

A DYNAMICSCON PRESENTATION

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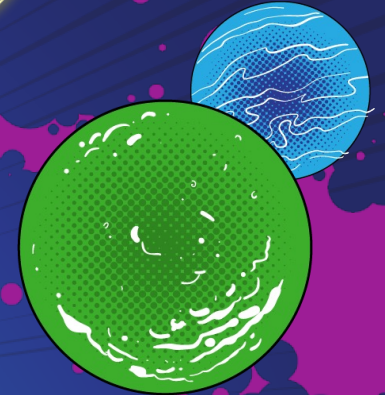
DYNAMICSCON VIRTUAL

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Keep It Simple:
Manufacturing and
Warehousing

DYNAMICSCON.COM

Keep It Simple: Manufacturing and Warehousing



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Agenda

- **Keep It Simple:
Manufacturing**
- **Keep It Simple:
Warehouse**
- **Questions and Answers**



Manufacturing Kept Simple

(Not Addressing Lean)



Keeping Things Simple - Introduction

*We are NOT trying to model reality; we are seeking to provide “mechanical advantage”
for better decisions and improved productivity*

- **Everything does not have to be in the ERP System (right tool for right job)**
- **Simpler means trading off power and flexibility**
- **Simpler sometimes takes more thought and preparation, not less**
- **Simpler for one stakeholder often means more complicated for another**

- ***Treat every human interaction as a “sale” –
what is the product, who is selling, who is buying
(e.g. an up-to-date BOM),
THEN simplify for both.***

Manufacturing Kept Simple – Materials

- Expense consumables
(not listed on BOM, use two-bin replenishment, no MRP)
- Back-flush BOM lines
- Ignore scrap/yield
- Ignore interaction with the Route Operation
- Consider percentages for formulas
- Consider phantoms and pegged supply

Manufacturing Kept Simple – Labor/Machine

- No Routings
(zero modelling of Capacity or Labor, Machine, Overhead Cost)
- Modelling of Labor or Machine on the BOM/Formula
(pre-burdened or not burdened)
- Simple Single Step Routings
(pre-burdened or not burdened)

Manufacturing Kept Simple – Time Entry

No Time Entry
(back flush Labor/Machine)

Use
365
Time
sheets
or PFE

Time Entry for “work center” only
(analyze productivity for work center aggregate)

Use
365
PFE

If “clock on – clock off” then limit use to
more critical resources

Manufacturing Kept Simple – Costing

- No Routings (Material Contribution Costing)
(no modelling of Labor, Machine, Overhead Cost)
- Use Production Groups if you can get away with it, otherwise use Cost Category rather than Resource
- Avoid Item Overhead Accounting if feasible
(Contribution Costing)
- Avoid using the Costing Sheet if feasible
(and keep it simple if needed - blended surcharges, not rates and simple cost bases)

Manufacturing Kept Simple – Demand Planning

Not using 365 Demand Planner

- No Forecasts
(Compensate with more safety stock)
- Import Forecasts
(e.g., from Excel)

Using 365 Demand Planner

- Have a dedicated Demand Planner or Team
- Carefully weigh Weekly vs. Monthly
- Create its own Unit of Measure
(perhaps “DP” with 1 to 1 conversion to all Units)
- Use Item Allocation Keys judiciously

Manufacturing Kept Simple – Supply Planning 1

- Embrace Actions and Delays
- Leverage ABC analysis (80-20) to focus on A items
(Carry extra inventory for B and C class items)
- Use Buyer Codes for all items not just purchased
(Many codes to one planner)
- Consider planning at Site Level
(One Safety Stock shared by warehouses in the site)

Manufacturing Kept Simple – Supply Planning 2

- Use the Safety Stock Journal
- Use ABC Analysis
- If you have Routings, set a Capacity time fence
- Consider Optimized Master Planning
(much faster and all new features are and will be here)

Manufacturing Kept Simple – Capacity Planning

- Ignore Capacity, focus on Load
- Only use Finite Capacity if you have to
- Consider Resource Capabilities, rather than Resource Groups
- Carefully design Resource Groups and Capabilities

Manufacturing Kept Simple - Scheduling

- Use Operation Scheduling if you can get away with it
- Leave Sequencing to Shop Leads
- Avoid Finite Scheduling if possible
- Leave Resource Selection to the Scheduler, even if Job Scheduling
- Seriously consider using the 365 Release Workbench and Gantt Chart

Keep It Simple: Warehouse Setup Overview



Warehouse Setup Overview

- Certain elements are easy to import:
 - Fixed Locations
 - Location Stocking Limits
 - Locations
- Directed Actions requires more setup
 - Tribal Knowledge might be good enough
- More Validation requires more setup
 - Label Generation – Items, Cases, Pallets
 - Check Digits

Warehouse Setup Overview

- Minimize Setup Time by Leveraging Warehouse Management Wizards (New to 10.0.31)

Warehouse management initiation wizard

Welcome

Initialize base data

Base data setup complete

When setting up Warehouse management module, there must be multiple configurations completed. This wizard enables you to set up the following:

- Location formats
- Location types
- Location profiles
- Inventory status
- Default work user
- Regenerate load posting methods
- Regenerate wave processing methods
- Warehouse management parameters

Warehouse initiation wizard

Welcome

Warehouses selection

General warehouse setup

Staging area setup

Final shipping area setup

Warehouse setup complete

When you set up a new warehouse for use with the Warehouse management module, you must configure several preferences and assign related records to help support your warehouse processes. This wizard will help you make each of these required settings, which include the following elements:

- Locations
- Directive codes
- Work classes
- Work templates
- Location directives
- Wave template

Warehouse Setup Overview

- Minimize Setup Time by Leveraging Copy Function

This screenshot shows the Dynamics 365 interface for editing a location directive. The 'Copy' button in the top navigation bar is highlighted with a red box. The form displays the following details:

- Standard view
- Location directives
- Sequence number: 1
- Name: 24 SO Pick
- Location directives table:

Work type	Site	Warehouse	Directive code	Scope
Pick	2	24		Single item

This screenshot shows the 'Copy location directive' dialog box. It contains the following fields:

- Copy location directive 24 SO Pick
- New location directive name: 24 SO Pick - Copy
- New location directive warehouse: 24

This screenshot shows the Dynamics 365 interface for editing a work template. The 'Copy' button in the top navigation bar is highlighted with a red box. The table below shows the work template details:

Sequence num...	Work template	Work template description	Valid	Automatically ...	Work pool ID	Work priority
2	24 SO 2	Pick to Baydoor	<input checked="" type="checkbox"/>	<input type="checkbox"/>		0

Keep It Simple: Sales Setup Overview



Sales Setup Overview

- Configure User Directed Menu Items
- Print Work Report
- Use Pre-Printed License Plates
- Release and Process Single Orders at a Time
- Consider Load Planning and Consolidation in a later phase

Keep It Simple: Purchase Setup Overview



Purchase Setup Overview

- Avoid Mixed License Plates
- Minimal Directed Put Away Setup
 - Let the user determine where to put the items with minimal guidance
 - Options:
 - Break Location Directives so that the Put Location is Blank and the User enters the details (this can still validate Work Class Valid Location Setup)
 - Leverage Work Policies to not create work and move inventory with an Inventory Movement Menu Item
- Use Pre-Printed License Plates
- Leverage Fixed Locations for fast moving parts



Keep It Simple: Inventory Setup Overview



Inventory Setup Overview

- Spot Count by Aisle
- Manual Replenishment
- Leverage Inventory Status and Adjustment Reason Codes in place of Extended Quality Management

Keep It Simple: Production Setup Overview



Production Setup Overview

- Leverage One Default Input Location
- Order Pick Items
- Set BOM Lines to “Available at Location”
- Simple Put Away Rules
 - Leverage Tribal Knowledge
 - Broken Location Directives
 - Leverage Work Policies

Questions

