Project Team Proposal-

Customer and Supplier Required Supporting Data
for the Procurement Process

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1. Proposed Project Team / Study Name

Project Name: Customer and Supplier Required Supporting Data for the procurement process.

2. Description
2.1 Purpose

Customers and Suppliers require supporting data for transactions to route and update their back end systems. Develop business process guidelines and best practices governing supporting data for transactions end to end.

2.2 Scope
Areas to be addressed include:

- Develop business process guidelines and best practices governing the Customer and Supplier required supporting data and business requirements.
- Determine the supporting data requirements linkage between transactions as they flow through the end to end procure to pay and order to cash processes.
- Determine transmission timing between transactions as they flow through the end to end procure to pay and order to cash processes.
- Determine business process routing requirements for the transactions
    1. Fields
    2. Routing definition
    3. Process to handle incorrect routing information
    4. Requirements for routing to specific field locations, business units, etc.
- Determine submission requirements for the transactions
    1. Fields
    2. Submission definition
    3. Process to handle incorrect submission information
    4. Requirements for submission
- Determine approval requirements for all transactions
    1. Fields
    2. Approval definition
    3. Process to handle incorrect approval
    4. Requirements for approval
- Determine attachments requirements for all transactions
    1. Document types and how to manage them
    2. Content
    3. Purpose
- Derive and recommend end to end process best practices. Examples of the recommendations are listed below:,
    1. Utilize either a Purchase or Service Order by job.
    2. If a purchase or service order by job is not possible a maximum of 3 specific data fields for routing and initial submission of the transaction and approval.

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3. The Customer or Customer's system should own and manage their internal workflows or data requirements and submission processes. Any additional data should be derived from the purchase or service order in the case of recommendation 1. Any additional data should be derived from the 3 specific data fields otherwise.

4. The Supplier or Supplier system should own and manage their internal workflows or data requirements and submission processes. Any additional data should be derived from the work, sales or service order in the case of recommendation 1. Any additional data should be derived from the 3 specific data fields otherwise.

5. Allow maximum flexibility for individual customization, growth and accuracy?

6. Ownership and changes by buyers and suppliers of their own data and processes can be implemented faster.

Address Documents available in 3901: http://www.pidx.org/standards/xml-stds.cfm

1. Get list of all documents/transactions

Document Name	Type of Document	Document Source
Purchase Order Change	XSD	PIDX 3901 Specifications
Purchase Order Create	XSD	PIDX 3901 Specifications
Purchase Order Response	XSD	PIDX 3901 Specifications
Purchase Order StatusRequest	XSD	PIDX 3901 Specifications
Purchase Order StatusResponse	XSD	PIDX 3901 Specifications
ASN	XSD	PIDX 3901 Specifications
FieldTicket	XSD	PIDX 3901 Specifications
FieldTicketResponse	XSD	PIDX 3901 Specifications
Invoice (or aka Credit/Debit Memo)	XSD	PIDX 3901 Specifications
InvoiceResponse	XSD	PIDX 3901 Specifications

- Identify the potential need for any new documents, that would be addressed in separate PTP, as necessary:
    1. Proforma Invoice
    2. Remittance Advice
    3. Tax Document (e.g. Mexican Factura)
- Data elements and required information
    1. Determine if we have the fields necessary to link the transactions as they flow through the procure-to-pay and order-to-cash processes of the Customer and Supplier, eg. both purchasing documents and invoice documents / meet trading partner requirements, back end systems?
    2. Determine if we have the fields necessary for business process routing?
    3. Determine if we have the fields necessary to submit and successfully process in the back end system?
    4. Determine if we have the fields necessary to validate and approve the document?

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Clarify and agree definitions and terminology and document in the PIDD (Petroleum Industry Data Dictionary)

2.3 Goal

Current industry practices and standards among trading partners, using electronic processes, are to transmit data. This data is required by the trading partners to route the transaction for submission and approval into the back end systems. Business messages have not been adopted resulting in incomplete order-to-cash and purchase-to-pay processes. As an example, scanned field tickets are being attached as part of the invoice process.

The goals of this initiative are:

- Develop business processes between trading partners to support standalone exchange of documents in the end to end procure-to-pay and order-to-cash processes.
- Develop best practises for trading partners using electronic transactions to minimise and standardise the data required to initiate from, route and submit to their back end systems.
- Applying the proposed processes will allow companies to route for approvals, reconcile differences, help facilitate adoption throughout the industry, support reconciliation to contract and end to end process improvement.
- Improve Days Payables Outstanding (DPO) and Days Sales Outstanding (DSO) hence improve the Cash Conversion Cycle (CCC).
- Add value to the trading partner organizations
- Help drive B2B adoption

This holistic approach should address the root cause of the problems with supporting data required by trading partners on both sides.

3. Initial Contributions - PIDX 3901 Specifications, Version Sep 2007

Document Name	Type of Document	Document Source
Purchase Order Change	XSD	PIDX 3901 Specifications
Purchase Order Create	XSD	PIDX 3901 Specifications
Purchase Order Response	XSD	PIDX 3901 Specifications
Purchase Order StatusRequest	XSD	PIDX 3901 Specifications
Purchase Order StatusResponse	XSD	PIDX 3901 Specifications
ASN	XSD	PIDX 3901 Specifications
FieldTicket	XSD	PIDX 3901 Specifications
FieldTicketResponse	XSD	PIDX 3901 Specifications
Invoice (or aka Credit/Debit Memo)	XSD	PIDX 3901 Specifications
InvoiceResponse	XSD	PIDX 3901

4. Resource Requirements

Minute taking	No
LMI Validate PIDX Standards Compliance of Proposed Documents (Not sure how much from the BPWG more from the BMWG and PIDD sides)	Yes
Facilitation	No

Planned activity	Number per month	Number of months	Duration (hrs)	PIDX Time (hours)
Conference calls	1/2	12	1.5	9
Face to face meetings	1/3	12	3	12

Total PIDX staff time required for this project.	18 hours

5. Anticipated Completion Date

Project Completion date	April 2010

6. Sponsoring Member /Work Group/ Sub-Committee

This specification has been submitted by Anthony Aming on behalf of the Business Processes Work Group.

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The chair of this Work Group/ Sub-Committee has reviewed this submission for completeness and understands this particular Work Group/ Sub-Committee is the Sponsoring Work Group/ SIG, responsible for the communication process. This does not mean the Chair or Work Group/ SIG is approving the actual work or its inclusion in any specification.

Anthony Aming

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Chair's Signature or Initials (electronic is acceptable)

7. Additional Participants

The following PIDX members/companies are participants in the development of these specifications:

Member	Company	E-Mail Address
Jessie Medrano	Weatherford	jessie.medrano@weatherford.com
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Mail distribution list required?	YES
Please provide the name of the mail distribution list:	Member Participants

8. Deliverable Schedule

Component	Status	Estimated Completion Date
Business Process Guidelines documentation – including: Use Case(s), diagrams, best practices Distribute Requirements Doc	Not started	October 2009
Distribute Initial document build for discussion	Not started	November 2009
Schedule meeting to review	Not started	December 2010
Finalize document design	Not started	January 2010
S & G Approval	Not started	March 2010
Recommend action by Executive Committee	Not started	April 2010

Requirements for message modifications Clarify and agree messages and definitions Update messages throughout life of the project Workgroup chair is responsible for ensuring messages are updated	Not started	October 2009
Requirement for PIDD Clarify and agree terminology and definitions Update PIDD entries throughout life of the project Workgroup chair is responsible for ensuring PIDD is updated		October 2009

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