

# Requisition Management- ENG version

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# Requisition Management

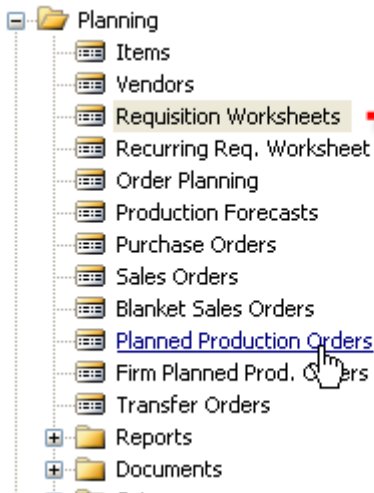
- Overview
- Requisition Management Setup
- The Requisition Worksheet
- Additional Worksheet Features

# Requisition summary

**The requisition worksheet – the central processing tool – offers the following features:**

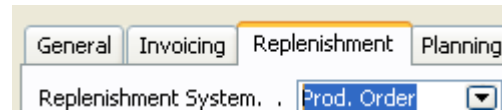
- Calculates a current and detailed purchase order proposal plan.
- Creates actual purchase orders from order proposal lines.
- Handles **stock keeping units** that are replenished by transfer and creates the corresponding transfer orders.
- Automatically handles designated purchase order lines from other areas of the application.
- Handles manually created purchase order proposal lines.
- Controls the flow of relevant information between concerned departments.
- Provides a practical overview of the individual processes involved.

# Requisition worksheet



## SETUP :

1. Reorder Point
2. Safety Stock
3. Time bucket
- 4.



+ Lead Time Calculation +



Type	No.	Action Message	Accept Action Message	Description	Location Code	Reple... System	Original Quantity	Quantity	Unit of Measure Code	Direct Unit Cost	Original Due Date	Due Date	Vendor No.	Vendor Item No.
						Purch...		0		0,00				
Item	A245362...	New	✓	Parketa		Purch...		50	KS	0,00		04.01.05	30000	ASJK
Item	C-100	New	✓	Kabeláž pro LS-100		Purch...		100 000	KS	15,00		08.04.05		
Item	C-100	New		Kabeláž pro LS-100		Purch...		100	KS	15,00		01.06.05		
Item	HS-100	New		Skříň LS-100, dub 120 l	MODRÝ	Purch...		1	KS	100,00		01.02.05		
Item	HS-100	New		Skříň LS-100, dub 120 l	MODRÝ	Purch...		2	KS	100,00		10.06.05		
Item	LS-MAN-10	New		Manuál k reproduktorům	BÍLÝ	Purch...		61	KS	0,00		17.01.01	30000	
Item	LS-MAN-10	Cancel	✓	Manuál k reproduktorům	BÍLÝ	Purch...		100	KS	0,00		23.01.01	30000	

# Other important parameters setup :

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General Invoicing Replenishment **Planning** Foreign Trade Item Tracking E - Commerce Warehouse

Reordering Policy . . . Fixed Reorder Q

Include Inventory . . .

Reserve . . . . . Optional

Order Tracking Policy . . None

Stockkeeping Unit Exists .

Critical . . . . .

Reorder Cycle. . . . . 1W

Safety Lead Time . . . .

Safety Stock Quantity . . 0

Reorder Point . . . . . 0

Reorder Quantity . . . . 100

Maximum Inventory . . . . 0

Minimum Order Quantity . 0

Maximum Order Quantity 0

Order Multiple. . . . . 0

Modifiers

# Basic setup I – Safety Stock and Reorder Point (part one)

- **Safety Stock (SS)** – : the *protection against fluctuation of the demand*.
- If Inventory Level  $<$  SS , it means that it will drop below this level (Safety Stock level), than we will get a suggestion of the quantity equal to the variance (difference) of the current state of Inventory and Safety Stock Level .
- **Reorder Point** - : if the Inventory drops below this level, than when starting batch planning job in requisition worksheet or planning window, which supply you, according to the setup of modifiers, a **REPLENISHMENT**. You must have realistically setup Lead Time Calculation, Safety Lead Time and Reorder Quantity. If those fields are not setup, you will get a suggestion so, that the replenishment will be just to the level of the reorder point itself. The important modifiers are also Minimum Order Quantity and Maximum Order Quantity - **see next slide**



# Basic equations (1st approximation)

- $AV = \text{Availability} = \text{Inventory} + IN - OUT - SS$
- $IN = \text{Planned Receipts} + \text{Issued Receipts}$
- $OUT = \text{Issued Sales Orders} + \text{Requirements from Manufacturing Application}$
- $SS = \text{Safety Stock}$
- $\text{Net Requirement} = \text{Gross Requirement} - AV$
-

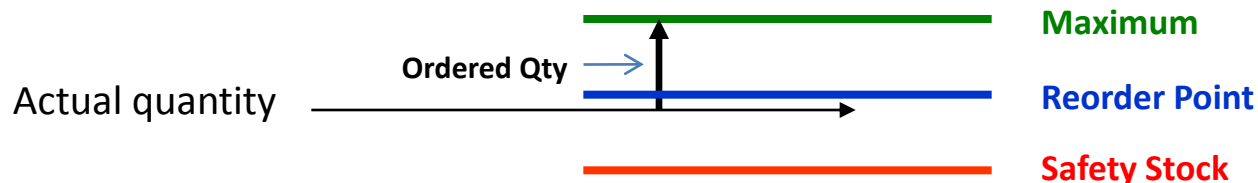
# Basic Setup II – Reorder Point (part two)

- In this field, you can enter a quantity of stock that sets the inventory level below which you must replenish the item. You can equate the reorder point quantity to anticipated demand during the replenishment lead time.
- **The Reorder Point** field plays the following role in the planning calculations when the reorder point > projected available balance > safety stock quantity
- The program will create an order proposal that is forward scheduled from the date of the requirement that used the deficit in the projected available balance – inventory level
- The order proposal quantity will, at the minimum, bring the projected available balance up to the level that is specified by the Reorder Point field.
- The final order proposal quantity may be further adjusted due to additional requirements within the Reorder Cycle, the effects of the reordering policy, and the three quantity modifier fields: **Minimum Order Quantity, Maximum Order Quantity and Order Multiple.**
- If you leave the field blank, the program sets the reorder point quantity for the item to zero.
- Note that the field is disabled when you select the reordering policy options of Order and Lot-for-Lot.



# Basic Setup III – Maximum Inventory

- In this field, you can enter a quantity that you want to use as a maximum inventory level. When calculating order proposal quantities, the program will then use maximum inventory minus the actual quantity available at the time of the order. Note that depending on the current inventory at the time, this may result in order proposal quantities that cause the projected available balance to exceed the maximum inventory that you define.
- This field is used only with the reordering policy Maximum Qty. It is disabled for all other reordering policy options.
- Note that for optimal results, you should set up this field so that maximum inventory > reorder point > safety stock.



# Basic Setup IV – Minimum Order Quantity

- In this field, you can specify a **minimum** allowable quantity for an item order proposal. Once the program has detected the need for replenishment and adjusted the lot size to meet the specified reordering policy, it will increase the quantity, if necessary, to meet the minimum order quantity that you define for the item.
- This field is intended to be used with a **make-to-stock manufacturing policy**

# Basic Setup V – Maximum Order Quantity

*In this field, you can specify a **maximum allowable quantity** for an item order proposal.*

*Once the program has detected the need for replenishment and adjusted the lot size to meet the specified reordering policy, it will decrease the quantity, if necessary, to meet the maximum order quantity that you define for the item.*

*If additional requirements remain, the program will calculate new orders to meet them.*

***This field is intended to be used with a make-to-stock manufacturing policy.***

# Action Messages

- Change Quantity
- Reschedule
- Reschedule and Change Quantity
- New
  
- **Comment 1** : Replenishment methods can be visible in the filed Replenishment policy (for Purchase, Manufacturing or Transfers)
  
- **Comment 2** : Drop Shipment Lines- vendor delivers goods directly to the customer – see button Functions – Drop Shipment

# Planning Worksheet Lines

## Planning Worksheet Lines

This feature is relevant for a large manufacturing company that is likely to have separate departments that handle production planning and purchasing.

In the manufacturing application area, a production planner uses the planning worksheet to calculate an item replenishment plan for all items, whether they are manufactured, purchased, or transferred.

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From the planning worksheet, the planner can then select the order proposal lines for items that are replenished by purchase or transfer and conveniently forward them to the requisition worksheet by using the Carry Out Action Messages – Plan. batch job. You can read more about the batch job in the online Help.

This function, although initiated from the manufacturing application area, results in order proposal lines appearing in the requisition worksheet. From there, the purchaser can edit, approve, and convert the lines to actual purchase or transfer order lines by using the Carry Out Action Messages – Requisition Worksheet batch job.

# Příklad na používání sešitu požadavků

General Invoicing Replenishment **Planning** Foreign Trade Item Tracking E - Commerce Warehouse

Reordering Policy . . . . . Lot-for-Lot [v] Reorder Cycle . . . . . 1W  
Include Inventory . . . . .  Safety Lead Time . . . . .  
Reserve . . . . . Optional [v] Safety Stock Quantity . . . . . 4  
Order Tracking Policy . . . . . None [v] Reorder Point . . . . . 0  
Stockkeeping Unit Exists. . . . .  Reorder Quantity . . . . . 0  
Critical . . . . .  Maximum Inventory . . . . . 0  
**Karta A3, stav skladu=0** Minimum Order Quantity . . . . . 0  
Maximum Order Quantity . . . . . 0  
Order Multiple . . . . . 0

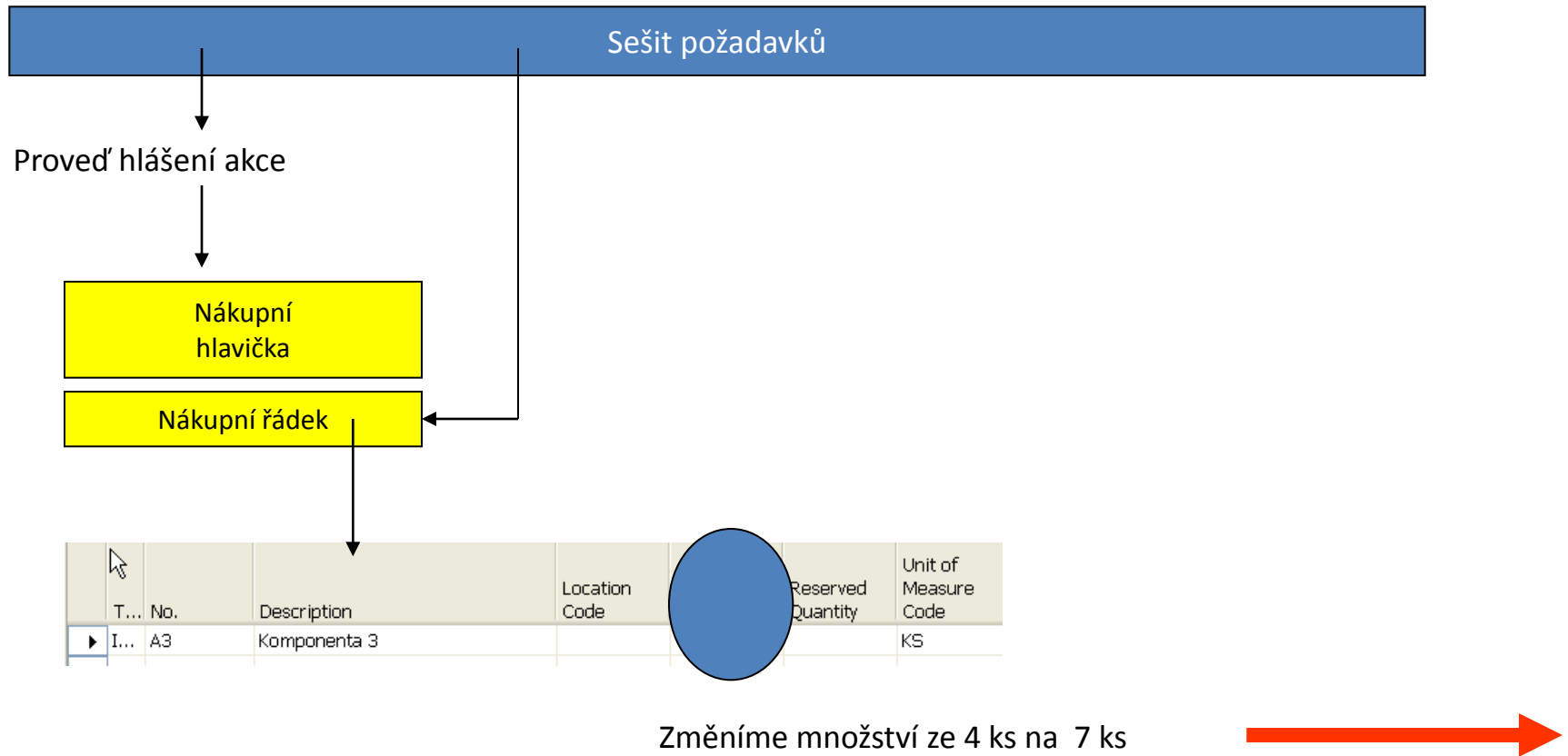
Po spuštění Sešitu požadavků – Výpočet plánu dostaneme :

Name . . . . . VÝCHOZÍ [v]

Type	No.	Action Message	Accept Action Message	Description	Location Code	Original Quantity	Quantity	Unit of Measure Code
Item	A3	New	<input checked="" type="checkbox"/>	Komponenta 3			4	KS



# Příklad na používání sešitu požadavků



# Příklad na používání sešitu požadavků

Sešit požadavků

Vypočítat plán

Název . . . . . VÝCHOZÍ								
Typ	Číslo	Hlášení akce	Přijmout hlášené akce	Popis	Kód lokace	Původní množství	Množství	Kód měrné jednotky
Zboží	A3	Změněné množ.	✓	Komponenta 3		7	4	KS



# Příklad na používání sešitu požadavků

- Naplánujeme prodeje v různých po sobě jdoucích týdnech a to vždy dva prodeje do jednoho týdne (**time bucket=1 week**) :

Kód lokace	Množství	Plánované datum do...	Plánované datum od...	Datum odeslání
MODRÝ	10	12.07.06	11.07.06	11.07.06
MODRÝ	12	14.07.06	13.07.06	13.07.06
MODRÝ	20	21.07.06	20.07.06	20.07.06
MODRÝ	33	24.07.06	23.07.06	23.07.06
MODRÝ	43	29.07.06	28.07.06	28.07.06

a po spuštění Sešitu požadavků dostaneme :

Typ	Číslo	Hlášení akce	Přijmout hlášené akce	Popis	Kód lokace	Původní množství	Množství	Kód měrné jednotky
Zboží	A3	Změněné množ.	✓	Komponenta 3		7	4	KS
Zboží	A3	Nová	✓	Komponenta 3	MODRÝ		22	KS
Zboží	A3	Nová	✓	Komponenta 3	MODRÝ		53	KS
Zboží	A3	Nová	✓	Komponenta 3	MODRÝ		43	KS

22=10+12 ("time bucket" 1)  
 53=20+33 ("time bucket" 2)  
 43 ("time bucekt" 3)

# Příklad na používání sešitu požadavků

- Změníme na kartě zboží Způsob přiojednání z Dávky-prodávku na Zakázka a po spuštění plánování v sešitu požadavků dostaneme :

Typ	Číslo	Hlášení akce	Přijmout hlášené akce	Popis	Kód lokace	Původní množství	Množství	Kód měrné jednotky
Zboží	A3	Storno	✓	Komponenta 3		7	0	KS
Zboží	A3	Nová	✓	Komponenta 3	MODRÝ		10	KS
Zboží	A3	Nová	✓	Komponenta 3	MODRÝ		12	KS
Zboží	A3	Nová	✓	Komponenta 3	MODRÝ		20	KS
Zboží	A3	Nová	✓	Komponenta 3	MODRÝ		33	KS
Zboží	A3	Nová	✓	Komponenta 3	MODRÝ		43	KS

Což znamená, že pro každou PO je navržený nový řádek (Bucketless approach)