Using Approvals Management Engine (AME) for Requisitions in R12

Agenda

- Introductions
- American Transmission Company
- Standard requisition approvals
- Overview of AME
- Examples
- Other AME facts
- Q&A

Gary Marines

- Procurement applications consultant with O2Works
- 11 years procurement process and application experience within telecom, retail, and energy utility industries
- Contact information:
  - gmarines@o2works.com

American Transmission Company – Background

- First multi-state transmission-only utility
- 9,350 Circuit miles of transmission line
- Live with R12 in May of 2008

Requirements

- Requisition approvals to meet the Expenditure Authorization Policy

Standard Requisition Approval Process

- Position hierarchy
- Employee - Supervisor
- Direct or Hierarchical Routing
- Include and Exclude amounts for various attributes such as document totals and account ranges.

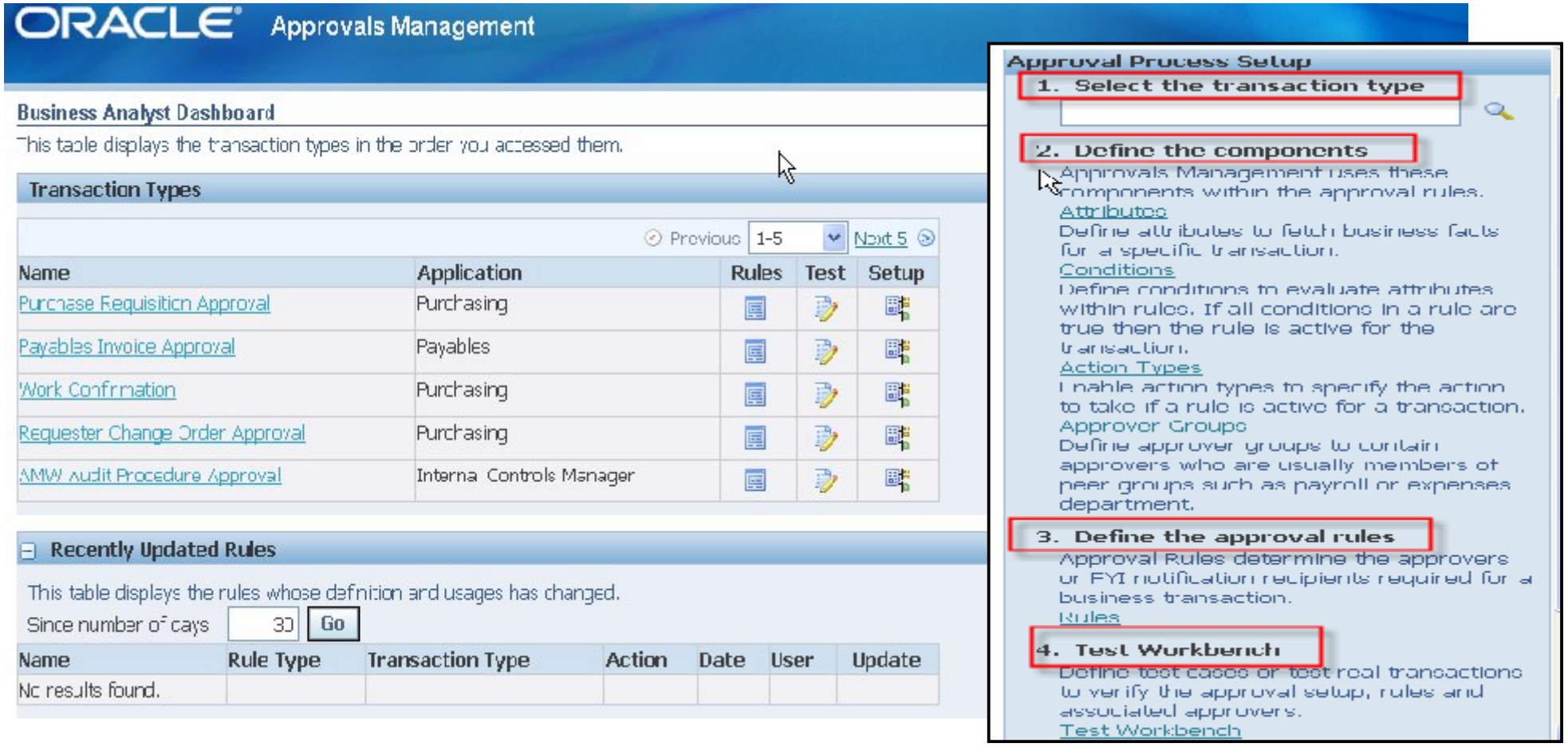
Standard Requisition Approval Process

- There are many ways that the standard approval methods can support your organization.
- Need more? Modify workflow.
- Administrational overhead with maintaining a position hierarchy if your organization changes often.

What is the Approvals Management Engine (AME)?

- A common way for Oracle to manage approvals for it's applications.
- AME has a self-service business analyst dashboard to perform maintenance.
- Uses business specific rules to manage the approvals required for a specific type of transaction

AME Business Analyst Dashboard



Approval Rules

- Business rule that determines the approval process used by a transaction.
  - Rules are constructed by Conditions and Actions.
- **Example:**
  - **If** requisition amount > $250,000.00 USD (condition), **THEN** require post-chain-of-authority approval (action) from the Legal Team (approval group).

Approval Rules

If

requisition amount > $250,000.00 USD,

condition

THEN

use post-chain-of-authority approval to add the approval group of Legal team

action

Approval Rules

- Transaction Types
- Attributes
- Conditions
- Action Types
- Approval Groups

Transaction Type

- Represents “Which” application transaction type will have a set of distinct rules applied to it.
- Types of Transaction Types:
  - Requisition Approval
  - Requisition Change Approval
  - Work Confirmation
  - Supplier Registration Approval

Attributes

- Business variables that have a single outcome for a transaction:
  - Transaction amount
  - Purchasing Category
  - Cost Center
  - Item Number
- Attributes are used in conditions to provide one piece of the rule.
- Create attributes that do not come seeded

Conditions

- The **IF** part of an Approval Rule
- True or False statement for a given transaction
- Types of conditions
  - Regular - Ordinary or Exception conditions
  - List-modifiers - checks for a given approver
- Ordinary Conditions associates an attribute with a set of allowed values or range.

Action Types

- The **THEN** part of an Approval Rule
- An *action type* is an instruction to AME to modify a transaction's approval process in the manner you specify.
- AME typically provides all the actions and action types that will be required but custom ones can be created if needed

Available Action Types

- Available Action Types Are:
  - Chain of Authority – Uses HR supervisory or HR position hierarchies.
  - List Modification
  - Substitution
  - Pre Approval Group
  - Post Approval Group

Approval Groups

- When using pre- or post- list approval group action types you will have to create an Approval group
- An approver group can either be an ordered set of one or more approvers (persons and/or user accounts) or it can be a list, which is dynamically generated at rule evaluation time.

Approval Groups

- Are typically created to support non-financial approvals such as:
  - Legal Review
  - Gate Keeper for specific commodities
  - Engineering
  - Project Management
- This means in addition to the approval list that was automatically built based on financial constraints (emp/supervisor hierarchy)

Example 1- Simple Business Rule

- At a local electric transmission company all requisition transactions over $250,000.00 Require the approval of a legal representative
- The legal team should be notified after the initial financial approval list has reviewed and approved the requisition
- First team member to respond provides the approval

Example 1

If

requisition amount > $250,000.00 USD,

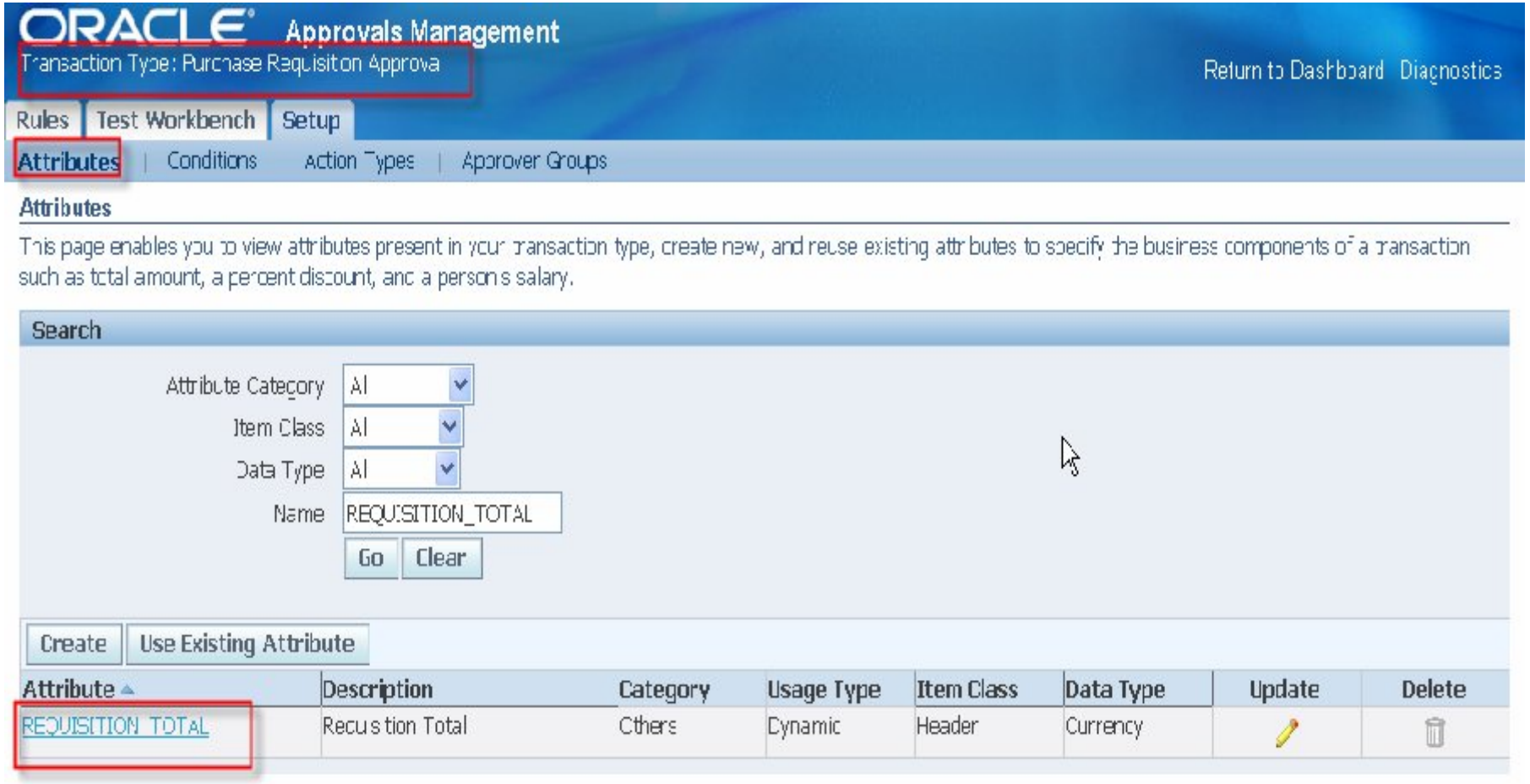
condition

THEN

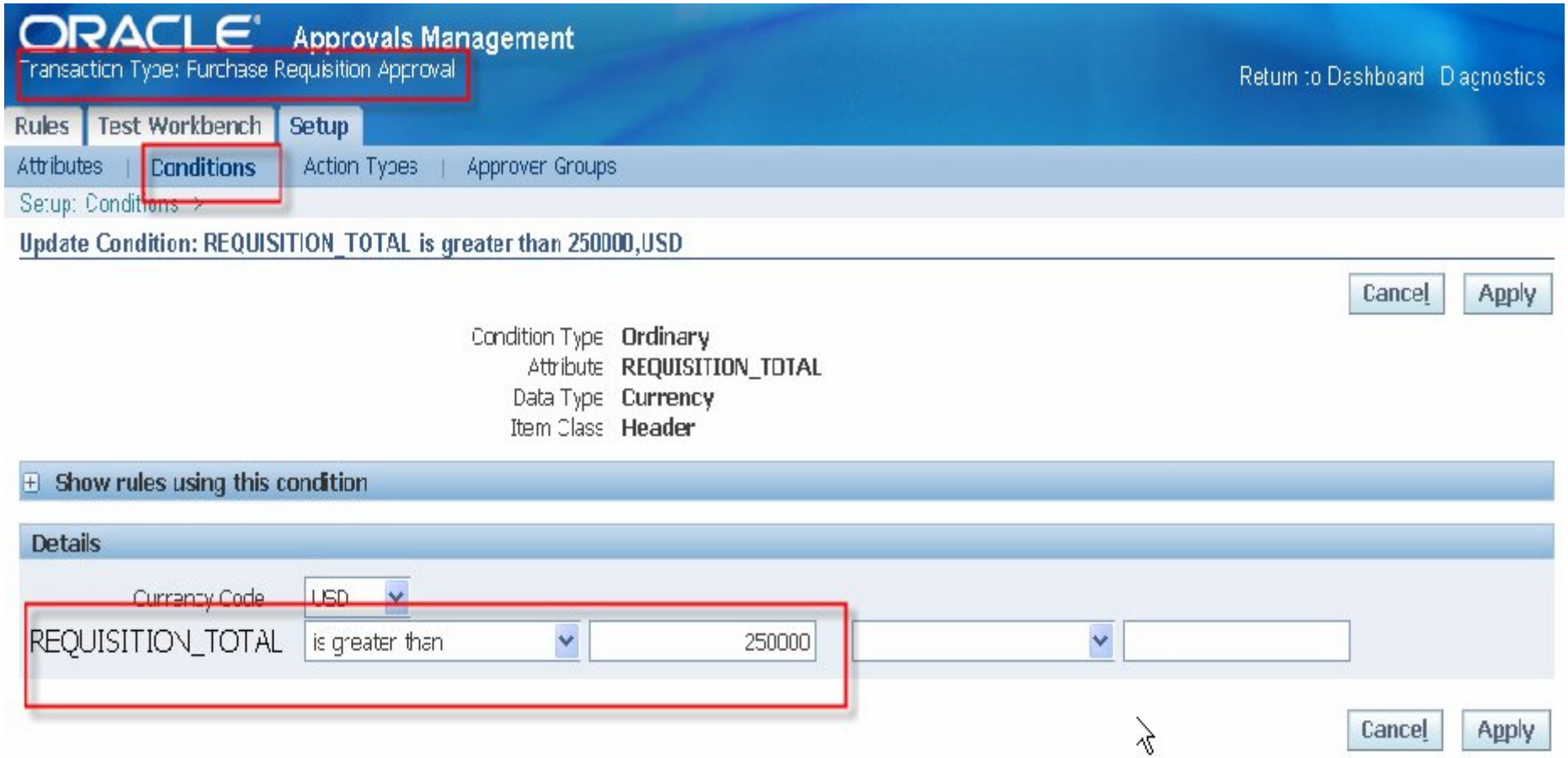
use post-chain-of-authority approval to add the approval group of Legal team

action

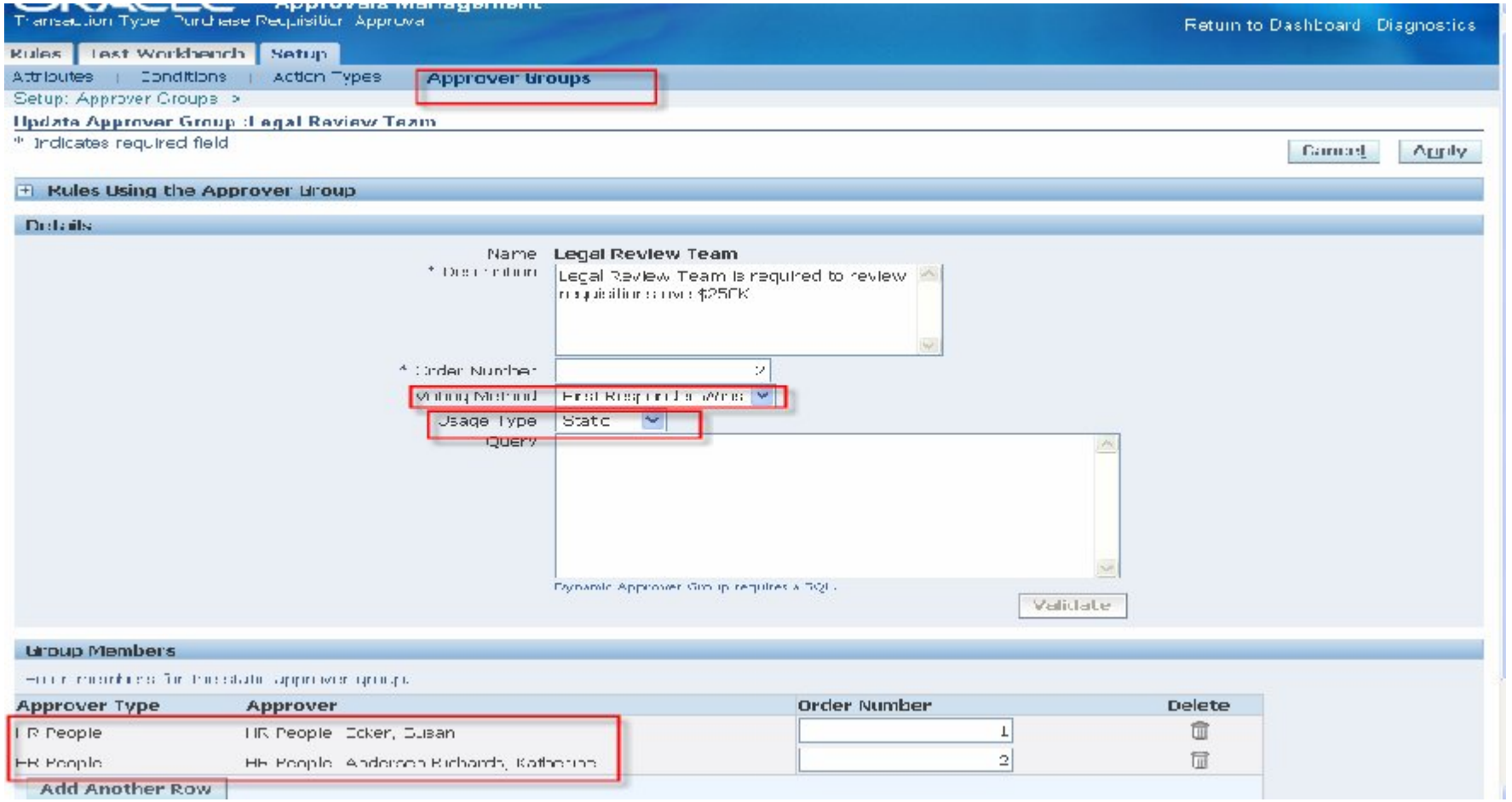
Example 1 - Attributes



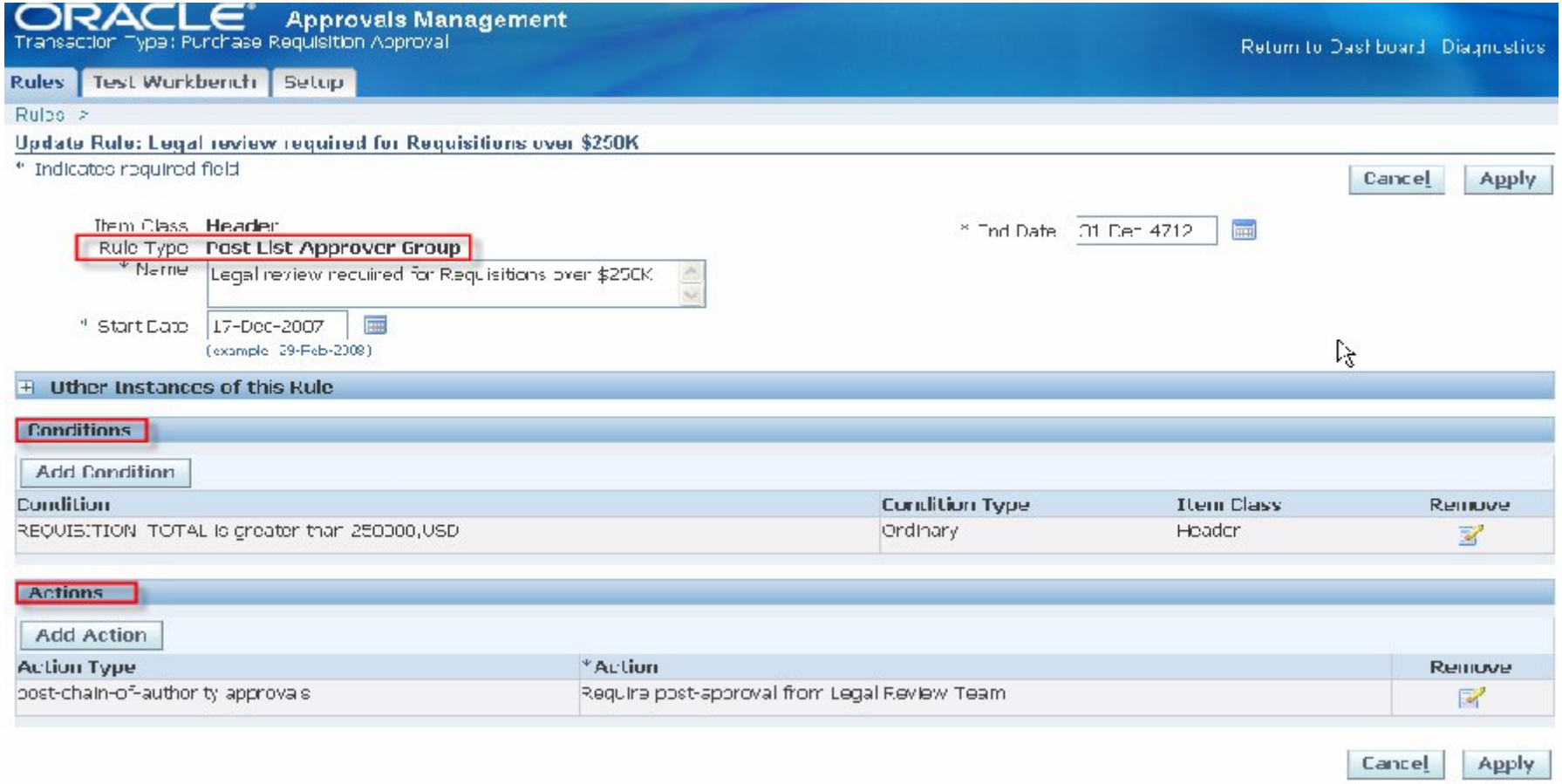
Example 1 - Conditions



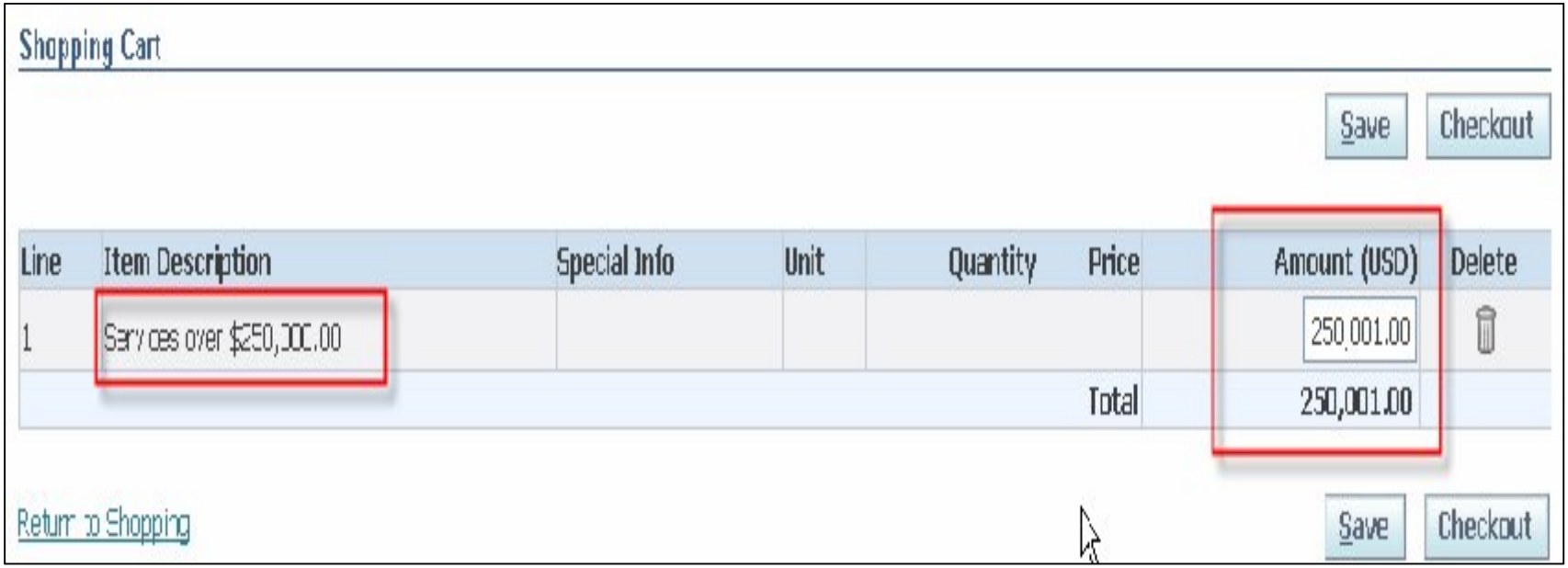
Example 1 – Approval Group



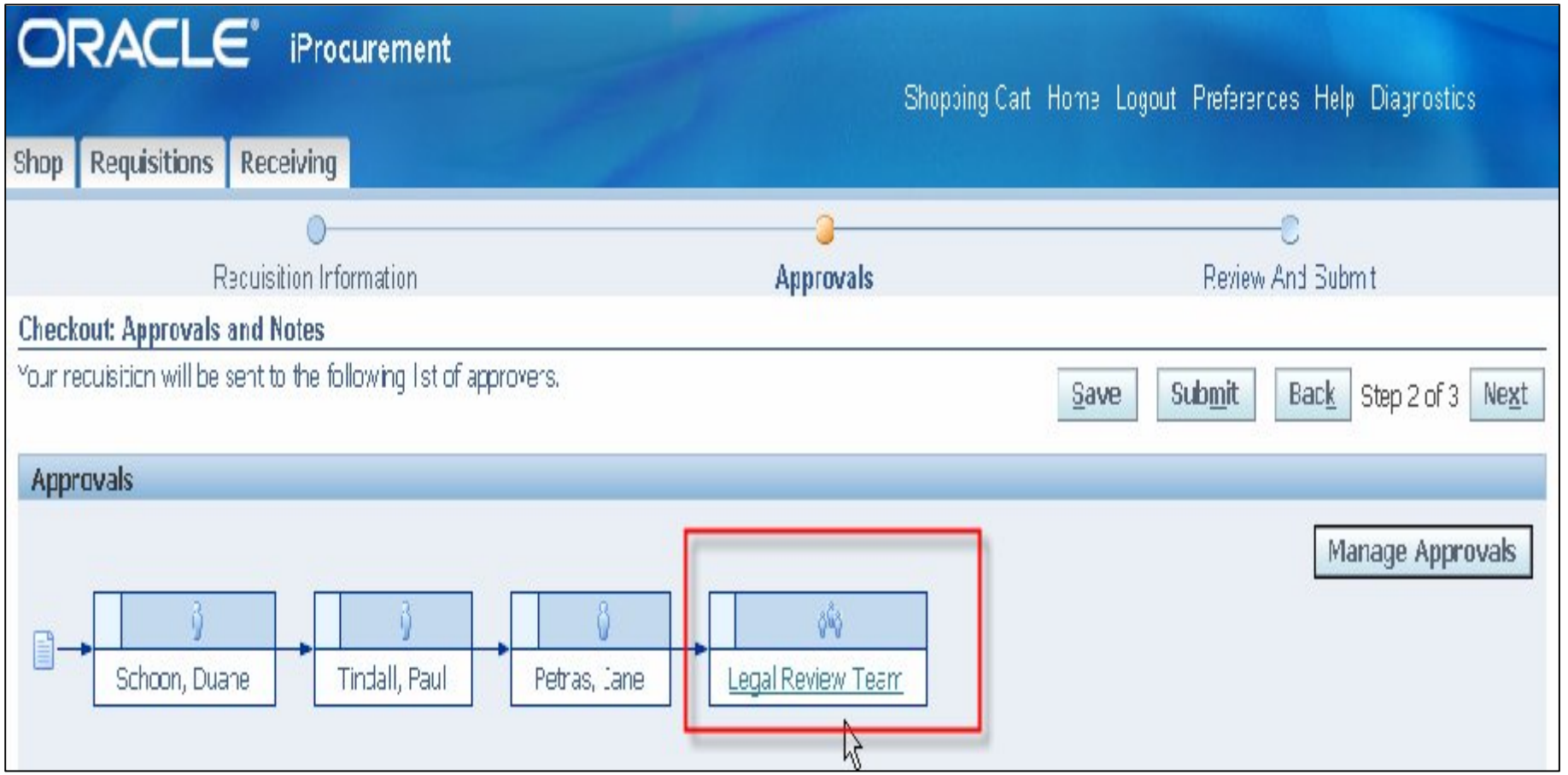
Example 1 – Rule Set Up



Example 1 - Outcome



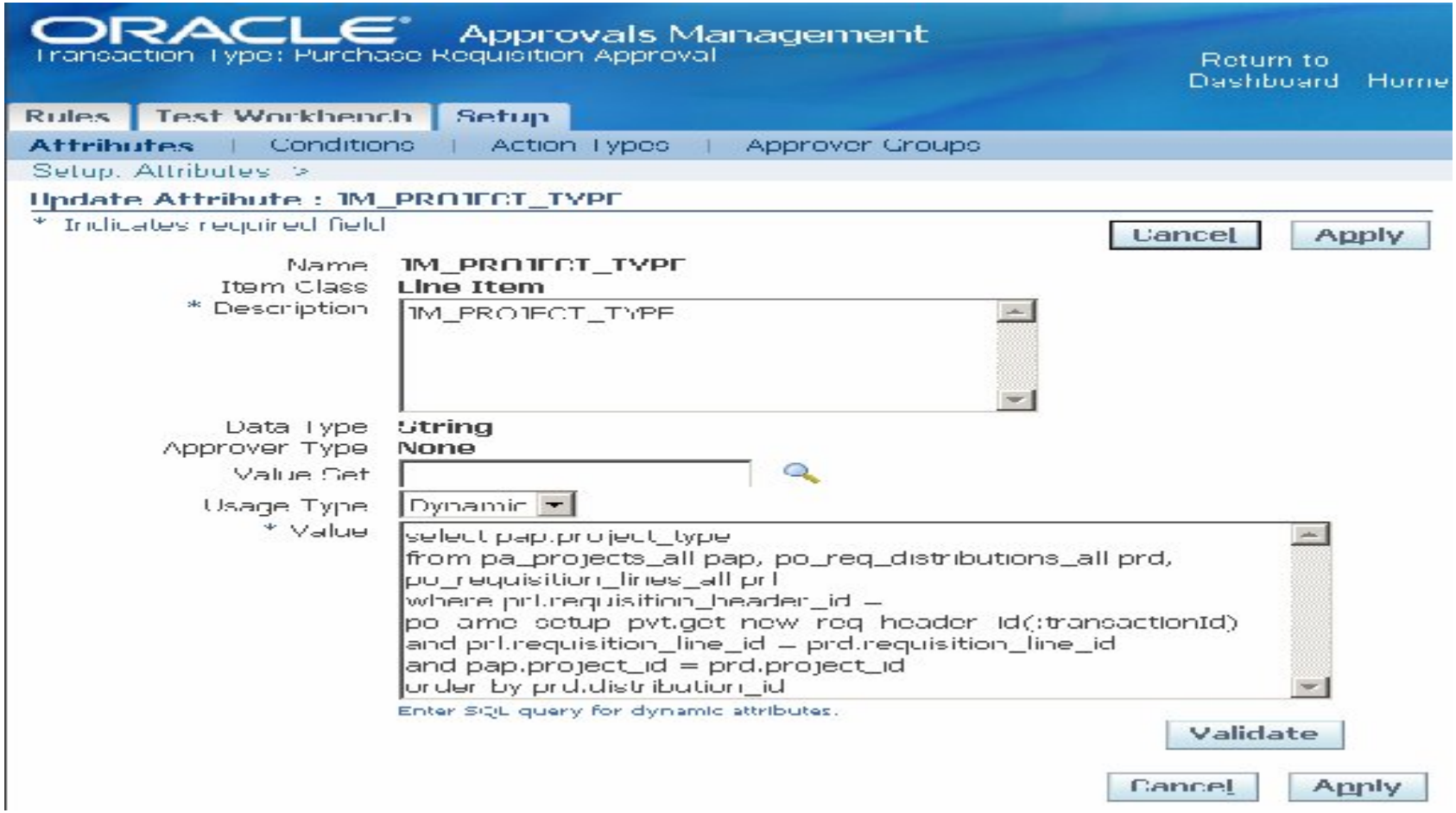
Example 1 - Outcome



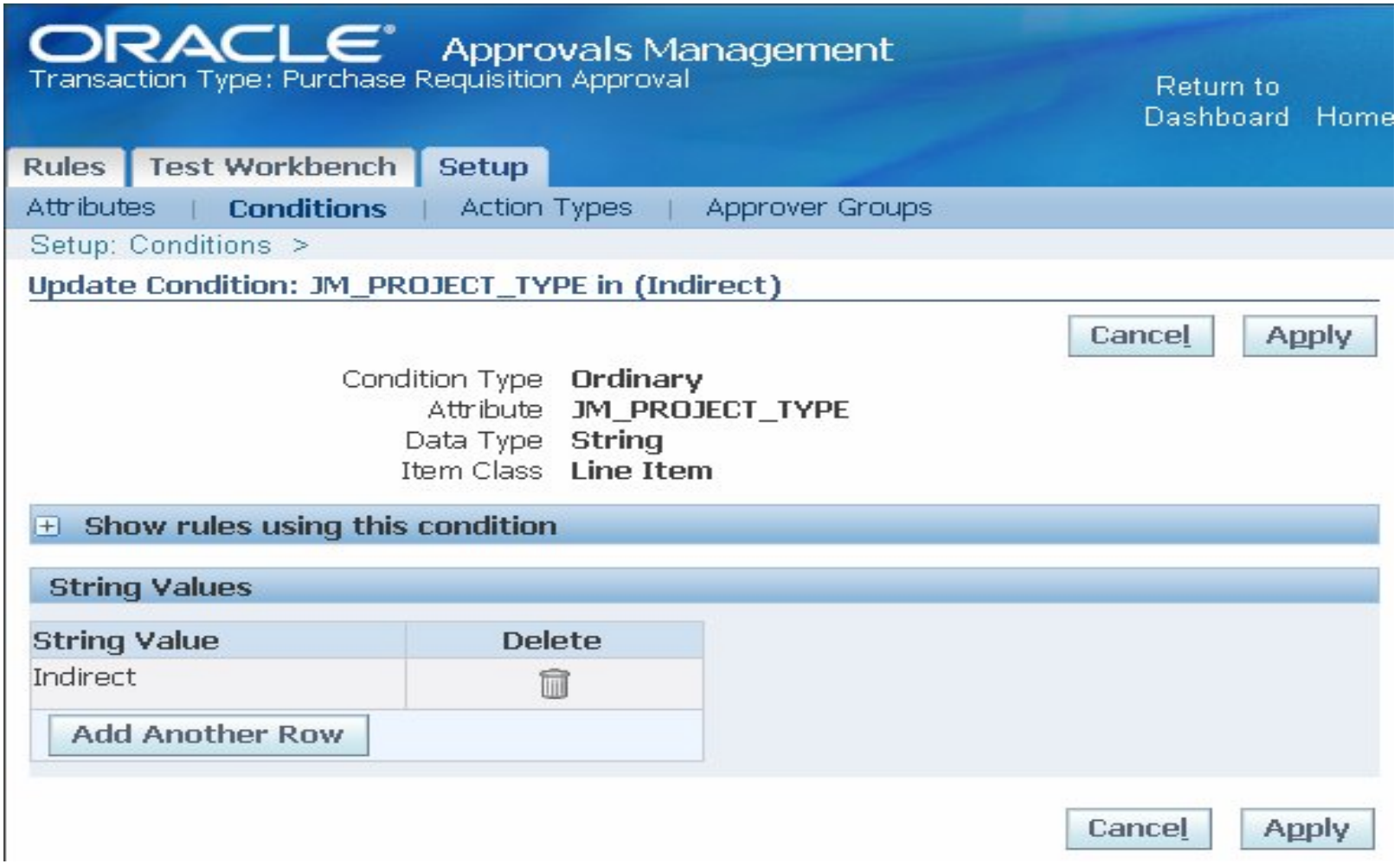
Example 2 – Medium Complexity

- If project type is Indirect, require requisition approval by Project Manager and then preparer's immediate supervisor.

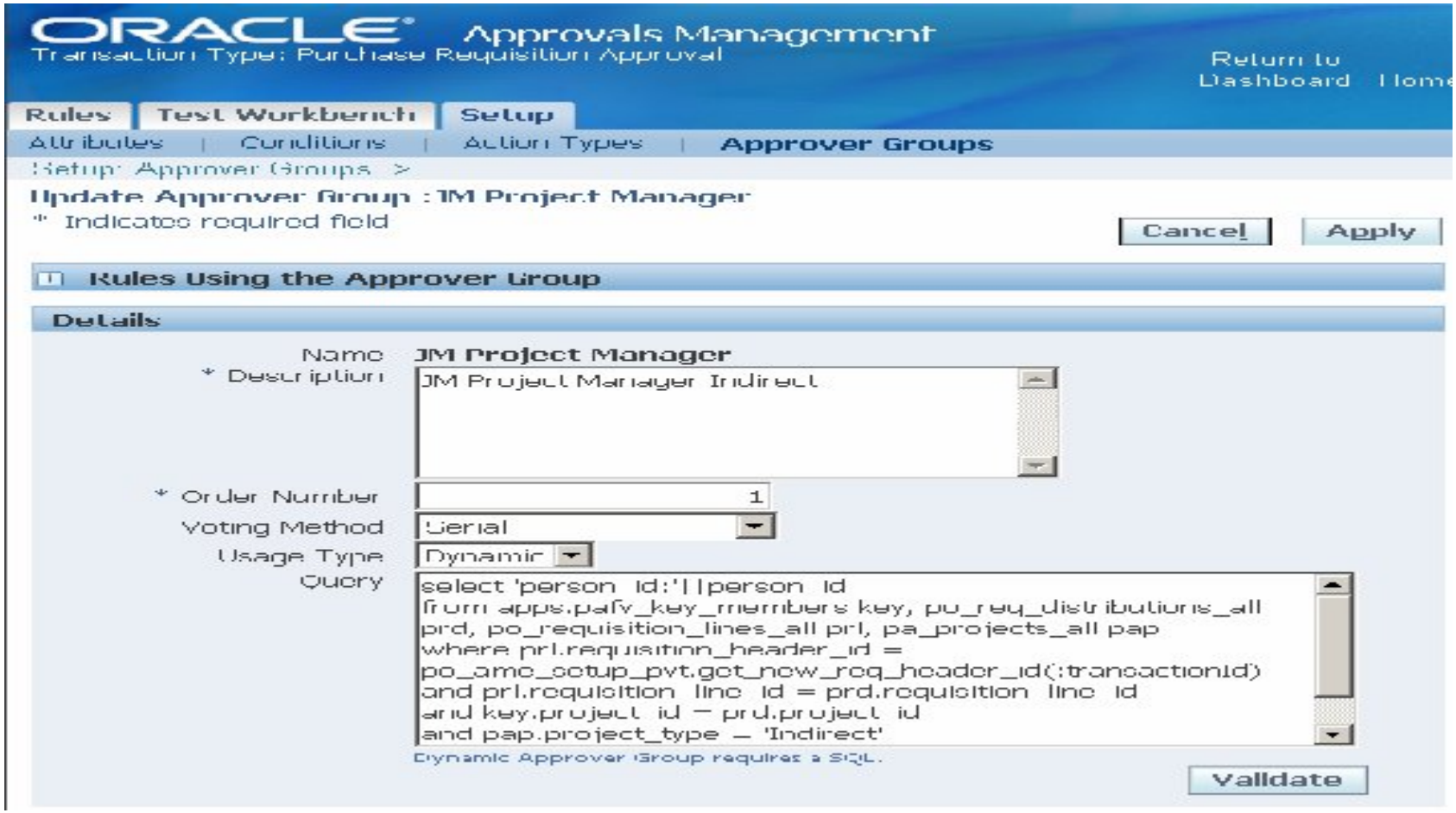
Example 2 - Attributes



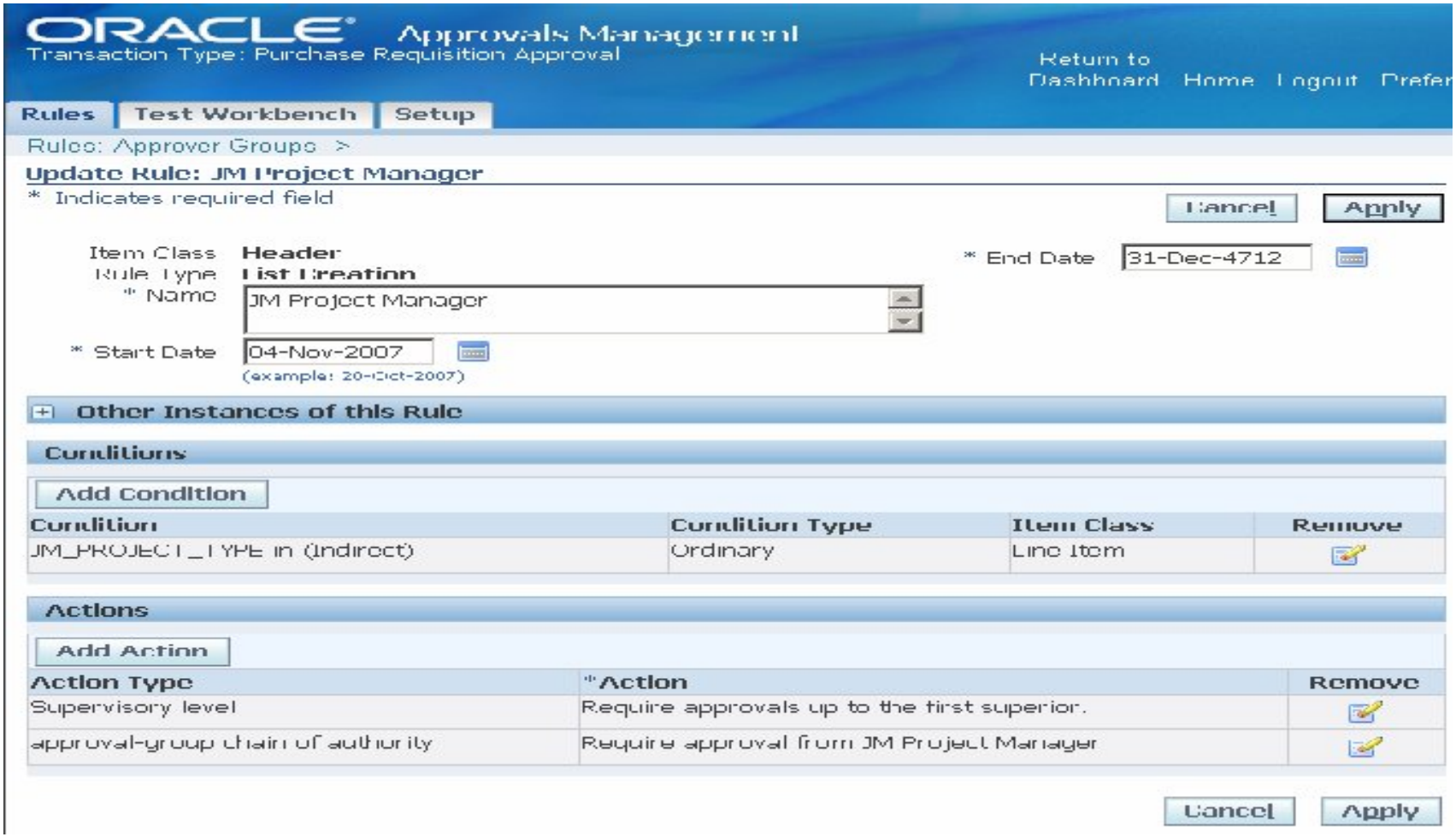
Example 2 - Conditions



Example 2 – Approver Groups



Example 2 – Rule Set Up



Example 2 – Outcome (Test)

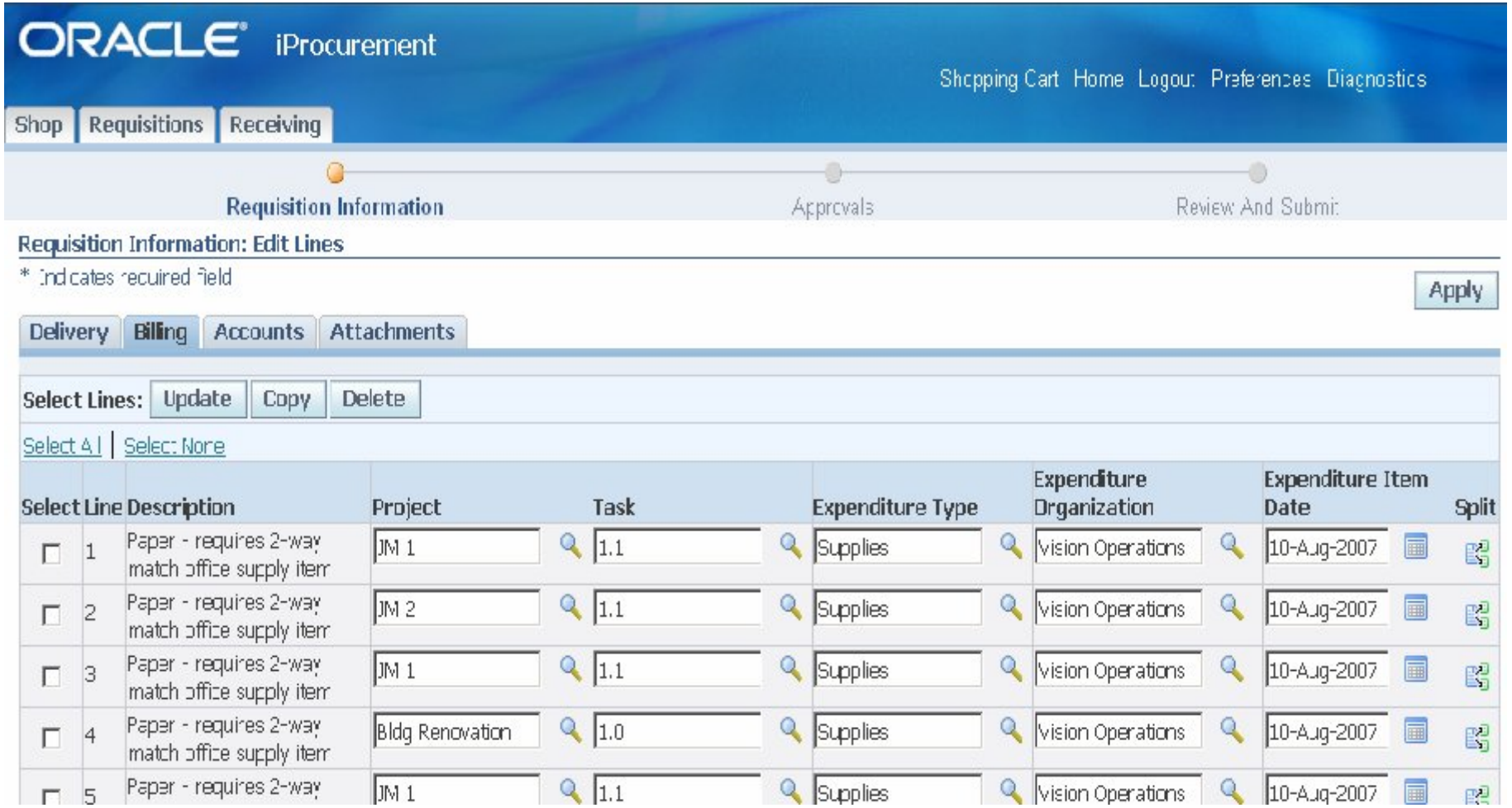
Enter requisition in iProcurement. Distributed to three different projects:

- JM 1 – Indirect – PM = Catherine Baker
- JM 2 – Indirect – PM = Amy Marlin
- Bldg Renovation – Build Capital – PM = Samuel Sole

Supervisor = Casey Brown

Save requisition to get number then lookup requisition_header_id for transaction ID.

Example 2 – Outcome (Test)



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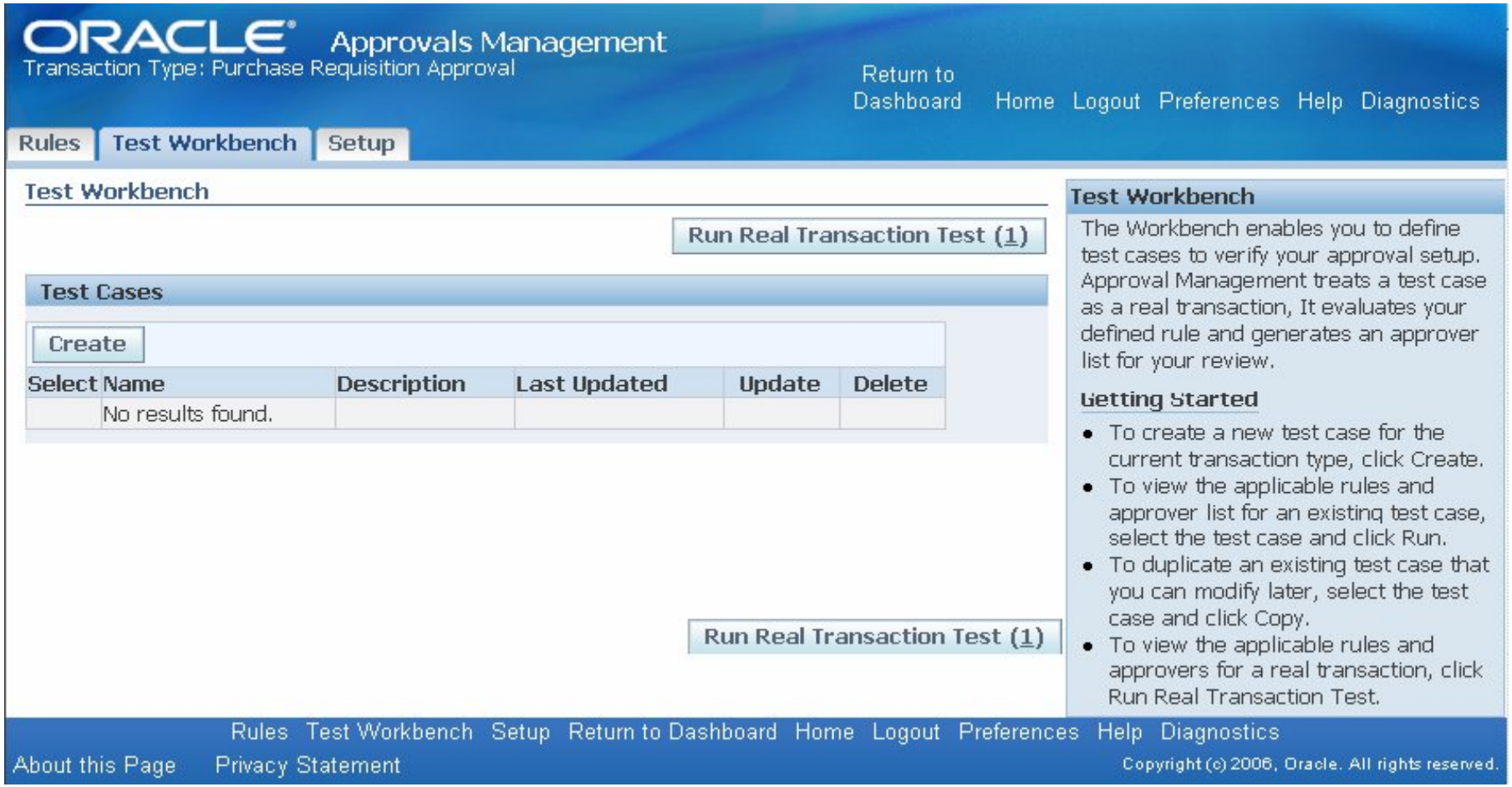

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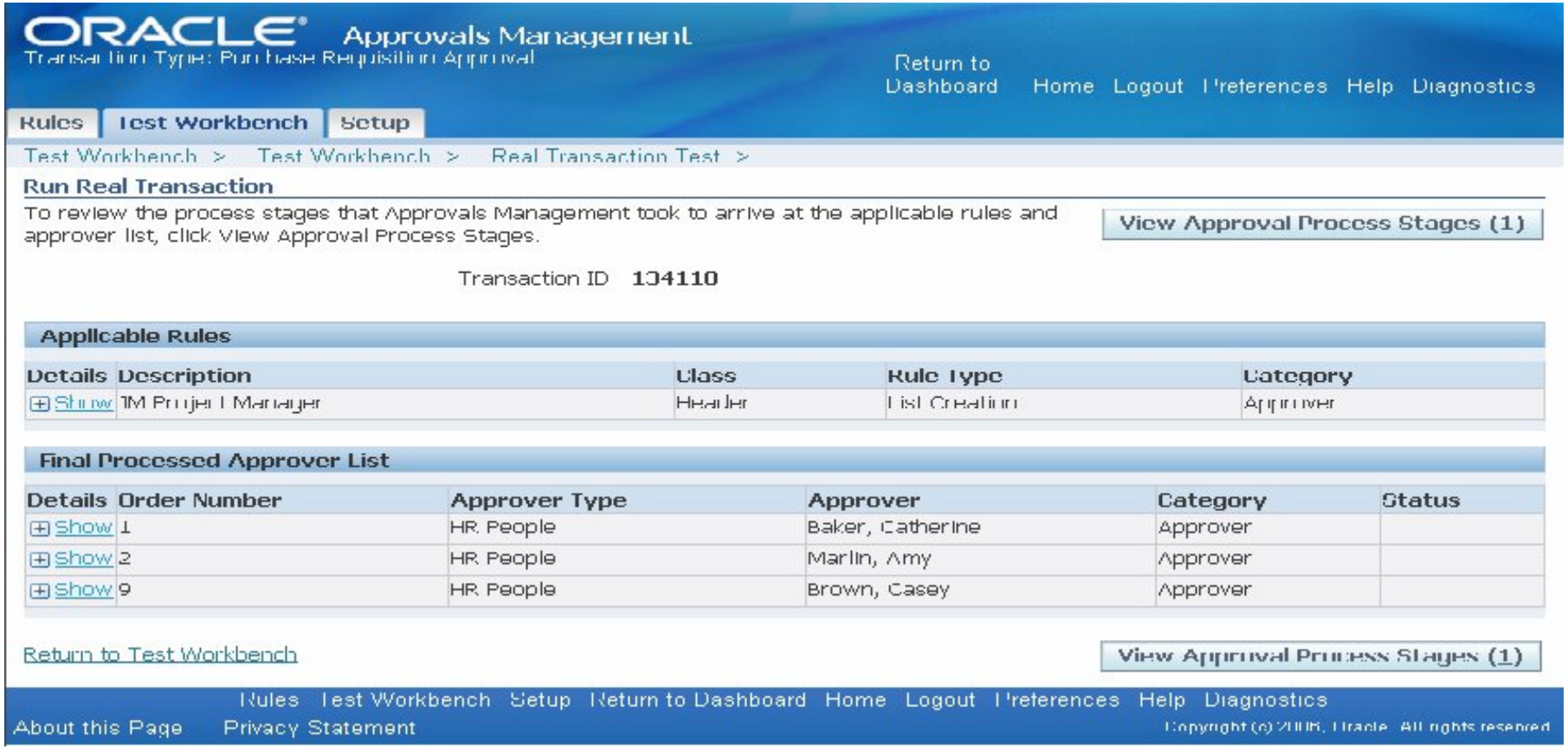

ORACLE Approvals Management
Transaction Type: Purchase Requisition Approval

Return to Dashboard | Home | Logout | Preferences | Help | Diagnostics

Rules | Test Workbench | Setup

Test Workbench > Test Workbench > Real Transaction Test >

Run Real Transaction

To review the process stages that Approvals Management took to arrive at the applicable rules and approver list, click View Approval Process Stages.

View Approval Process Stages (1)

Transaction ID 134110

Applicable Rules

Details	Description	Class	Rule Type	Category
Show	IM Project Manager	Header	List Creation	Approver

Final Processed Approver List

Details	Order Number	Approver Type	Approver	Category	Status
Show	1	HR People	Baker, Catherine	Approver	
Show	2	HR People	Martin, Amy	Approver	
Show	9	HR People	Brown, Casey	Approver	

Return to Test Workbench

View Approval Process Stages (1)

Rules | Test Workbench | Setup | Return to Dashboard | Home | Logout | Preferences | Help | Diagnostics

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Example 3 – Complex Business Rule

- Whenever a requisition is created utilizing a project type of construction, do the following:
  - Make the project manager the first approver
  - Follow the project manager's employee/supervisor hierarchy rather than the preparer's.

Example 3

If

requisition includes a project with a type of “PM” for the approval path

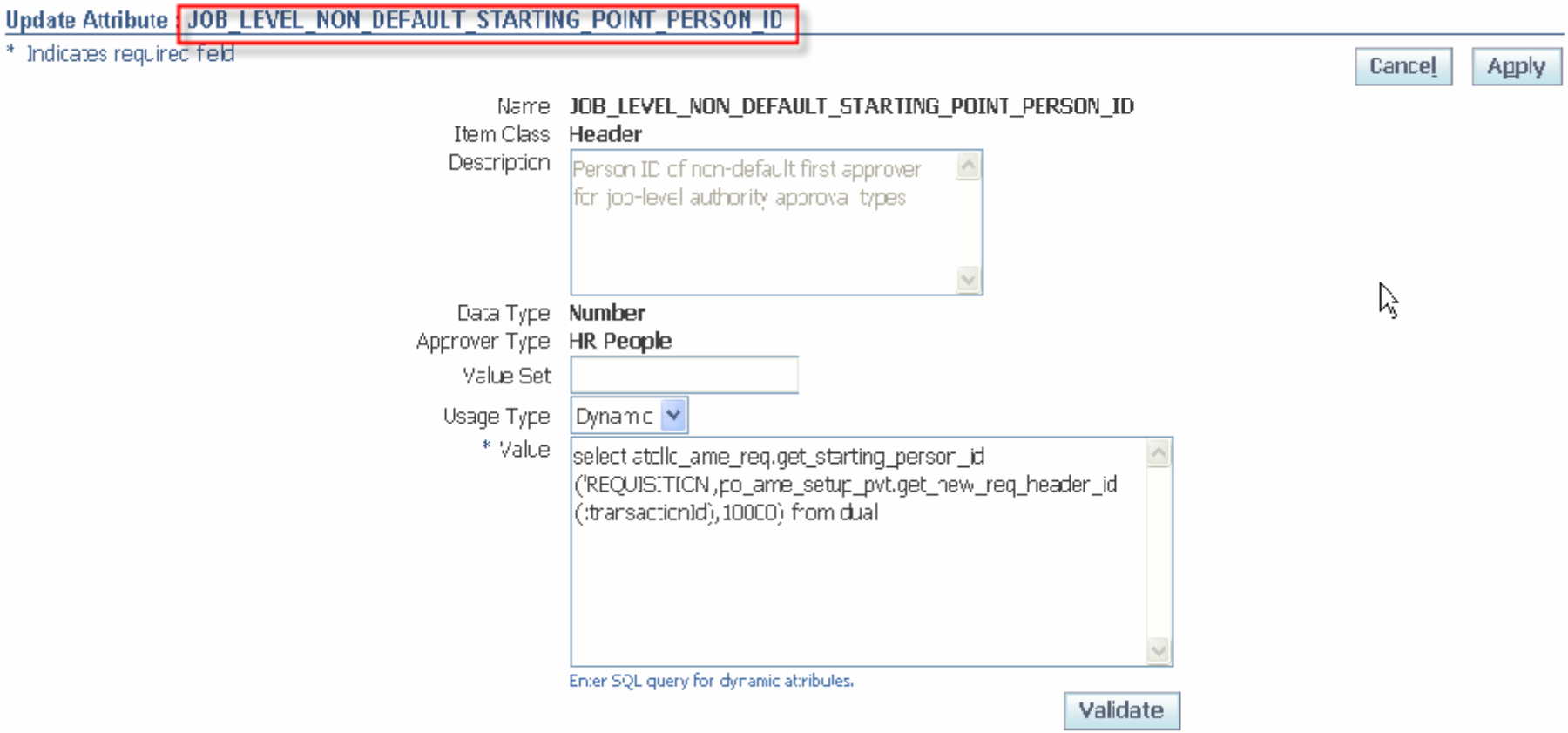
condition

THEN

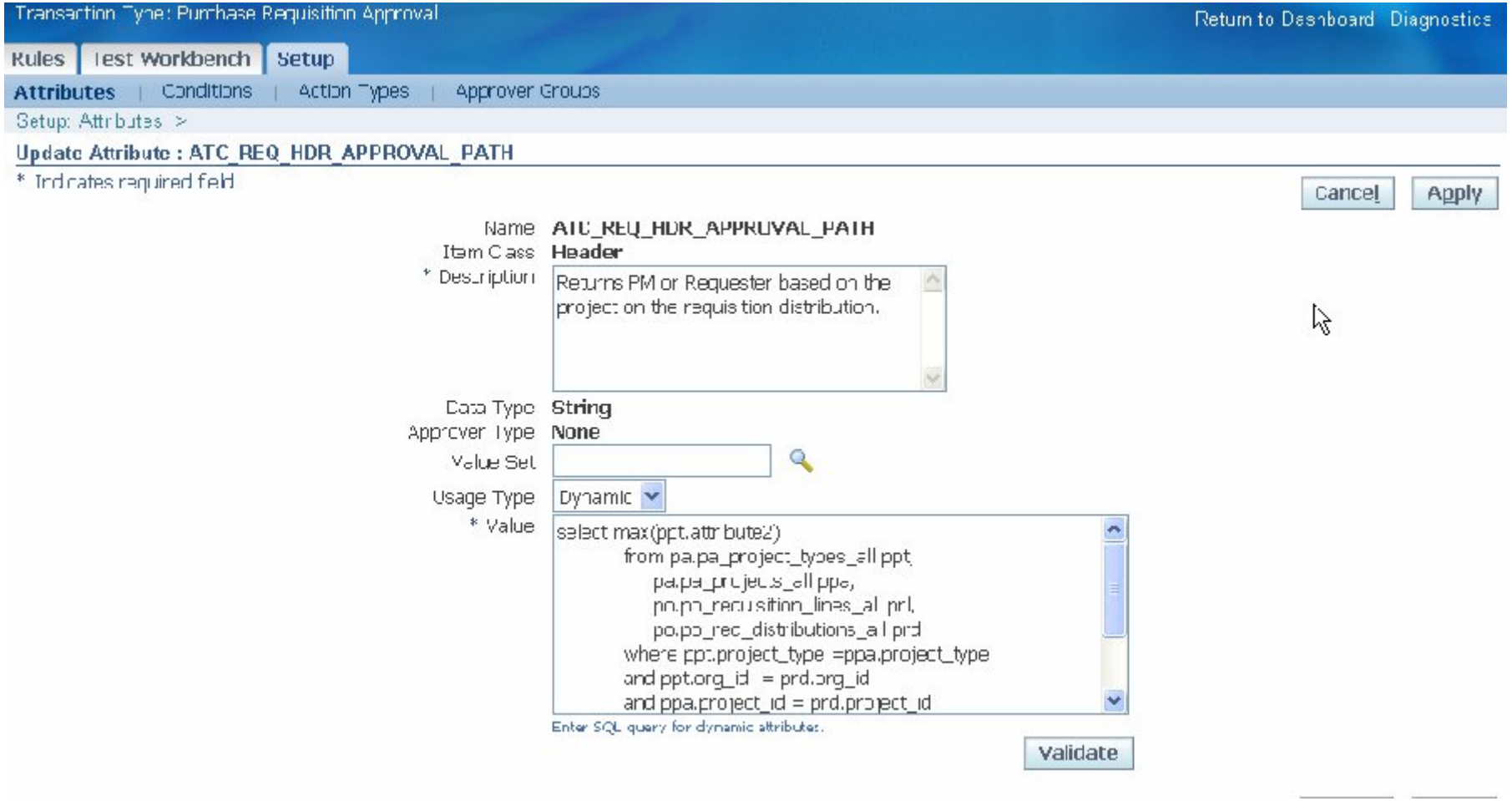
Change the first approver in the list to the project manager of the project and follow their approval path

action

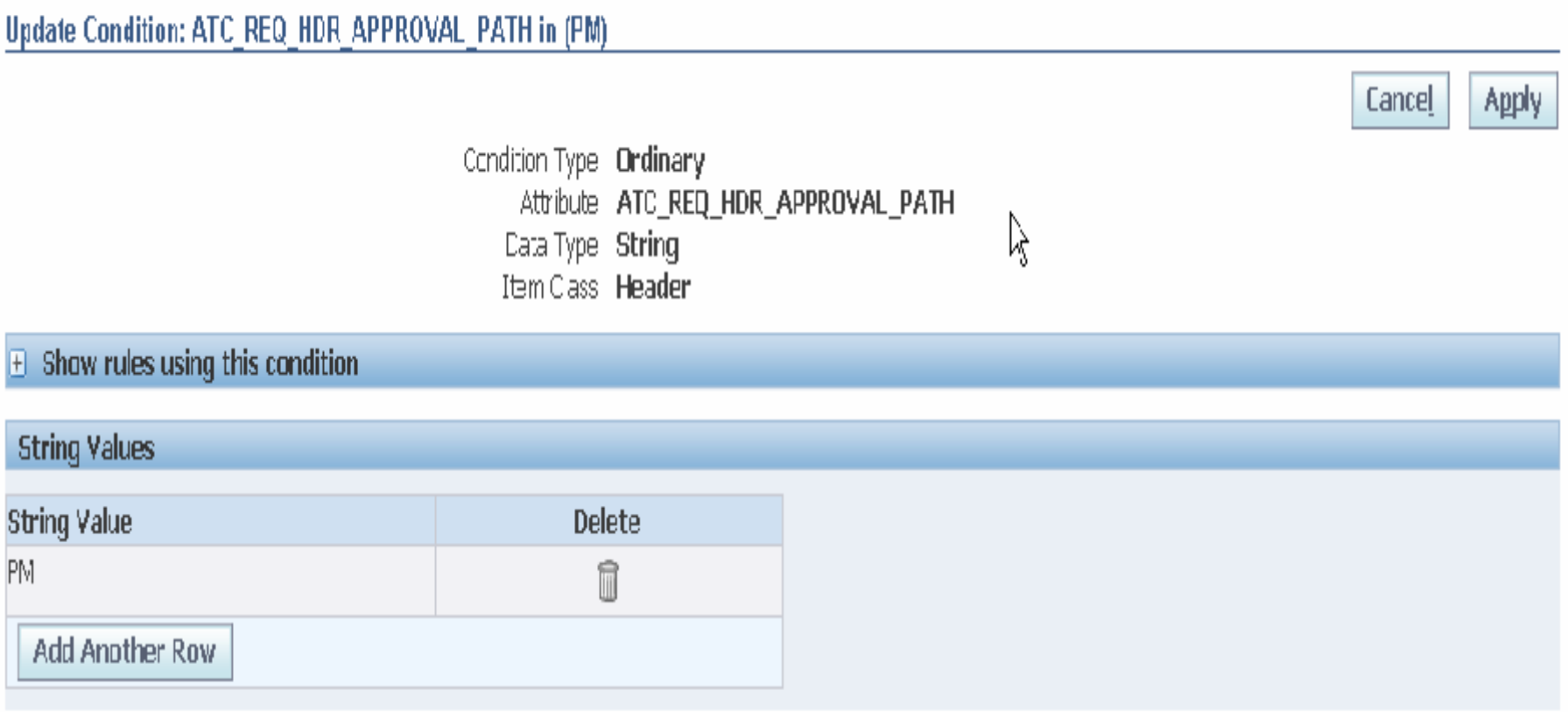
Example 3 – Update Seeded Attribute



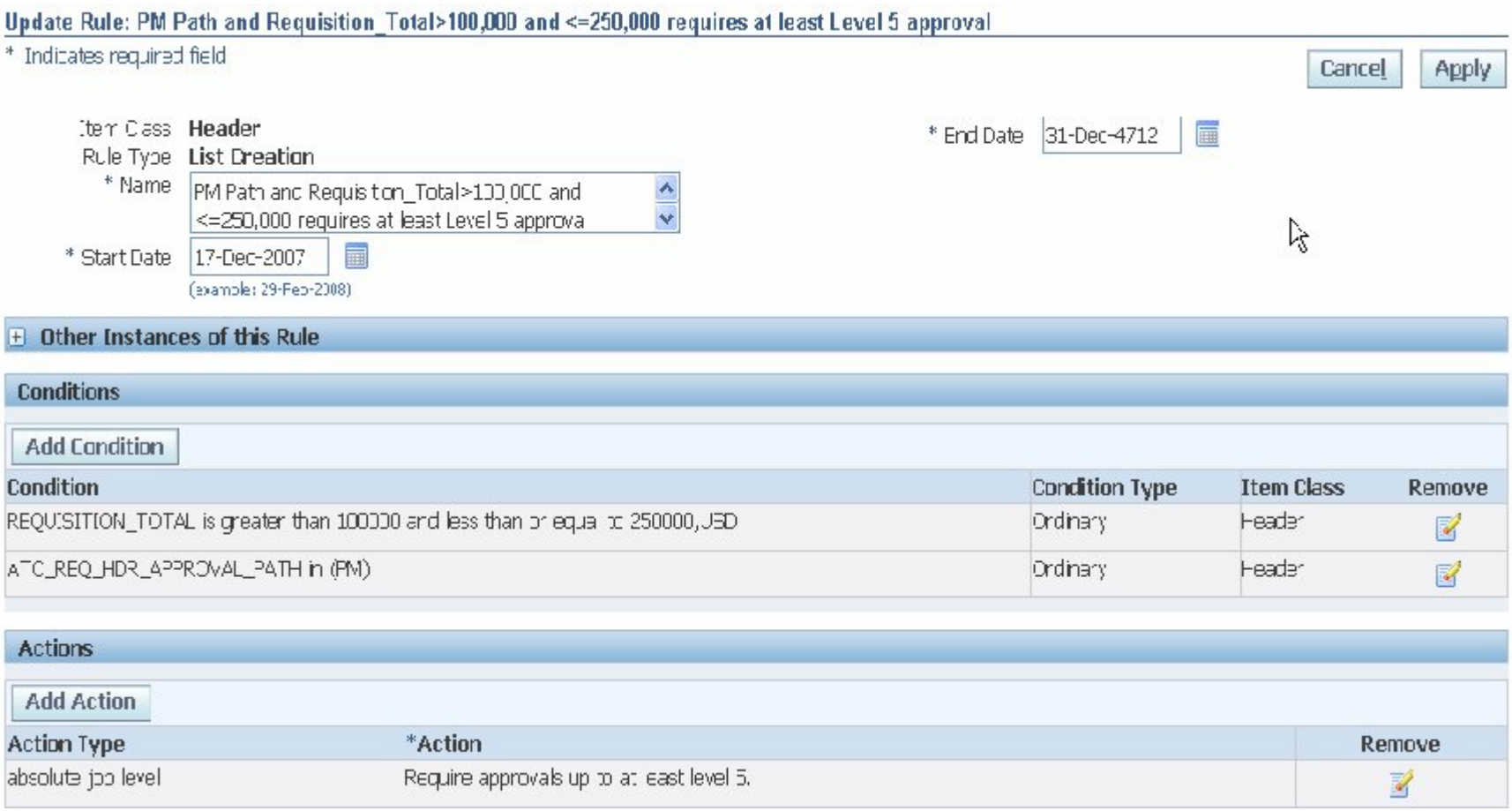
Example 3 – Custom Attribute



Example 3 - Conditions



Example 3 – Rule Set Up

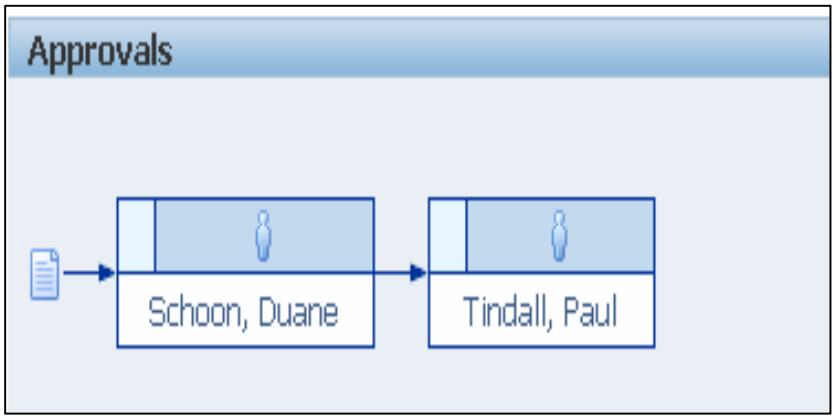


Example 3 – Other Set Up

- Flexfield on Project Type information to indicate if it is a “PM” path
- Set up job levels on each job in HR

Example 3 - Outcome

- Preparer = Gary Marines
- Requester = Gary Marines
- Project Manager = Duane Schoon



What else does AME do?

- Parallel approvals
- FYI notifications
- List-Creation Exception
  - **If** invoice amount > $500 USD and pay group = Employee, **THEN** require approval two job levels above requestor.
- List-Modification
  - **If** any approver = Sam Clark, **THEN** grant final authority.

What else does AME do?

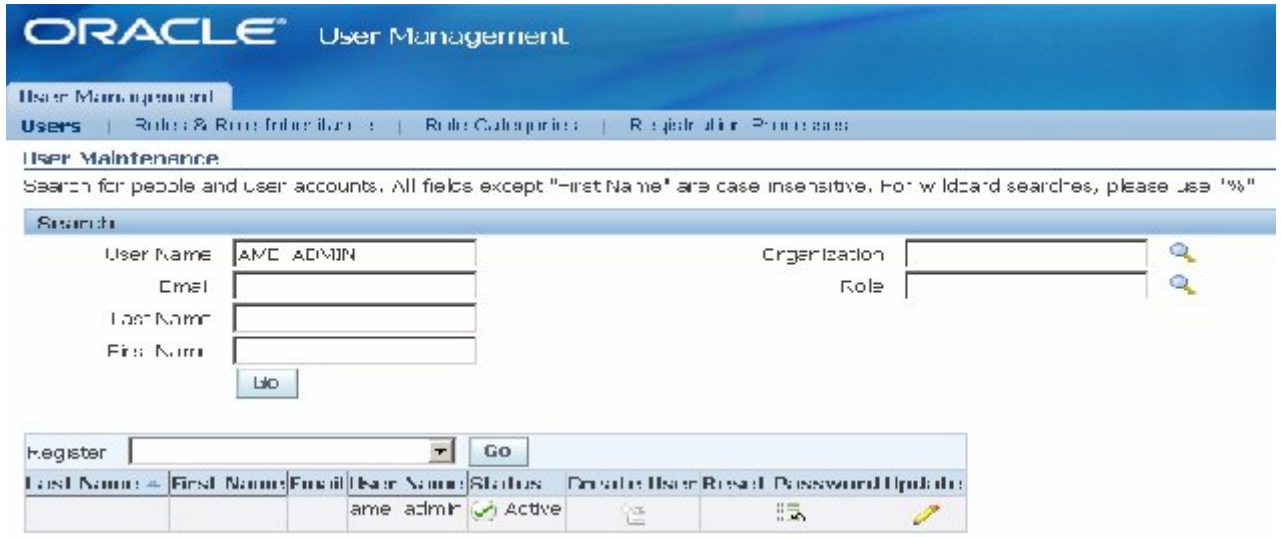
- Conflict Resolution
  - An approver will only be required to take action once if they are repeated for some reason
  - If chain-of-authority and pre or post approval rule include the same person, chain-of-authority wins.
  - If pre and post rules include the same person, pre wins.

What else does AME do?

- Much More!
- We have just skimmed the surface today

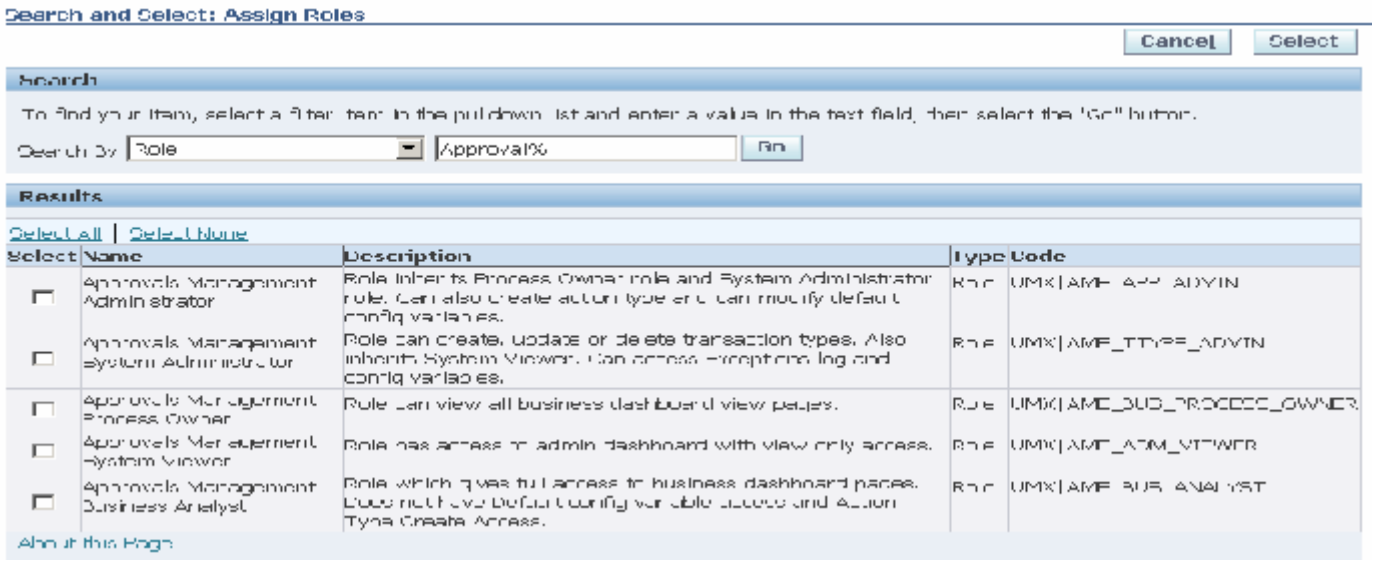
Initial Setup Steps

- User Management responsibility
- Users page
- Find user and click Update



Initial Setup Steps

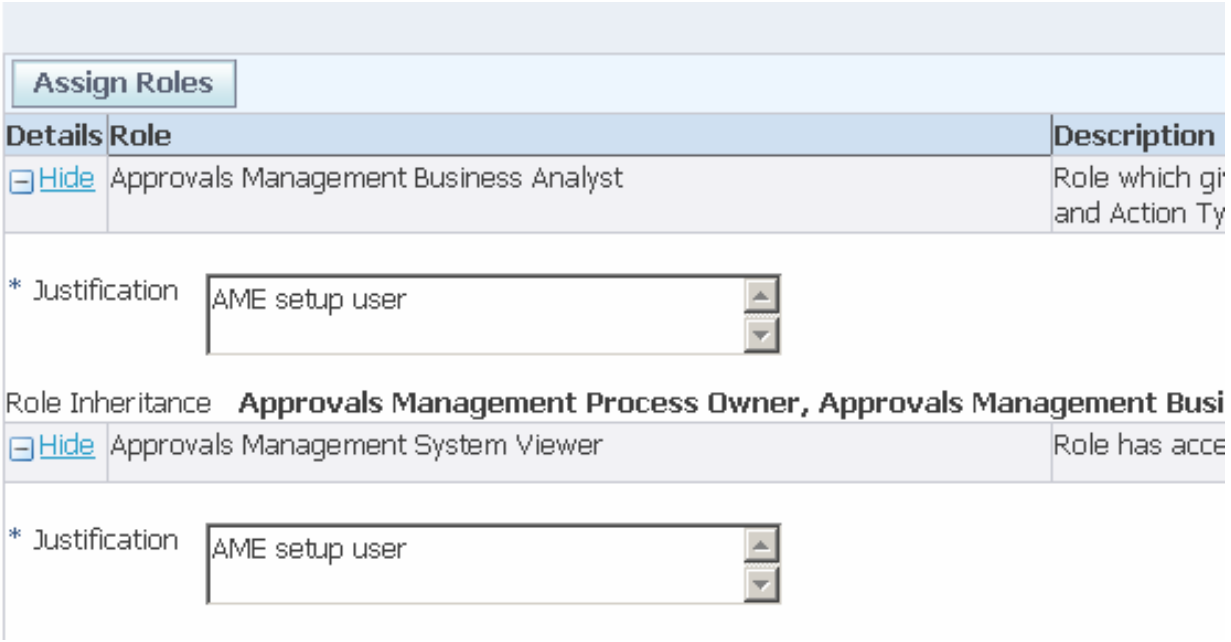
- Select Assign Roles and search for **Role** starting with **Approval**



- Add all roles to the user

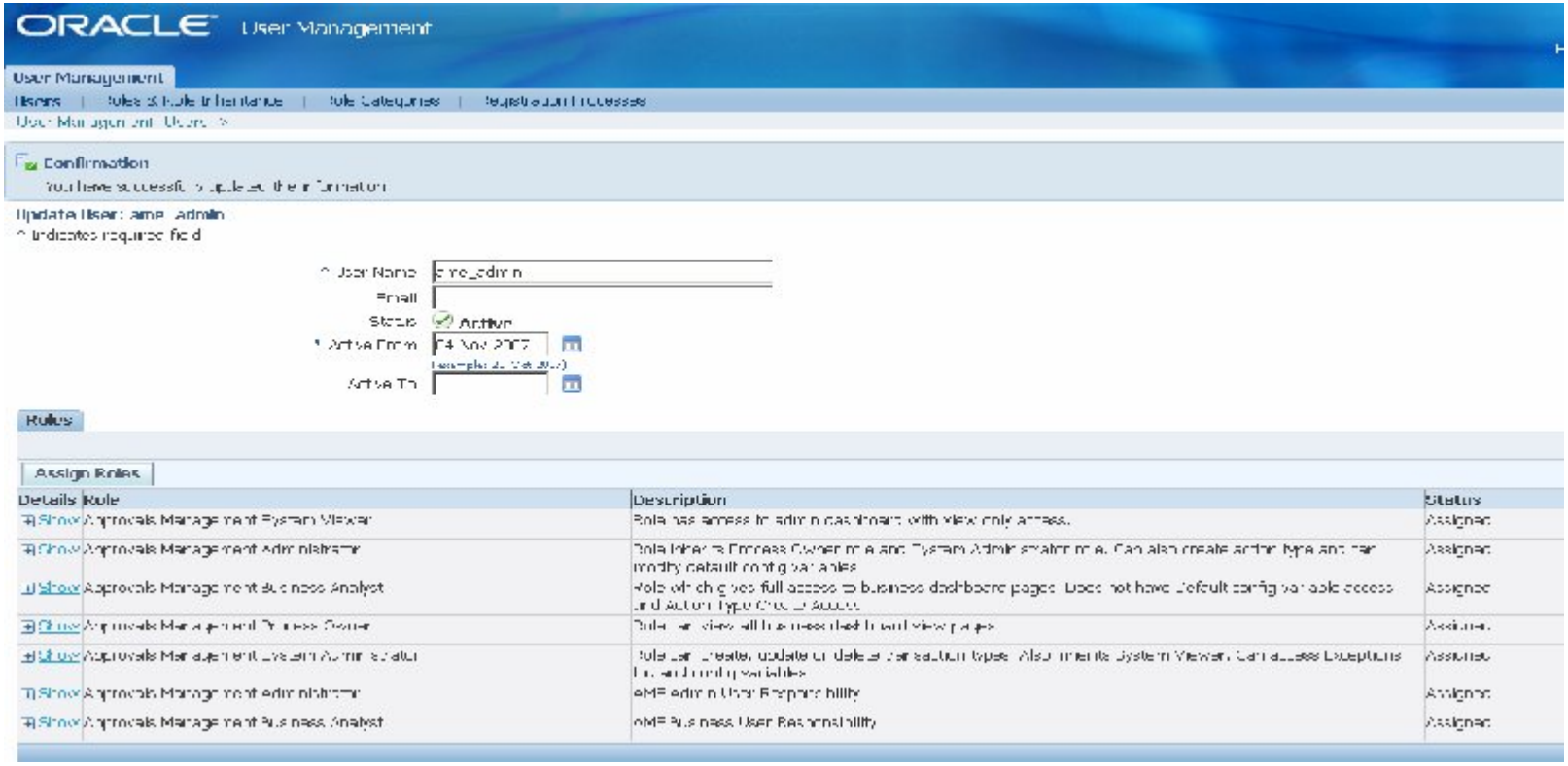
Initial Setup Steps

- Fill out Justification for each role and save.



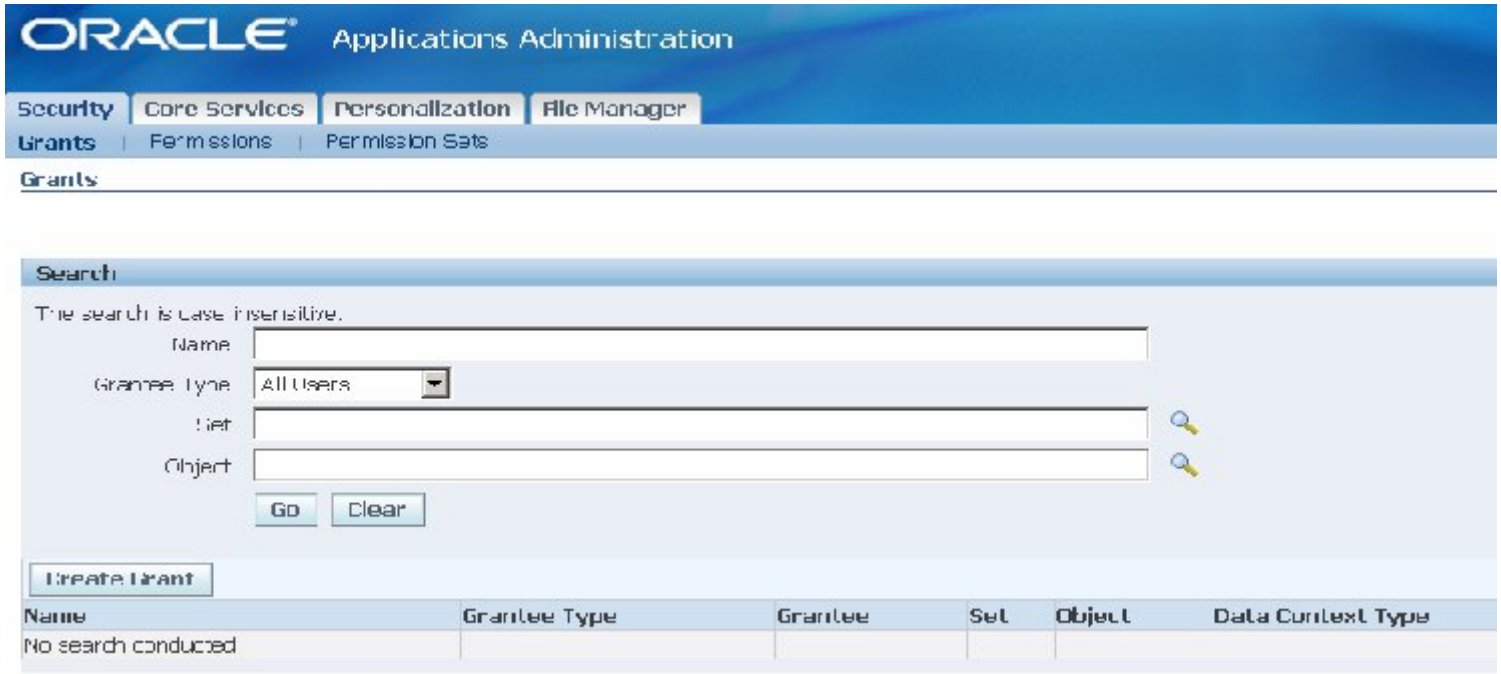
Initial Setup Steps

- Verify roles are assigned to the user



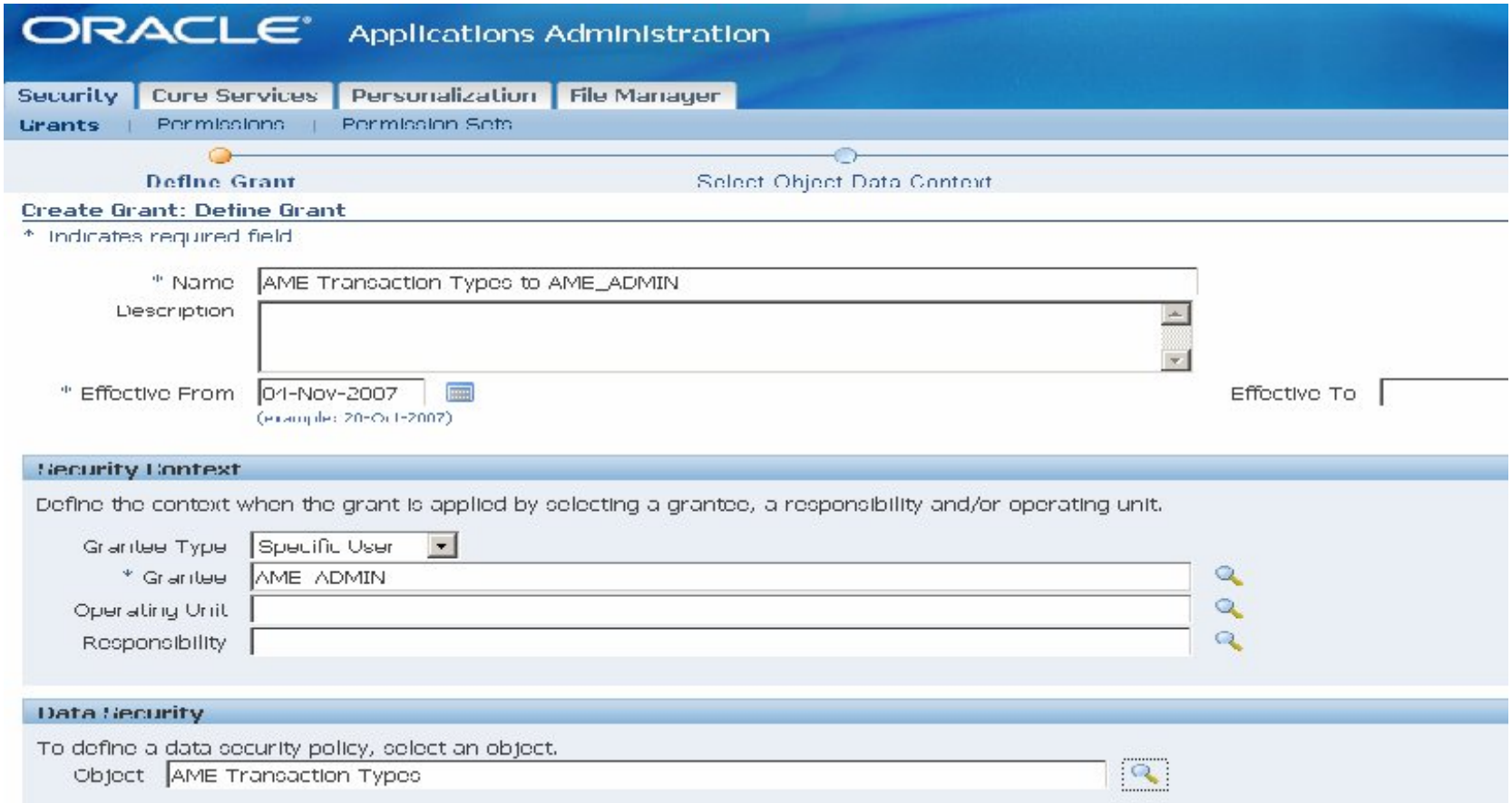
Initial Setup Steps

- Switch to Functional Administrator



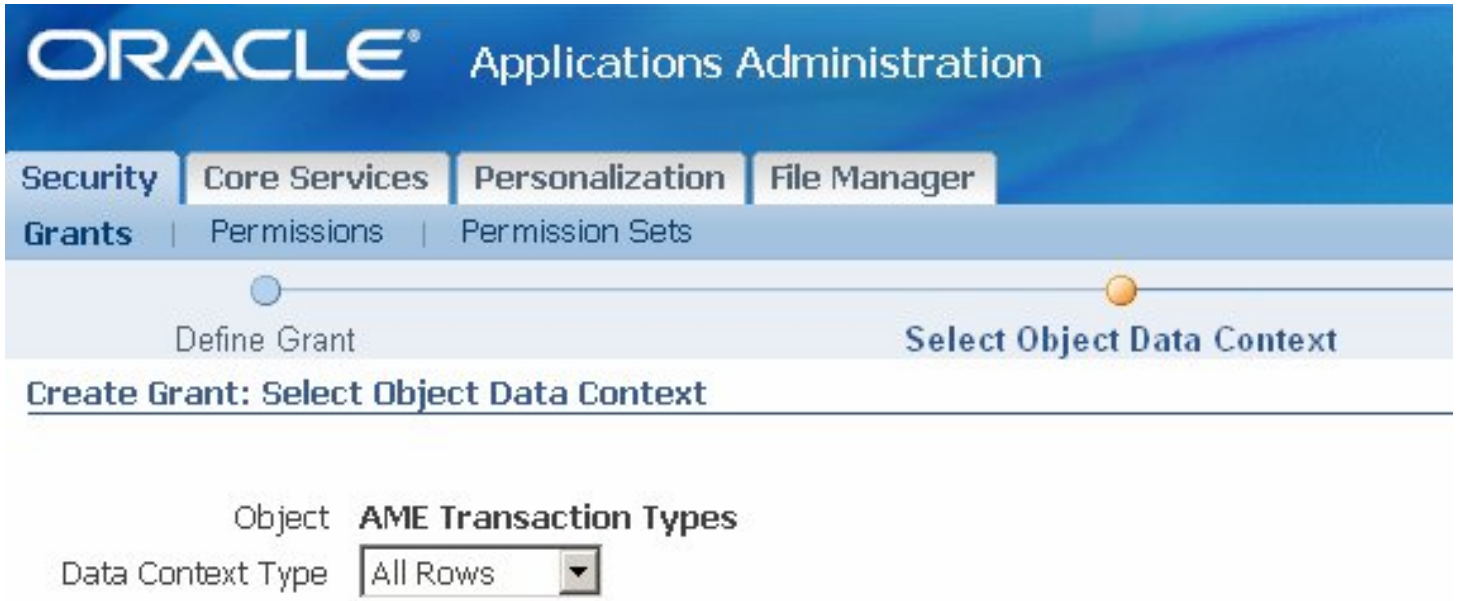
- Select Create Grant

Initial Setup Steps



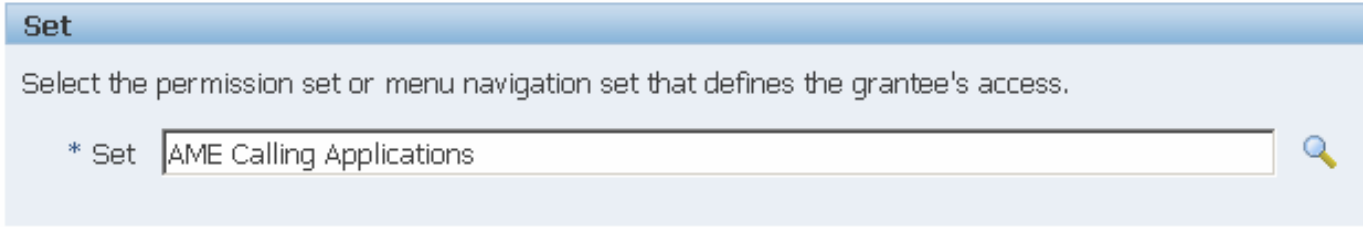
Initial Setup Steps

- AME Transaction Types – All Rows



Initial Setup Steps

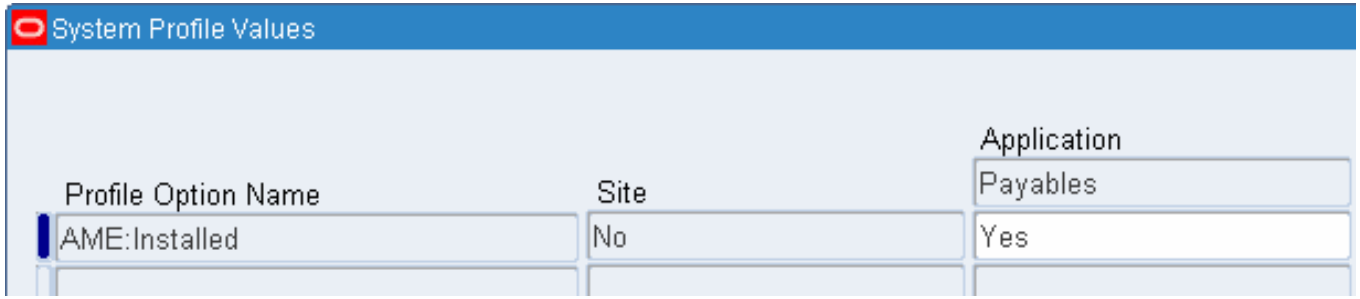
- Application Set = AME Calling Applications



- Proceed to last page and select Finish

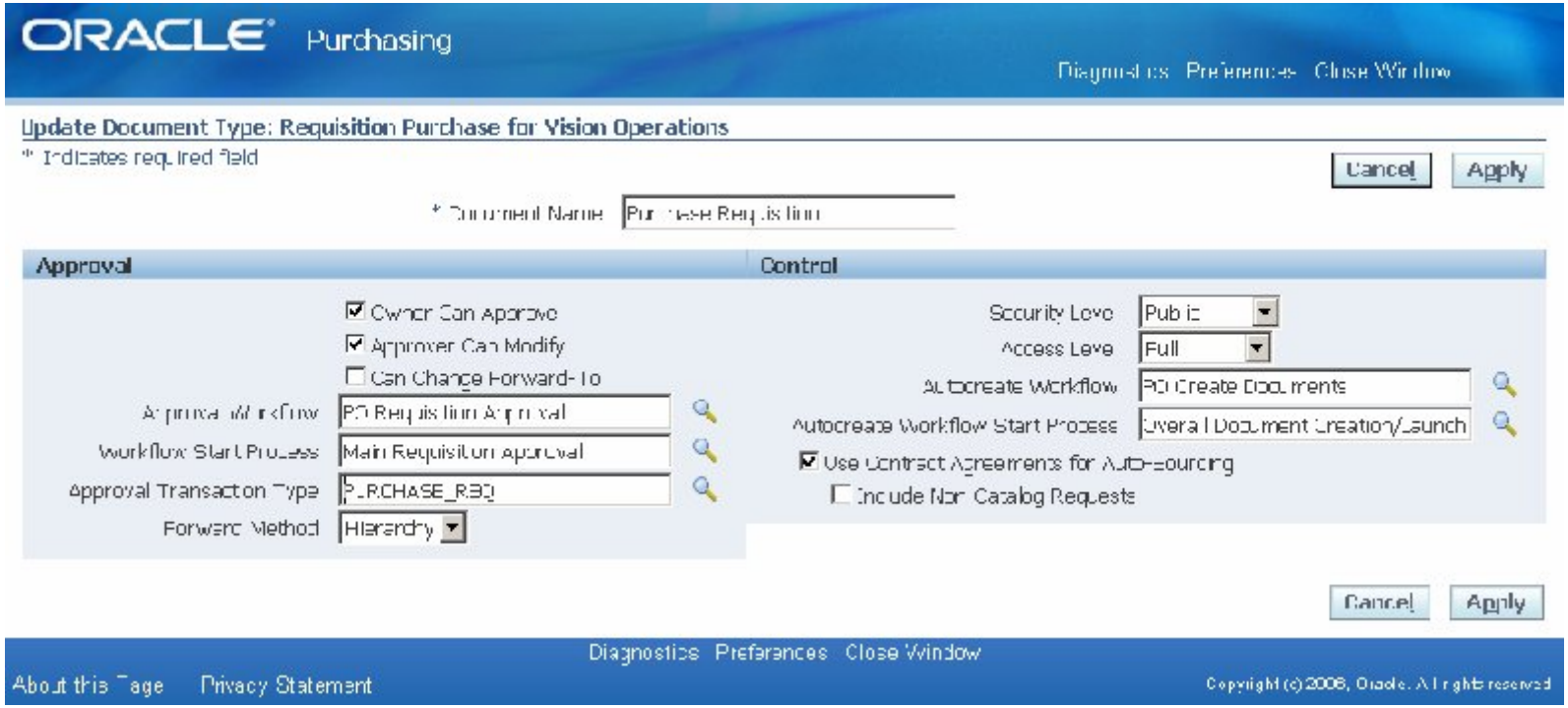
Initial Setup Steps

- Set AME:Installed profile for calling applications



Initial Setup Steps

- Set application-specific setups



THANK YOU

Questions and Answers