collection strategies are used to

- Prioritize customers on the work list

Collection Management

- Define the currency in which the amounts are to be displayed in the work list
- Determine the time intervals with which the customers payables are to be sorted
- Define the type of integration with dunning
- Determine the influence of the terms of payment on Collections Management

All specialists in a collection group collect open receivables from customers with the same strategy. Therefore, you have to assign a collection strategy to each collection group.



Click 

Collection Management

Strategy Process Goto System Help

Strategy

Find

Find

By

Strategy

Start

General Data Receivables Processing bef. Due Date Dunn.Data

Currency

Maximum Valuation

Overdue Periods Due Date Periods

Overdue Period 1	<input type="text" value="1"/>	To	<input type="text" value="30"/>	Days
Overdue Period 2	<input type="text" value="31"/>	To	<input type="text" value="60"/>	Days
Overdue Period 3	<input type="text" value="61"/>	To	<input type="text" value="90"/>	Days
Overdue Period 4	<input type="text" value="≥ 91"/>	To	<input type="text"/>	Days

Assignment of Rules

Prerequisites and Conditions

Collection Rule	Valuation	Exit Rule	Name of Prerequisite	Name of Condition

Update the following:-

Strategy Process Goto System Help

Strategy Strategy for G Ltd.

Find

Find

By

Strategy

Start

General Data Receivables Processing bef. Due Date Dunn.Data

Currency

Maximum Valuation

Overdue Periods Due Date Periods

Overdue Period 1	<input type="text" value="1"/>	To	<input type="text" value="30"/>	Days
Overdue Period 2	<input type="text" value="31"/>	To	<input type="text" value="60"/>	Days
Overdue Period 3	<input type="text" value="61"/>	To	<input type="text" value="90"/>	Days
Overdue Period 4	<input type="text" value="≥ 91"/>	To	<input type="text"/>	Days

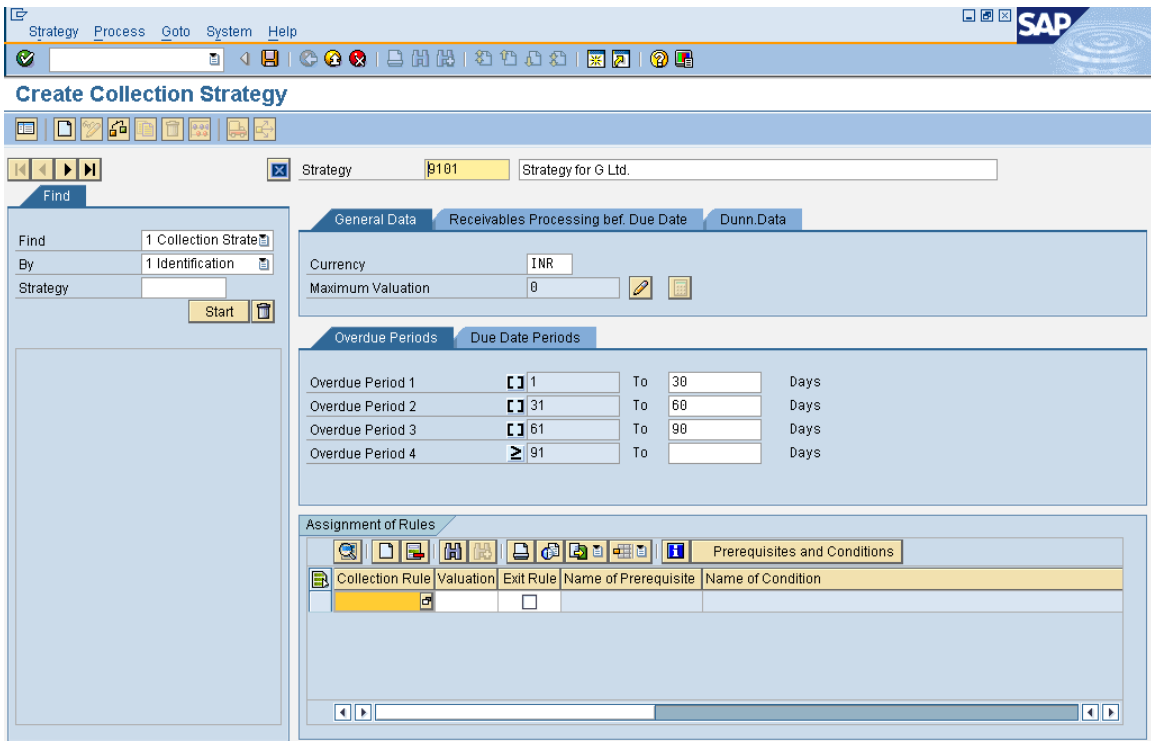
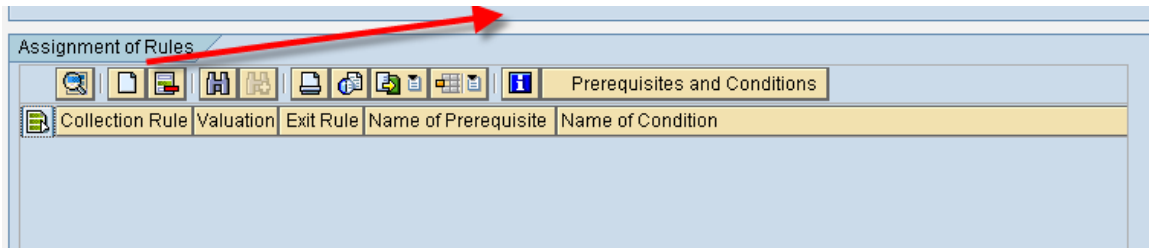
Assignment of Rules

Prerequisites and Conditions

Collection Rule	Valuation	Exit Rule	Name of Prerequisite	Name of Condition

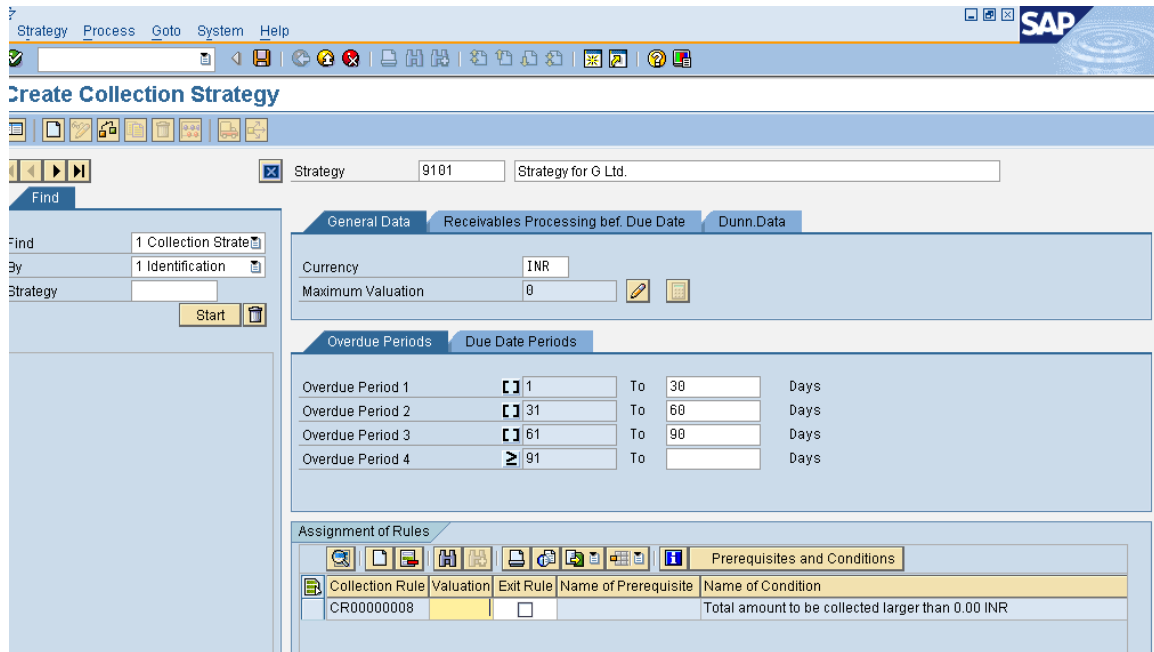
Click 

Collection Management

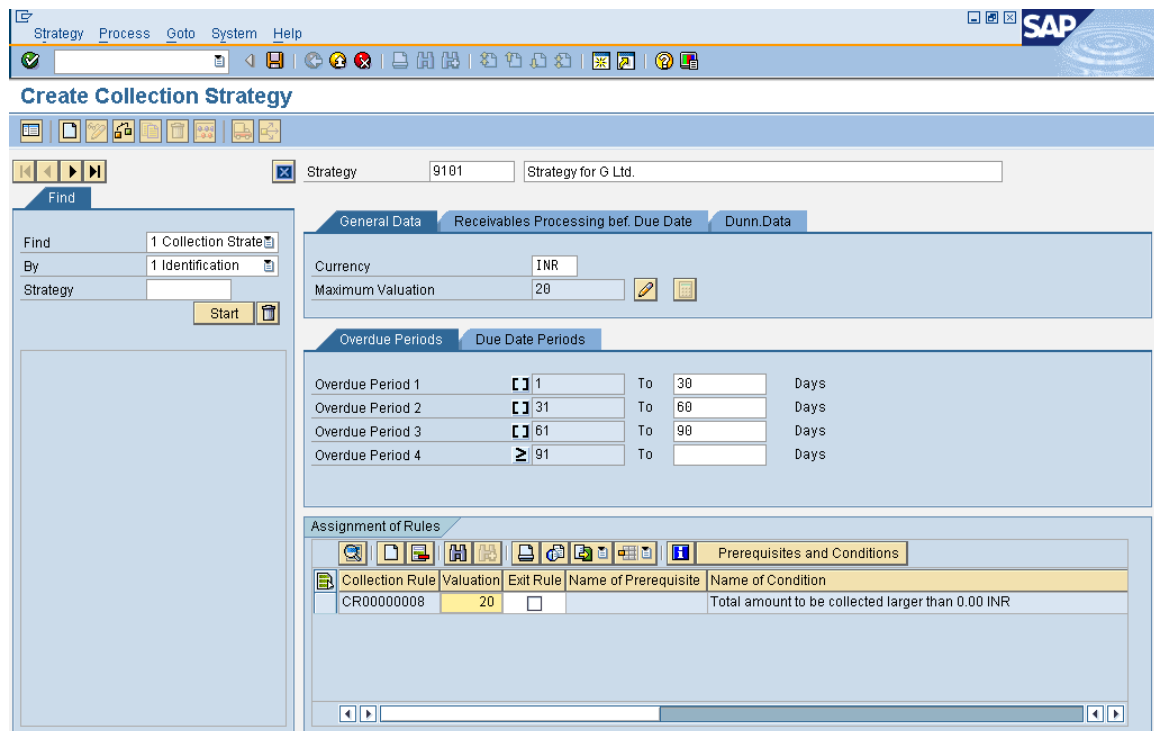


Collection Management

Update the following:-



Update the valuation points:-



Further click

Collection Management

The screenshot displays two SAP screens related to collection management. The top screen, titled "Assignment of Rules", shows a table with the following data:

Collection Rule	Valuation	Exit Rule	Name of Prerequisite	Name of Condition
CR00000008	20	<input type="checkbox"/>		Total amount to be collected larger than 0.00 INR

A red arrow points to the "Exit Rule" column header. The bottom screen, titled "Create Collection Strategy", shows the configuration for a strategy named "Strategy for G Ltd." with ID "9101". It includes sections for "General Data", "Overdue Periods", and "Due Date Periods".

General Data:

- Currency: INR
- Maximum Valuation: 40

Overdue Periods:

- Overdue Period 1: [] 1 To 30 Days
- Overdue Period 2: [] 31 To 60 Days
- Overdue Period 3: [] 61 To 90 Days
- Overdue Period 4: ≥ 91 To Days

The bottom section of the "Create Collection Strategy" screen shows an "Assignment of Rules" table:

Collection Rule	Valuation	Exit Rule	Name of Prerequisite	Name of Condition
CR00000008	20	<input type="checkbox"/>		Total amount to be collected larger than 0.00 INR
CR00000013	20	<input type="checkbox"/>		There are broken promises to pay

Likewise also update all other collection rules as follows:-

Collection Management

Strategy 9101 Strategy for G Ltd.

General Data Receivables Processing bef. Due Date Dunn.Data

Currency INR
Maximum Valuation 100

Overdue Periods Due Date Periods

Overdue Period 1	1	To	30	Days
Overdue Period 2	31	To	60	Days
Overdue Period 3	61	To	90	Days
Overdue Period 4	≥ 91	To		Days

Assignment of Rules

Collection Rule	Valuation	Exit Rule	Name of Prerequisite	Name of Condition
CR00000008	20	<input type="checkbox"/>		Total amount to be collected larger than 0.00 INR
CR00000013	20	<input type="checkbox"/>		There are broken promises to pay
CR00000019	20	<input type="checkbox"/>		No successful customer contact in last 0 days
CR00000003	20	<input type="checkbox"/>		There is one overdue item
CR00000002	10	<input type="checkbox"/>		There are overdue items
CR00000008	10	<input type="checkbox"/>		Total amount to be collected larger than 0.00 INR

Double Click **CR00000013**

Broken Promises to Pay

Conditions

Broken Promises to Pay

Total Promised (INR) [] to []

Level of Promise to Pay [] to []

Collection Rule	Valuation	Exit Rule	Name of Prerequisite	Name of Condition
CR00000008	20	<input type="checkbox"/>		Total amount to be collected larger than 0.00 INR
CR00000013	20	<input type="checkbox"/>		There are broken promises to pay

Collection Management

Double Click

Broken Promises to Pay

Total Promised (INR)	<input type="text"/>	to	<input type="text"/>
Level of Promise to Pay	<input type="text"/>	to	<input type="text"/>

Select

Maintain Selection Options

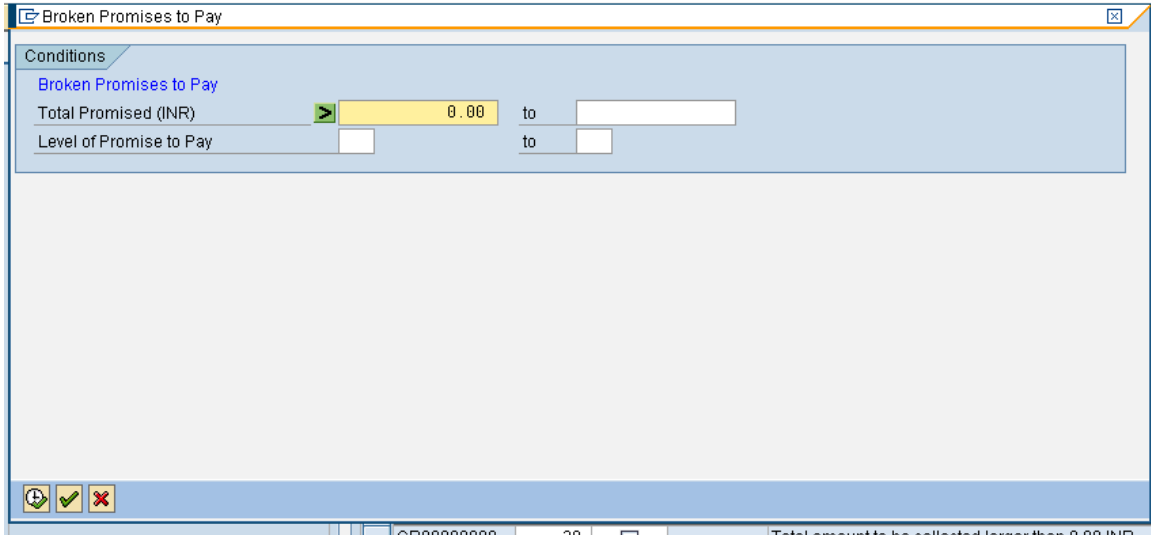
Total Promised (INR)

Se...	Description
<input type="checkbox"/>	Single Value
<input checked="" type="checkbox"/>	Greater than
<input type="checkbox"/>	Less than

Select Exclude from Selection

Delete Row

Collection Management



Broken Promises to Pay

Conditions

Broken Promises to Pay

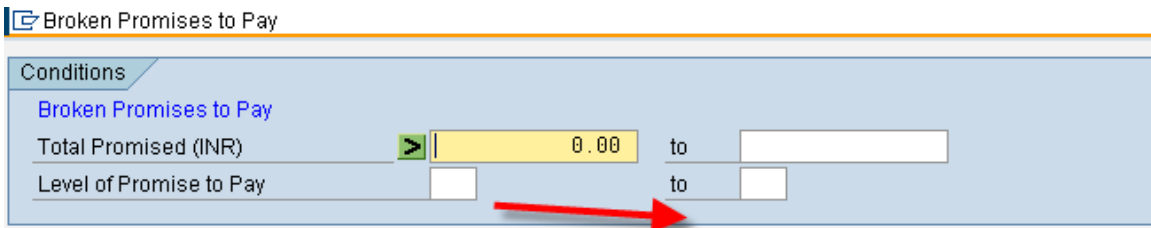
Total Promised (INR) 0.00 to

Level of Promise to Pay to

Icons: Refresh, Check, Close

00000000 20 Total amount to be collected lower than 0.00 INR

Double click



Broken Promises to Pay

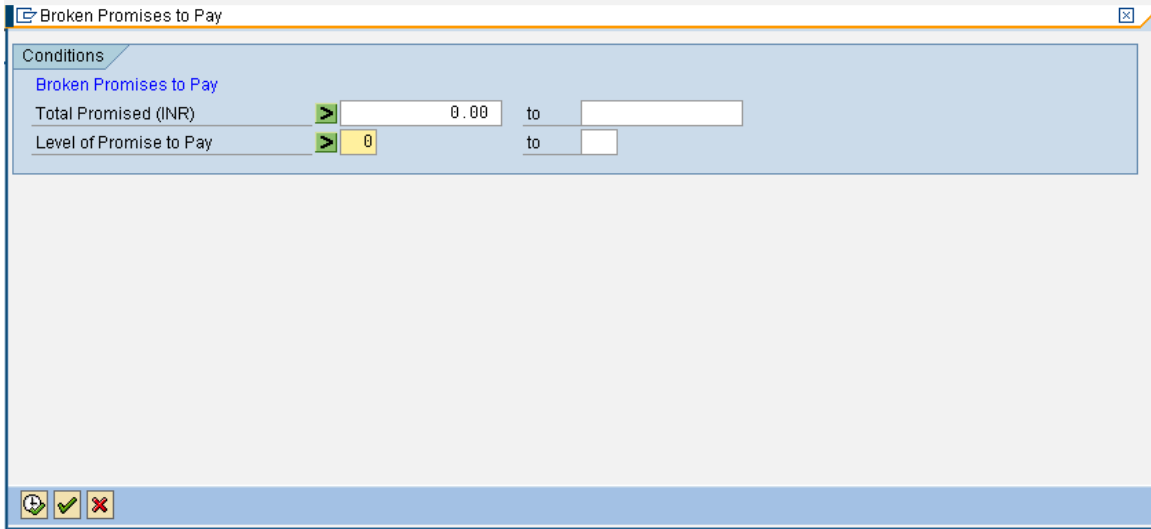
Conditions

Broken Promises to Pay

Total Promised (INR) 0.00 to

Level of Promise to Pay to

A red arrow points to the 'Level of Promise to Pay' field.



Broken Promises to Pay

Conditions

Broken Promises to Pay

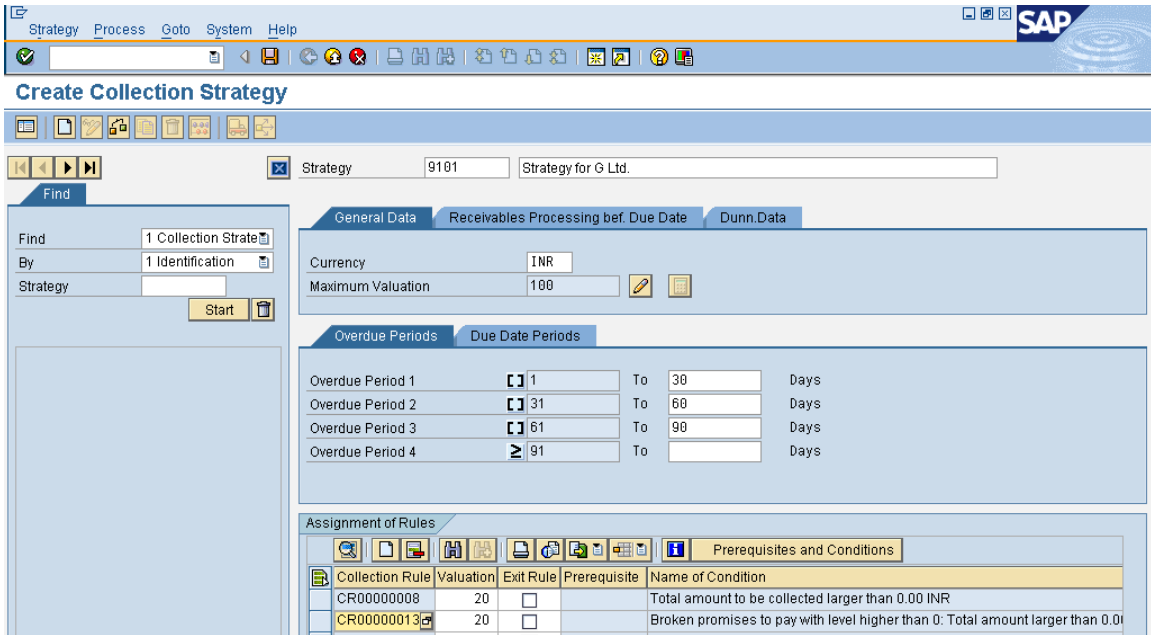
Total Promised (INR) 0.00 to

Level of Promise to Pay 0 to

Icons: Refresh, Check, Close

Collection Management

Click 



Strategy 9101 Strategy for G Ltd.

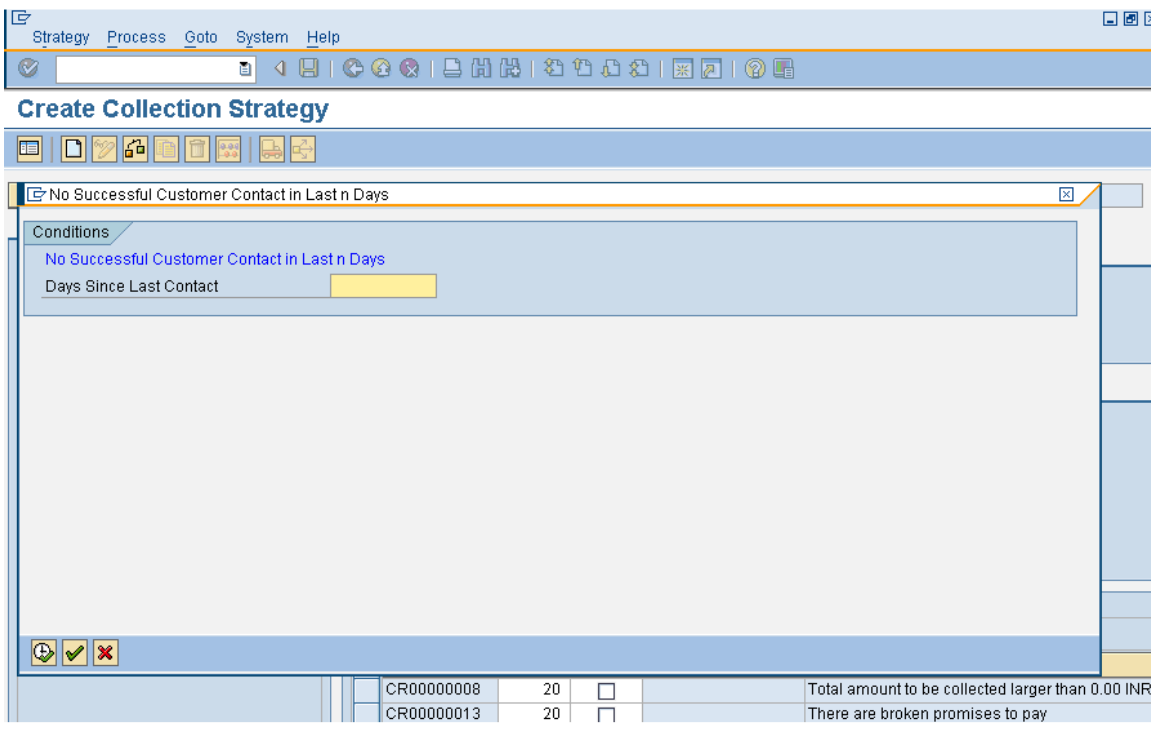
Find: 1 Collection Strategie
By: 1 Identification

General Data: Currency: INR, Maximum Valuation: 100

Overdue Periods: Overdue Period 1 (1 to 30 Days), Overdue Period 2 (31 to 60 Days), Overdue Period 3 (61 to 90 Days), Overdue Period 4 (≥ 91 Days)

Collection Rule	Valuation	Exit Rule	Prerequisite	Name of Condition
CR00000008	20	<input type="checkbox"/>		Total amount to be collected larger than 0.00 INR
CR00000013	20	<input type="checkbox"/>		Broken promises to pay with level higher than 0: Total amount larger than 0.00

Double Click 



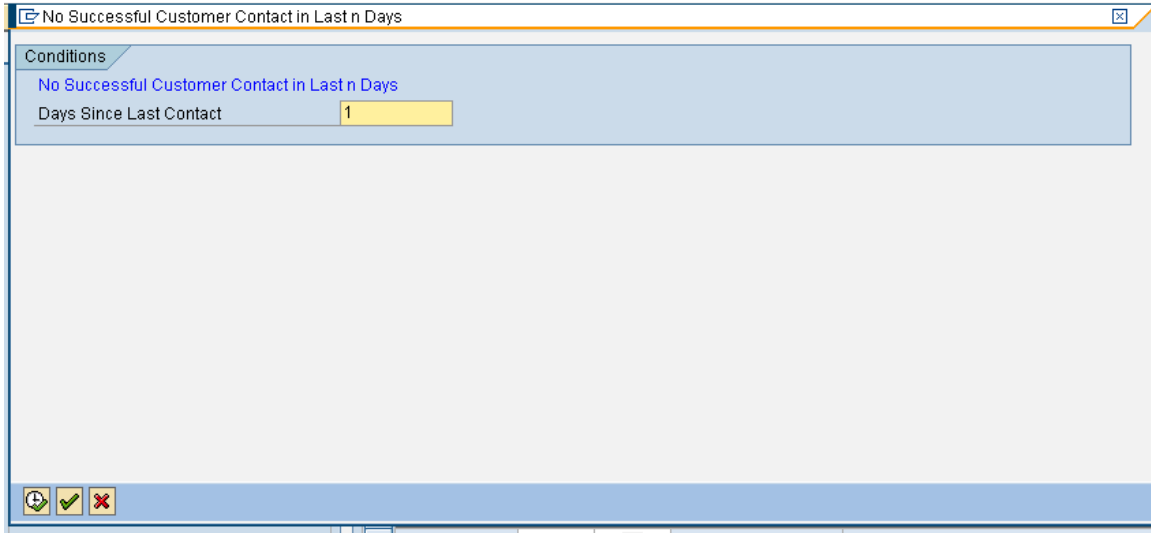
No Successful Customer Contact in Last n Days

Conditions: No Successful Customer Contact in Last n Days
Days Since Last Contact: [Field]

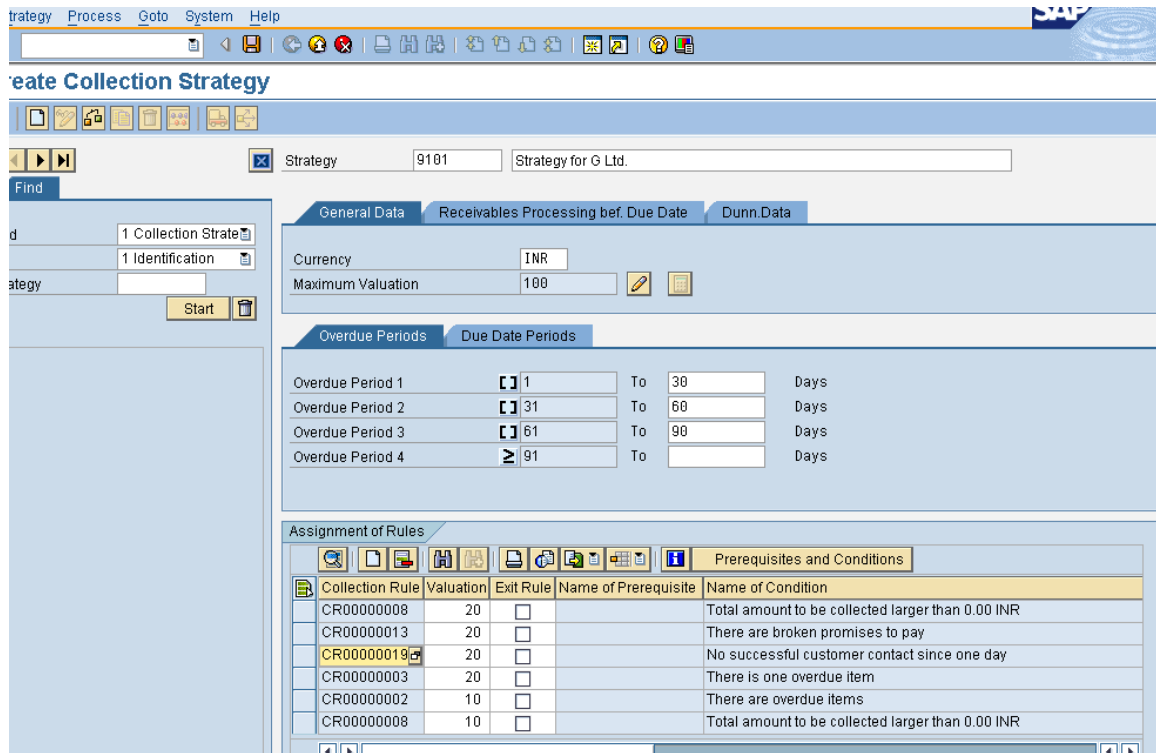
CR00000008	20	<input type="checkbox"/>		Total amount to be collected larger than 0.00 INR
CR00000013	20	<input type="checkbox"/>		There are broken promises to pay

Collection Management

Update the following:-



Click 



Double Click 

Update the following:-

Double click in the field

Collection Management

Conditions

Total of All Items Overdue Since n Days

Item Total (INR)	<input type="text" value=""/>	to	<input type="text" value=""/>
Days Overdue	<input type="text" value="1"/>		

Select

Maintain Selection Options

Item Total (INR)	
Se...	Description
<input type="checkbox"/>	Single Value
<input checked="" type="checkbox"/>	Greater than
<input type="checkbox"/>	Less than

Select Exclude from Selection

Delete Row

Total of All Items Overdue Since n Days

Conditions

Total of All Items Overdue Since n Days

Item Total (INR)	<input type="text" value="0.00"/>	to	<input type="text" value=""/>
Days Overdue	<input type="text" value="1"/>		

Collection Management

Click 

Create Collection Strategy

Strategy: 9101 Strategy for G Ltd.

Find: 1 Collection Strategy
By: 1 Identification

Start

General Data Receivables Processing bef. Due Date Dunn.Data

Currency: INR
Maximum Valuation: 100

Overdue Periods Due Date Periods

Overdue Period	Start	To	Days
Overdue Period 1	1	30	Days
Overdue Period 2	31	60	Days
Overdue Period 3	61	90	Days
Overdue Period 4	91		Days

Assignment of Rules

Collection Rule	Valuation	Exit Rule	Prerequisite	Name of Condition
CR00000008	20	<input type="checkbox"/>		Total amount to be collected larger than 0.00 INR
CR00000013	20	<input type="checkbox"/>		There are broken promises to pay
CR00000019	20	<input type="checkbox"/>		No successful customer contact since one day
CR00000003	20	<input type="checkbox"/>		There is one overdue item
CR00000002	10	<input type="checkbox"/>		Total of all items overdue since one day; Total amount larger than 0.00 INR
CR00000008	10	<input type="checkbox"/>		Total amount to be collected larger than 0.00 INR

Double Click 

Update the following:-




Amount of Individual Item Overdue Since n Days

Conditions

Amount of Individual Item Overdue Since n Days

Item Amount (INR) > 0.00 to

Days Overdue 1

Click 

Collection Management

Strategy 9101 Strategy for G Ltd.

Find
Find 1 Collection Strate
By 1 Identification
Strategy
Start

General Data Receivables Processing bef. Due Date Dunn.Data


Currency INR
Maximum Valuation 100

Overdue Periods Due Date Periods

Overdue Period 1 1 To 30 Days
Overdue Period 2 31 To 60 Days
Overdue Period 3 61 To 90 Days
Overdue Period 4 ≥ 91 To Days

Assignment of Rules Prerequisites and Conditions

Collection Rule	Valuation	Exit Rule	Prerequisite	Name of Condition
CR00000008	20	<input type="checkbox"/>		Total amount to be collected larger than 0.00 INR
CR00000013	20	<input type="checkbox"/>		Broken promises to pay with level higher than 0: Total amount larger than 0.00 INR
CR00000019	20	<input type="checkbox"/>		No successful customer contact since one day
CR00000003	20	<input type="checkbox"/>		Individual items overdue since one day: Amount larger than 0.00 INR
CR00000002	10	<input type="checkbox"/>		Total of all items overdue since one day: Total amount larger than 0.00 INR
CR00000008	10	<input type="checkbox"/>		Total amount to be collected larger than 0.00 INR

Click on 

Collection Management

Strategy 9101 Strategy for G Ltd.

Find
Find: 1 Collection Strategy
By: 1 Identification
Strategy: []
Start []

General Data Receivables Processing bef. Due Date Dunn.Data

Currency: INR
Maximum Valuation: 100

Overdue Periods Due Date Periods

Overdue Period	Start	To	Days
Overdue Period 1	1	30	Days
Overdue Period 2	31	60	Days
Overdue Period 3	61	90	Days
Overdue Period 4	≥ 91		Days

Assignment of Rules

Collection Rule	Valuation	Exit Rule	Prerequisite	Name of Condition
CR00000008	20	<input type="checkbox"/>		Total amount to be collected larger than 0.00 INR
CR00000013	20	<input type="checkbox"/>		Broken promises to pay with level higher than 0: Total amount larger than 0.00 INR
CR00000019	20	<input type="checkbox"/>		No successful customer contact since one day
CR00000003	20	<input type="checkbox"/>		Individual items overdue since one day: Amount larger than 0.00 INR
CR00000002	10	<input type="checkbox"/>		Total of all items overdue since one day: Total amount larger than 0.00 INR
CR00000008	10	<input type="checkbox"/>		Total amount to be collected larger than 0.00 INR

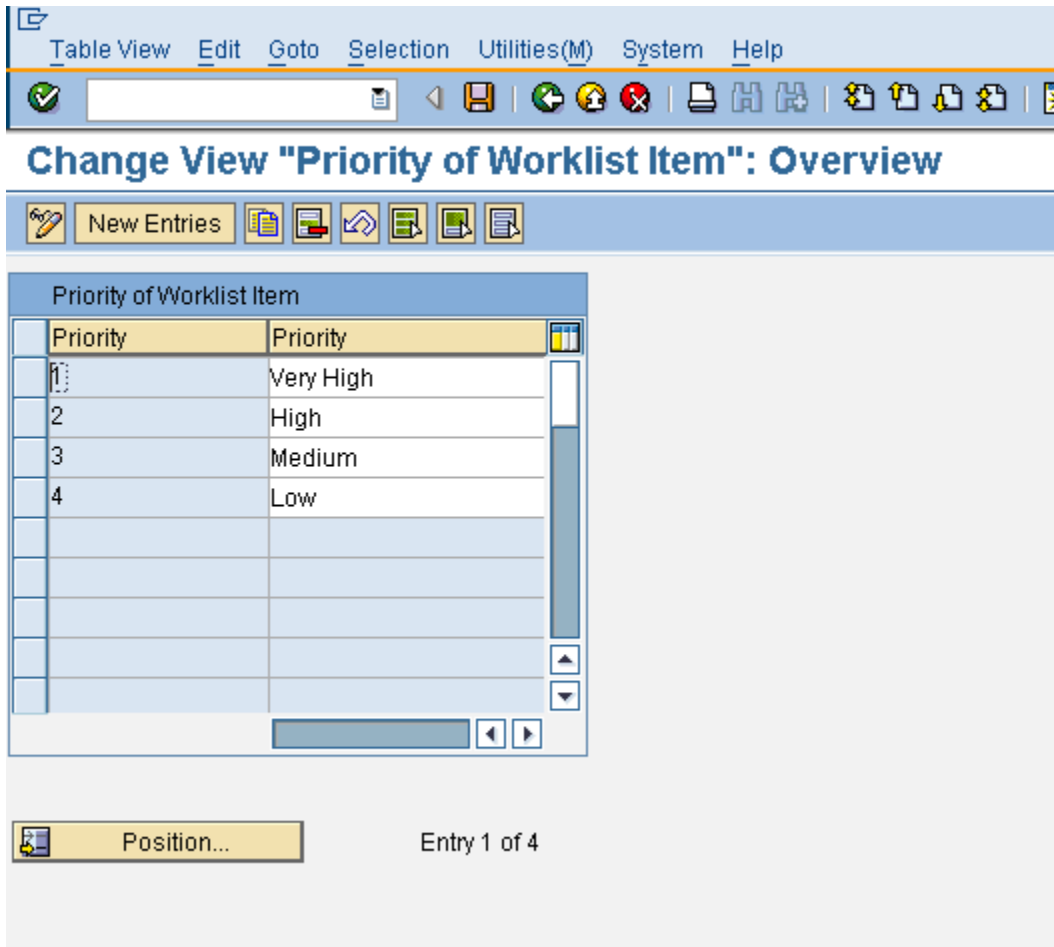
Changes have been saved | 800 | system | INS

1.2.4 Define Priorities

SAP Customizing Implementation Guide → Financial Supply Chain Management → Collections Management → Basic Settings for Collections Management → Collection Strategies → Priorities → Define Priorities

Here we can define priorities possible for work list items.

We work with SAP standard priorities.



1.2.5 Define Derivation of Priority

SAP Customizing Implementation Guide → Financial Supply Chain Management → Collections Management → Basic Settings for Collections Management → Collection Strategies → Priorities → Define Derivation of Priority

Valuation points are calculated from the key figures of the customers in accordance with the strategy.

The system calculates the valuation points automatically based on the maximum points derived.

Here we define the percentage valuation which leads to which priority of the related work list item.

Collection Management

In the SAP standard, the priorities are distributed to the percentage valuation on a linear basis:

Let us understand how the system will derive the priority:-

For example, in the strategy we have defined we assign the valuation points in accordance with the importance of each rule.

Collection Rule	Valuation	Name of condition
CR00000008	20	Total amount to be collected larger than 0.00 INR
CR00000013	20	Broken promises to pay with level higher than 0: Total amount larger than 0.00 INR
CR00000019	20	No successful customer contact since one day
CR00000003	20	Individual items overdue since one day: Amount larger than 0.00 INR
CR00000002	10	Total of all items overdue since one day: Total amount larger than 0.00 INR
CR00000008	10	Total amount to be collected larger than 0.00 INR

If a customer fulfills the first 4 rules the valuation determined by the system is 80. The priority determined will be 1 – Very High.