

Why Oracle® iProcurement?

By Thomas Berliner

Editor's Note: This is the first in a series featuring an overview of Oracle's Self-Service Applications. Most Oracle customers have implemented the core Financial products and are starting to realize that efficiencies can be gained by integrating the "i" products as well as other core product suites. In his first short tip, Tom Berliner provides a short overview of the key functionality of Oracle iProcurement and its touch points to the Oracle E-Business Suite. Future articles will explore the direction iExpense and Time and Labor are headed, especially with the anticipated release of R12 in 2006.

Key Functionality

Oracle iProcurement Approval Process

In conjunction with Oracle Workflow, Oracle iProcurement facilitates a paperless, automated approval process for purchase requisitions with the following features:

- Submitted purchase requisitions may be tracked as they proceed through the routing and approval process.
- Approvers can delegate approval responsibility and/or use e-mail including proxies for approvals rather than logging into the Oracle system. E-mail approval capability is very useful for road warriors.
- Supporting documents can be attached with the automated purchase requisition, which approvers can review.

- Hard copies and manual/physical approval processes can be eliminated.

Oracle iProcurement Supplier Management

Oracle iProcurement shares suppliers' tables with Oracle Purchasing, Inventory, and Payables creating an integrated environment for supplier information that is available to select, update, or create new in Oracle iProcurement.

- Supplier contact information, when provided (i.e., vendor contact name, phone number, e-mail address), can be stored to the database via Oracle iProcurement and queried when creating new requisitions in both Oracle iProcurement and Oracle Purchasing.

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Oracle iProcurement Catalog Management

Oracle iProcurement is optionally a catalog-driven procurement system, which helps businesses organize the items, services, and vendors they routinely procure products from.

- The catalog management process allows the creation of catalogs containing items and services from which organizations procure goods.
- The catalog management process allows requesters to select and purchase items and services from on-line catalogs using drop down functionality.
- Requesters creating purchase requisitions can easily do so following easy-to-use, wizard-driven catalogs with instructions for ordering items and services.

Oracle iProcurement Order Process

The approval and order creation process provided by Oracle iProcurement simplifies the procurement process with the following functions:

- The shopping process locates and selects items AND can be used to perform a comparative analysis of different items.
- The receive order process allows requesters to receive items and control the details for the delivery of orders.
- The checkout and submit process allows requesters to specify the quantity of purchase.

Oracle iProcurement Data Validation

Like any Oracle product, business rules, cross-validation and security rules, and other data validation rules can be defined and enforced. Oracle iProcurement validates drop-down lists (LOV) for Project Accounting, for example:

- Expenditure Type and Project Number can be selected from a pick list during data entry of purchase requisitions.
- Project sub-tasks are validated against Oracle Projects, and transaction controls are used to prevent purchase requisitions against sub-tasks.

Integration with Oracle E-Business Suite

Oracle iProcurement integrates seamlessly with the Oracle E-Business Suite and supports a single global instance allowing multiple users simultaneous access to key functions and features.

Oracle Workflow sends Oracle iProcurement notifications to requesters and approvers.

Oracle General Ledger Integration

Oracle General Ledger shares accounting flexfield and charge account combinations with Oracle iProcurement, in addition to providing a set of books (SOB) and exchange rates for the module.

Oracle Purchasing Integration

Oracle Purchasing can use the Catalog Extract feature to load and create the Oracle iProcurement catalog.

Oracle Purchasing can use the purchase orders created via Oracle iProcurement's requisitions option for inquiry and for receiving activity.

Oracle Payables Integration

Oracle Payables manages catalog content and requisitioning using Oracle iProcurement functionality.

Oracle Payables uses the purchase orders and receipts created in Oracle iProcurement and Oracle Purchasing for two and three-way matching and accounting.

Oracle Payables tracks projects and the expenditures related to projects created in Oracle iProcurement.

Oracle HRMS Integration

Oracle iProcurement requesters and approvers are validated against in the employee-supervisor relationship defined in Oracle HRMS.

It is also possible to validate requesters and approvers against Oracle Projects project and task manager assignments, but this does require some customizations of the workflow to achieve.

Oracle Workflow Integration


Oracle Workflow sends Oracle iProcurement notifications to requesters and approvers, using the Requisition Approval Workflow, PO Create Document Workflow, and PO Approval Workflow.

Oracle e-Commerce and XML Gateway Integration

Oracle iProcurement integrates with e-Commerce and the XML Gateway for use with electronic purchase order transmissions

Summary

Oracle iProcurement is a mature product designed to facilitate online shopping that provides requesters the ability to create, manage, and track purchase requisitions and purchase orders, and helps managers and buying professionals to source and approve requisitions before needless spending occurs.

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