

Manufacturing 1 9.2

Contents

Introduction	9
Product Definition	11
Item Information	11
Item Master Information	12
Item Master Types	12
Item Master Data Elements	14
Item Category Codes	24
Non-Stock Item Masters	25
Item Branch/Plant Information	27
Item Branch/Plant Data Elements	27
Maximum/Minimum/Multiple Order Quantities	33
Item Costs	34
Cost Methods	35
Cost Elements	38
Item Cross Reference	38
Manufactured Item Information	39
Lab Exercise – Item Entry	44
Bills of Materials	45
Work Center Setup	49
Work Center Master	49
Work Center Rates	53
Item Routing	54
Work Order Overview	57
Work Order Release	57
Super Backflush Material and Labor	64
Work Order Item Completion to Stock	68
Lab Exercise – Product Definition	71
Inventory Management Foundation	73
Introduction	73
Overview	75
System/Cross Application Setup	77
Branch/Plant – Business Unit Scheme	77

Branch/Plant Constants _____	79
Branch Locations _____	83
System Constants _____	85
Standard Units of Measures _____	87
Application Set Up _____	89
Document Types _____	89
Standard Document Types _____	89
Line Types _____	91
Order Activity Rules _____	92
User Default Branch _____	94
Warehouse Operations – Transaction Processing _____	97
Inventory Issues _____	97
Simple Transaction Processing _____	97
Other Processes/Functions _____	104
Inventory Transfers _____	110
Inventory Adjustments _____	114
Simple Transaction Processing _____	114
Reclassification _____	116
Inventory Inquiries _____	121
Item Search _____	121
Item Ledger (The Cardex) _____	122
Inventory _____	123
Procurement _____	123
Sales Order Processing _____	124
Manufacturing _____	124
Summary Availability _____	125
Item Availability by Location _____	126
Buyer's Information _____	126
Supply and Demand _____	127
Supply & Demand Inclusion Rules _____	128
Advanced Inventory Control _____	131
Lot Processing _____	131
Serial Number Processing _____	145
Basic Serial Number Control _____	145
Advanced Serial Number Control _____	153
Procurement Overview _____	165
Inventory Order Processing _____	165
Supplier Setup _____	165
Supplier Address Book _____	165

Accounts Payable Information _____	166
Item Setup _____	168
Item Master Information _____	168
Item/Branch Information _____	169
Item/Location Information _____	171
Pricing Setup _____	172
Supplier Pricing Information _____	172
Purchase Order Entry _____	174
Send Order/Receive Acknowledgement _____	177
Supplier Send Method _____	177
Printing the Order _____	180
Receipt Processing _____	184
Match Invoices to Receipts _____	185
Non-Inventory Order Processing _____	189
Supplier Setup _____	189
Purchase Order Entry _____	189
Send Purchase Order to Supplier _____	192
Match Invoices to Receipts _____	192
Advanced Procurement and MRP _____	195
Receipt Routing Overview _____	195
Inspection Processing of Inbound Goods _____	195
Receipt Routing/Supplier Analysis Primer _____	195
Introduction _____	195
Business Case _____	196
Standard Solution _____	196
System Setup _____	197
Example – Receipt Routing _____	200
Material Requirements Planning (MRP) _____	209
Introduction _____	209
MRP Process Flow _____	210
MRP Setup _____	210
Item Master/Item Branch Setup _____	210
Application Setup _____	218
Row Type Codes _____	220
Adding a Forecast _____	221
MRP Generation _____	223
Order Release _____	226
Planning Family Review _____	229
First-Article Purchases _____	233

First-Article Purchases	233
Background	233
Alternative Solutions	233
Recommended Solution	234
Example – First-Article Purchase	239
Outside Processing	245
Background	245
Solution	245
Process	246
Setup	246
Item Setup	246
Manufacturing Setup	250
Example – Outside Processing	251
MRP Lab Exercise	256
Manufacturing – Beyond MRP	259
Forecasting	259
Forecast Types	259
Forecasting Process	259
Sales Extract	259
Forecast Generation	270
Forecast Generation Results	276
Forecast Review	277
Forecast Summarization	278
Forecast Consumption	283
Background	283
When to Use Forecast Consumption	283
Forecast Consumption Example	284
Conclusion	288
Operations Planning	289
Production Planning	289
Multi-Plant Distribution Requirements Planning (DRP)	291
System Setup	291
Item Setup	292
DRP Version Set Up	296
Master Production Scheduling (MPS)	304
Levels of MPS	304
Basic Setup – Co-Mingled MPS and MRP	305
More Complex – Item Segregation	311
Formal MPS with Forecasts	317
MPS Without Forecasts	328
MPS Comparison	330
Capacity Requirements Planning (CRP)	331
Material Requirements Planning (MRP)	331
Supplier Scheduling	333

Data Setup	337
Supplier Scheduling Setup	339
Blanket Orders	339
Supplier Schedule Master	342
Generate Supplier Schedule	351
Plan Generation	351
Results	355
Review Supplier Schedule	356
Release Supplier Schedule	359
Supplier Schedule Print	363
Optimizing the MRP Processes	365
Operations Planning – Conclusion	367
Operations Planning Lab Exercises	369
Branch/Plant Transfer Processing	371
System Setup	373
Branch/Plant – Business Unit Scheme	373
Branch/Plant Constants	374
Branch/Plant	376
Address Number	376
Sales/Inventory Costing Method	377
Item Setup	377
Item Master Information	377
Item/Branch Information	379
Item/Location Information	380
Branch/Plant Transfer Process Overview	383
Transfer Order Entry	383
Order Review	386
ST Order Information	386
OT Order Information	387
Print Pick Slip	390
Confirm Shipment	391
Review Shipment	393
Item Availability Review	395
OT Receipt	397
Branch/Plant Transfer Process with Receipt Routing	399
System Setup	400
Receipt Routing Definition	400

Supplier/Item Relationship _____	402
Receipt and Sales Order Application Processing Options _____	405
Transfer Order Entry _____	407
Order Review _____	410
ST Order Information _____	410
OT Order Information _____	410
Print Pick Slip _____	412
Confirm Shipment _____	413
Item Availability Review _____	415
OT Receipt _____	417
OT Movement to Stock _____	420
Manufacturing System Setup _____	425
Introduction _____	425
Branch/Plant Constants _____	427
Manufacturing Constants _____	433
Manufacturing Constants Information _____	435
Shift Information _____	436
Commitment Control _____	437
Commitment Control Options _____	437
Costing Options _____	437
Modify Cost by Work Center Efficiency _____	438
Actual Costing _____	449
Overheads _____	449
Cost Methods _____	451
Cost Components _____	453
Standard Cost Component Types _____	453
Manufacturing Setup Lab Exercises _____	457
Shop Floor Management _____	459
Overview _____	459
General Process Flow _____	459
Descriptions of Major Activities _____	460
Sample Data _____	460
Basic Shop Floor Management Steps _____	462
Item Master/Item Branch Information _____	463
Item Bills of Materials _____	469
Cost Methods _____	473

Purchase Item Costs	477
Simulate Standard Costs	479
Work Center Information	487
Item Routing Information	491
Frozen Standard Cost	497
Work Order Release	505
Super Backflush Material and Labor	515
Create Accounting Entries for Work Order Activity	523
Information Flow Diagram	524
Work Order Variances	535
Create Entries for Variances	539
Work Order Receipt Routing	547
Work Order Processing – Without Receipt Routing	548
Item Availability Review	552
Receipt Routing Solution	556
Setup	556
Work Order Processing – With Receipt Routing	561
Item Availability Review	566
WO Movement to Stock	570
Re-work Work Orders	575
Background	575
Re-work Order Solution	575
Re-work: Typical Case	576
Accounting Entries	576
Other Cases	578
Manufacturing Graduate Level Exercises	579
Lab Exercise – Phantom Assemblies	579
Lab Exercise – Backflush from Line Location	581