

R11i Work In Process Transactions Issues

Student Guide

Course Code 14742GC10

Edition 1.0

Month July, 2000

Part Number M0-11934

ORACLE®

Copyright © Oracle Corporation, 2000. All rights reserved.

This documentation contains proprietary information of Oracle Corporation. It is provided under a license agreement containing restrictions on use and disclosure and is also protected by copyright law. Reverse engineering of the software is prohibited. If this documentation is delivered to a U.S. Government Agency of the Department of Defense, then it is delivered with Restricted Rights and the following legend is applicable:

Restricted Rights Legend

Use, duplication or disclosure by the Government is subject to restrictions for commercial computer software and shall be deemed to be Restricted Rights software under Federal law, as set forth in subparagraph (c)(1)(ii) of DFARS 252.227-7013, Rights in Technical Data and Computer Software (October 1988).

This material or any portion of it may not be copied in any form or by any means without the express prior written permission of the Education Products group of Oracle Corporation. Any other copying is a violation of copyright law and may result in civil and/or criminal penalties.

If this documentation is delivered to a U.S. Government Agency not within the Department of Defense, then it is delivered with "Restricted Rights," as defined in FAR 52.227-14, Rights in Data-General, including Alternate III (June 1987).

The information in this document is subject to change without notice. If you find any problems in the documentation, please report them in writing to Worldwide Education Services, Oracle Corporation, 500 Oracle Parkway, Box SB-6, Redwood Shores, CA 94065. Oracle Corporation does not warrant that this document is error-free.

Oracle and all references to Oracle Products are trademarks or registered trademarks of Oracle Corporation.

All other products or company names are used for identification purposes only, and may be trademarks of their respective owners.

Author

Leanne Vakoc

Technical Contributors and Reviewers

Barry Kuhl

Mike Unterkofler

Pamela Freeman

This book was published using:

Oracle® Tutor™



Table of Contents

R11i Work In Process Transactions Issues	1-1
Work In Process Transactions - Issues Release 11i.....	1-2
Objectives.....	1-3
Agenda.....	1-4
Work In Process Transactions Overview.....	1-5
Overview.....	1-6
WIP Integration to Oracle Inventory.....	1-10
WIP Integration to Oracle Cost Management.....	1-17
WIP Integration to Oracle Planning.....	1-18
WIP Integration to Oracle Bills of Material.....	1-19
WIP Integration to Oracle Engineering.....	1-20
WIP Integration to Oracle Quality.....	1-21
WIP Integration to Oracle Flow Manufacturing.....	1-22
WIP Integration to Oracle Project Manufacturing.....	1-23
Issuing and Returning Material.....	1-24
WIP Transactions.....	1-25
Issuing Components in Work in Process.....	1-26
Supply Types.....	1-27
Issuing Push Components.....	1-29
WIP Material Transactions.....	1-34
Demonstration.....	1-35
Backflushing Components.....	1-36
Returning Components to Inventory.....	1-37
Replenishing Supply Subinventories and Locators.....	1-38
Review Question.....	1-39
Review Question Solution.....	1-40
Review Question.....	1-41
Review Question Solution.....	1-42
Practice 1-1 Overview.....	1-43
Practice 1-1.....	1-44
Practice 1-1 Solution.....	1-45
Managing Rejected Material.....	1-52
Overview.....	1-53
Methods of Managing Rejected Material.....	1-56
Option A: Subinventory Transfer.....	1-58
Option B: Miscellaneous Transaction.....	1-59
Option C: Account Issue.....	1-60
Option D: Account Alias Issue.....	1-61
Option E: Return to Vendor.....	1-62
Planning Component Demand.....	1-63
Planning Component Demand Example.....	1-64
Methods for Managing Rejected Components in WIP.....	1-65
Option A: Issue More Components.....	1-66
Option B: Return to Inventory.....	1-67
Review Question.....	1-68
Review Question Solution.....	1-69
Review Question.....	1-70
Review Question Solution.....	1-71
Costing Overview.....	1-72
Costing Issue and Return Transactions.....	1-73
Weighted Average Costing.....	1-74

Viewing and Reporting.....	1-75
Viewing and Reporting Material Requirements	1-76
View Material Transactions.....	1-79
Summary.....	1-80
WIP Transactions.....	1-81
Managing Rejected Material in Inventory	1-83
Managing Rejected Components in WIP.....	1-84
Summary.....	1-85

Preface

Profile

Before You Begin This Course

Before you begin this course, you should have the following qualifications:

- Thorough knowledge of production activities in various manufacturing environments.

Prerequisites

- Oracle Bills of Material and Oracle Engineering
- Oracle Planning

How This Course Is Organized

R11i Work In Process Transactions Issues is an instructor-led course featuring lecture and hands-on exercises. Online demonstrations and written practice sessions reinforce the concepts and skills introduced.

Related Publications

Oracle Publications

Title	Part Number
<i>Oracle Work In Process User's Guide</i>	<i>A83598-01</i>

Additional Publications

- System release bulletins
- Installation and user's guides
- *read.me* files
- Oracle Applications User's Group (OAUG) articles
- *Oracle Magazine*

Typographic Conventions

Typographic Conventions in Text

Convention	Element	Example
Bold italic	Glossary term (if there is a glossary)	The <i>algorithm</i> inserts the new key.
Caps and lowercase	Buttons, check boxes, triggers, windows	Click the Executable button. Select the Can't Delete Card check box. Assign a When-Validate-Item trigger to the ORD block. Open the Master Schedule window.
Courier new, case sensitive (default is lowercase)	Code output, directory names, filenames, passwords, pathnames, URLs, user input, usernames	Code output: <code>debug.set ('I", 300);</code> Directory: <code>bin</code> (DOS), <code>\$FMHOME</code> (UNIX) Filename: Locate the <code>init.ora</code> file. Password: User <code>tiger</code> as your password. Pathname: Open <code>c:\my_docs\projects</code> URL: Go to <code>http://www.oracle.com</code> User input: Enter <code>300</code> Username: Log on as <code>scott</code>
Initial cap	Graphics labels (unless the term is a proper noun)	Customer address (<i>but</i> Oracle Payables)
Italic	Emphasized words and phrases, titles of books and courses, variables	Do <i>not</i> save changes to the database. For further information, see <i>Oracle7 Server SQL Language Reference Manual</i> . Enter <code>user_id@us.oracle.com</code> , where <i>user_id</i> is the name of the user.
Quotation marks	Interface elements with long names that have only initial caps; lesson and chapter titles in cross-references	Select "Include a reusable module component" and click Finish. This subject is covered in Unit II, Lesson 3, "Working with Objects."
Uppercase	SQL column names, commands, functions, schemas, table names	Use the SELECT command to view information stored in the LAST_NAME column of the EMP table.

Convention	Element	Example
Arrow	Menu paths	Select File→ Save.
Brackets	Key names	Press [Enter].
Commas	Key sequences	Press and release keys one at a time: [Alternate], [F], [D]
Plus signs	Key combinations	Press and hold these keys simultaneously: [Ctrl]+[Alt]+[Del]

Typographic Conventions in Code

Convention	Element	Example
Caps and lowercase	Oracle Forms triggers	When-Validate-Item
Lowercase	Column names, table names	SELECT last_name FROM s_emp;
	Passwords	DROP USER scott IDENTIFIED BY tiger;
	PL/SQL objects	OG_ACTIVATE_LAYER (OG_GET_LAYER (`prod_pie_layer`))
Lowercase italic	Syntax variables	CREATE ROLE <i>role</i>
Uppercase	SQL commands and functions	SELECT userid FROM emp;

Typographic Conventions in Navigation Paths

This course uses simplified navigation paths, such as the following example, to direct you through Oracle Applications.

(N) Invoice > Entry > Invoice Batches Summary (M) Query > Find (B) Approve

This simplified path translates to the following:

1. (N) From the Navigator window, select Invoice > Entry > Invoice Batches Summary.
2. (M) From the menu, select Query > Find.
3. (B) Click the Approve button.

Notations :

(N) = Navigator

(M) = Menu

(T) = Tab

(I) = Icon

(H) = Hyperlink

(B) = Button

Typographical Conventions in Help System Paths

This course uses a “navigation path” convention to represent actions you perform to find pertinent information in the Oracle Applications Help System.

The following help navigation path, for example—

(Help) General Ledger > Journals > Enter Journals

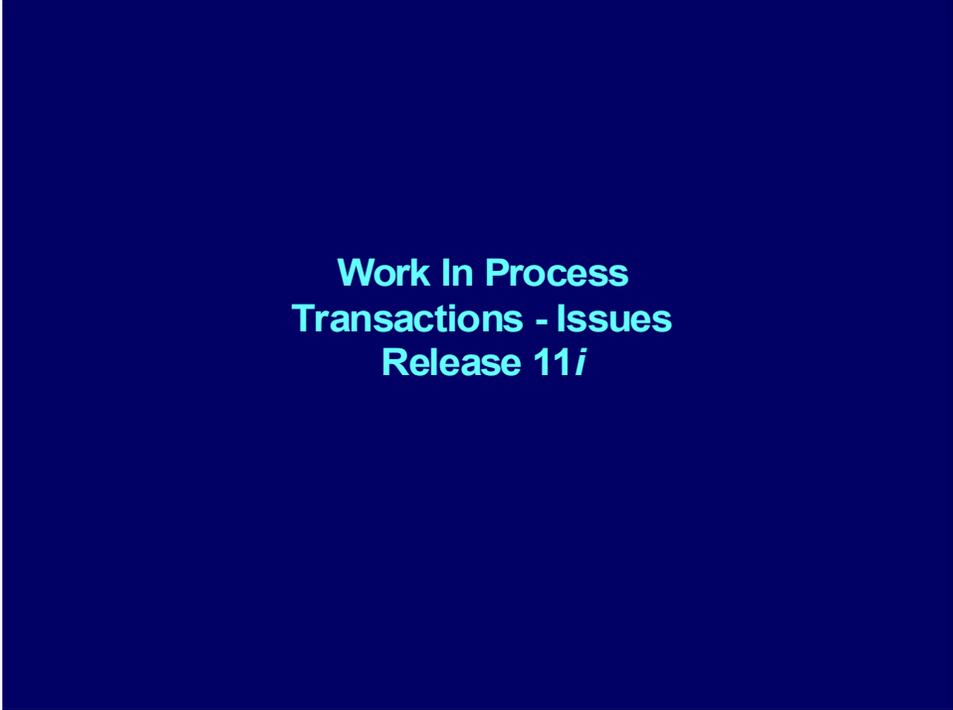
—represents the following sequence of actions:

1. In the navigation frame of the help system window, expand the General Ledger entry.
2. Under the General Ledger entry, expand Journals.
3. Under Journals, select Enter Journals.
4. Review the Enter Journals topic that appears in the document frame of the help system window.

R11i Work In Process Transactions Issues

Chapter 1

Work In Process Transactions - Issues Release 11i



**Work In Process
Transactions - Issues
Release 11i**

Objectives

After this component, you should be able to:

- **Issue components from inventory to work in process**
- **Issue negative requirements to a job or schedule**
- **Manage rejected material in inventory**
- **Manage rejected components in work in process**
- **Return components to inventory**
- **Replenish supply subinventories and locators**

Copyright © Oracle Corporation, 2000. All rights reserved.

ORACLE

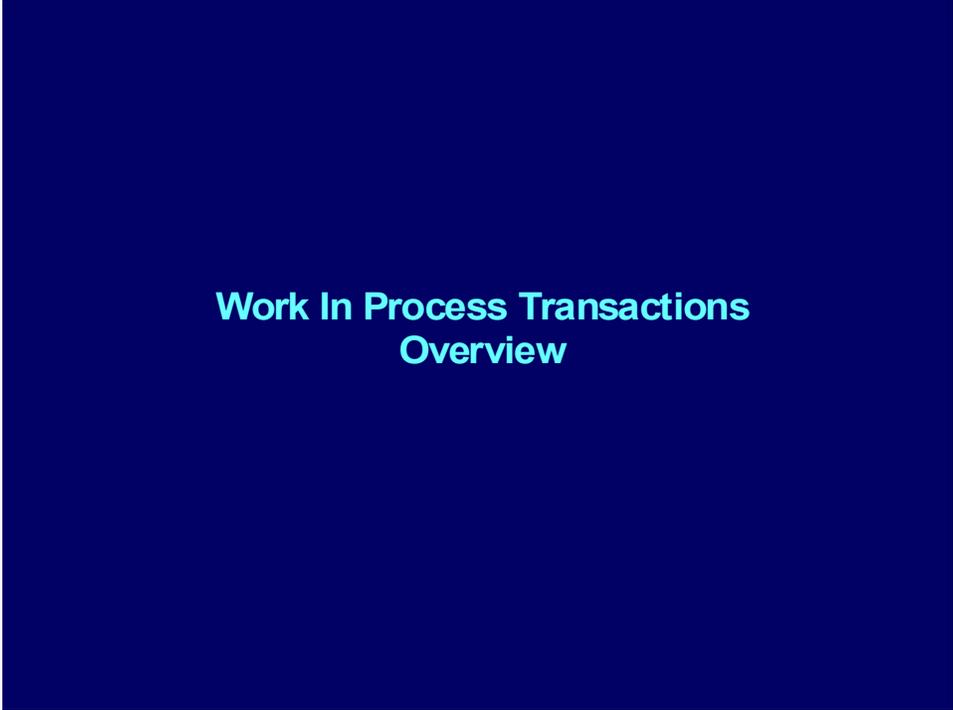
Agenda

Agenda

- **WIP transactions overview**
- **Issuing and returning material**
- **Managing rejected material**
- **Costing overview**
- **Viewing and reporting**

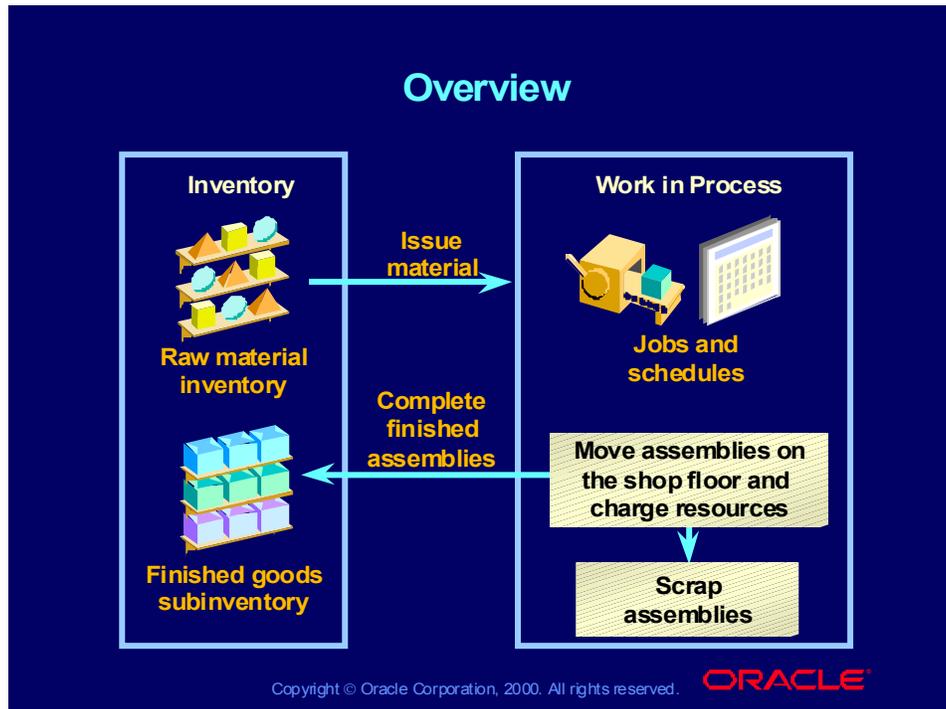
Copyright © Oracle Corporation, 2000. All rights reserved.

ORACLE



**Work In Process Transactions
Overview**

Overview



With Oracle WIP transactions, you can:

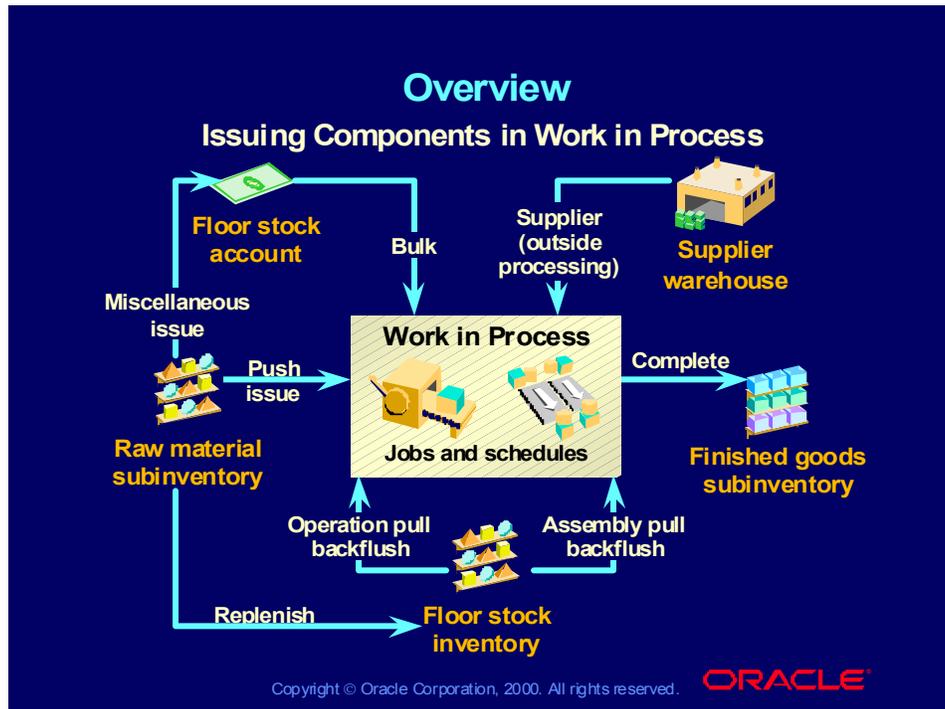
- Track and report your inventory accurately.
- Maintain accurate supply and demand information.
- Track activity costs.
- Value work in process.

Transactions are driven by actions.

Examples

- Picking material from a picklist drives a material issue transaction in Oracle Work in Process.
- Completing an assembly at an operation drives a move and possibly a backflush transaction.
- Replenishing your subinventories drives a subinventory transfer transaction.
- Failing a test at an operation drives a scrap transaction.
- Shipping an assembly to an outside vendor drives a move transaction.
- Finishing an assembly drives a completion into inventory and possibly a backflush transaction.

Overview



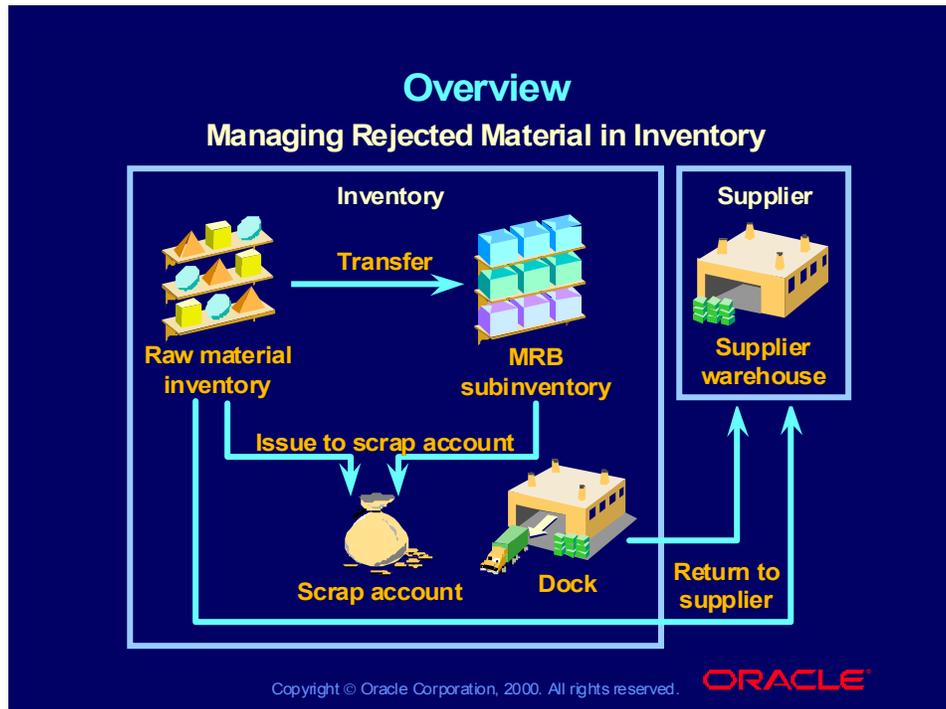
Definitions

- **Issue transaction** is a material transaction to issue component items from inventory to work in process.
- **Replenishment transaction** is a material transaction to stage components in advance of backflushing.
- **Return transaction** is a material transaction to return components from WIP back to inventory. Return transactions increase WIP material requirements, inventory balances, and valuation, and decrease WIP valuation.

Distinguishing Between Types of Material Transactions

- Material issue transactions fulfill WIP material requirements on jobs or schedules.
- Issue transactions reduce inventory balances and valuation.
- Issue transactions incur WIP costs and increase WIP valuation.
- You can use supply types to control how components are supplied to fulfill material requirements.
- **Push issue transaction** is a material transaction to issue component items from inventory to work in process before you manufacture the assembly.
- **Backflush transaction** is a material transaction that automatically issues component items into work in process from inventory when you move or complete the assembly. A backflush transaction is also known as post-deduct or pull.

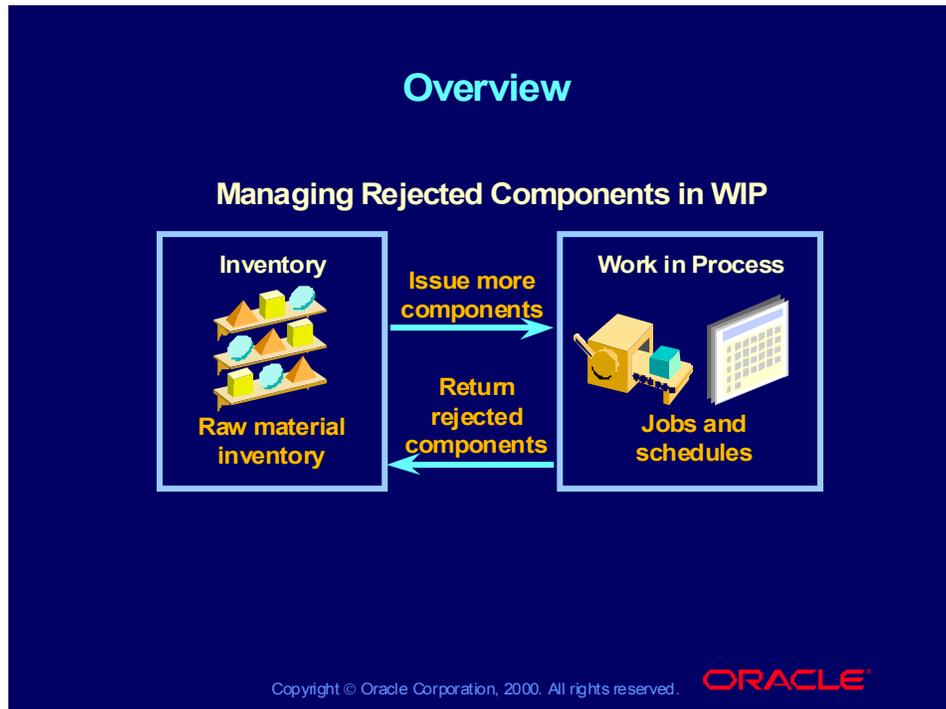
Overview



Return to Supplier

Return to supplier is a transaction that allows you to return to the supplier items from a fully or partially received purchase order and receive credit for them.

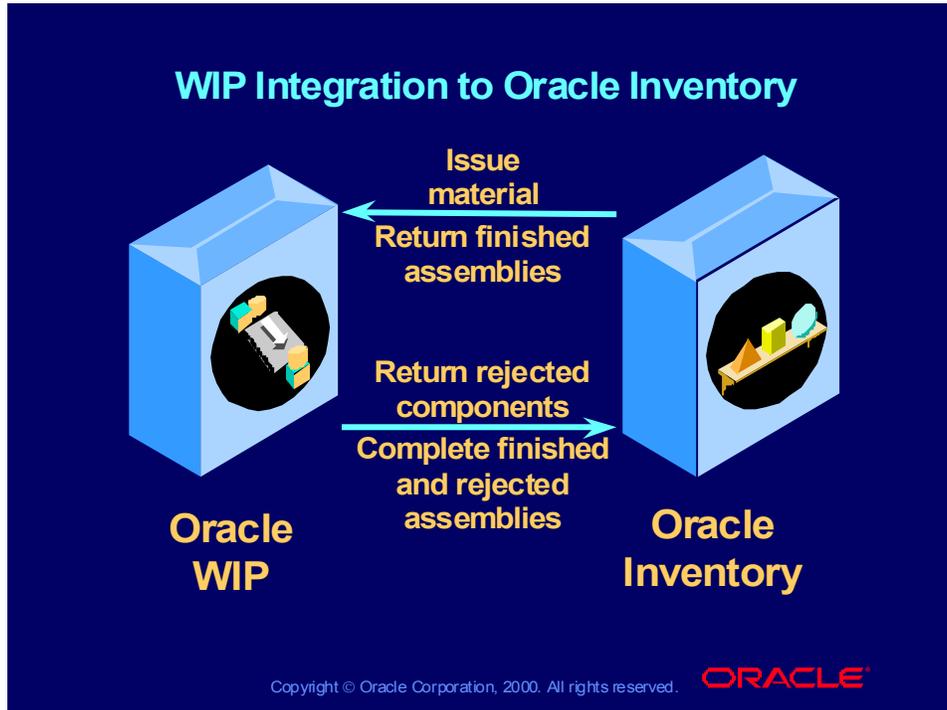
Overview



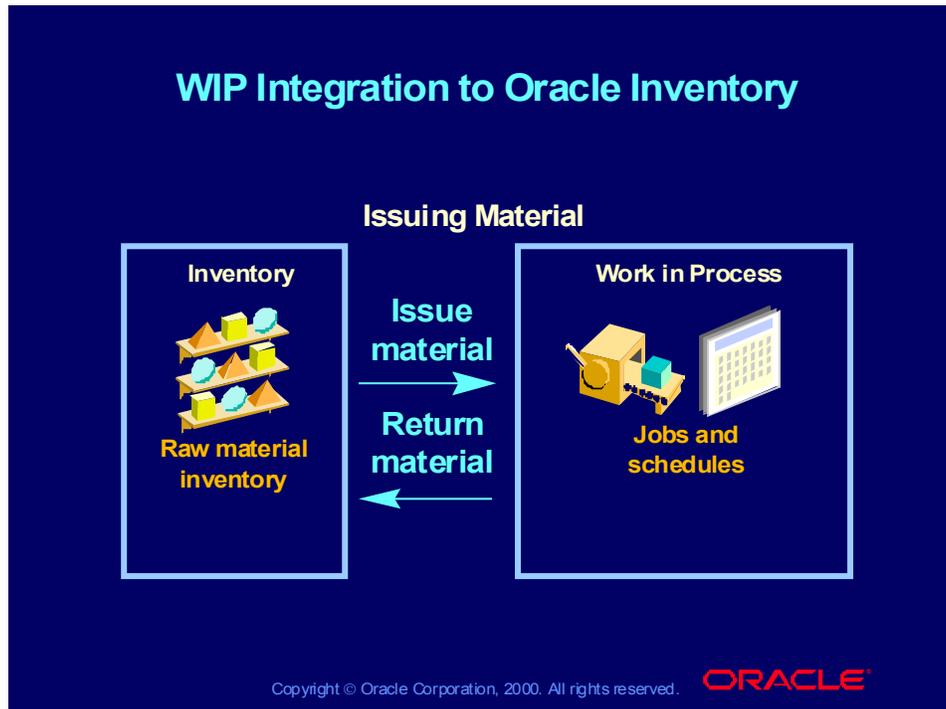
Component Yield

- **Component yield** is the amount of a component you require to build plus the amount of the component you lose or waste while building an assembly.
- A yield factor of 100% indicates no loss in the manufacturing process.
- A yield factor of less than 100% indicates that less than 100% of the components you issue survive the build process. Thus the component usage quantity increases.
- The cost rollup optionally includes the effect of component yield in the assembly costs.

WIP Integration to Oracle Inventory



WIP Integration to Oracle Inventory

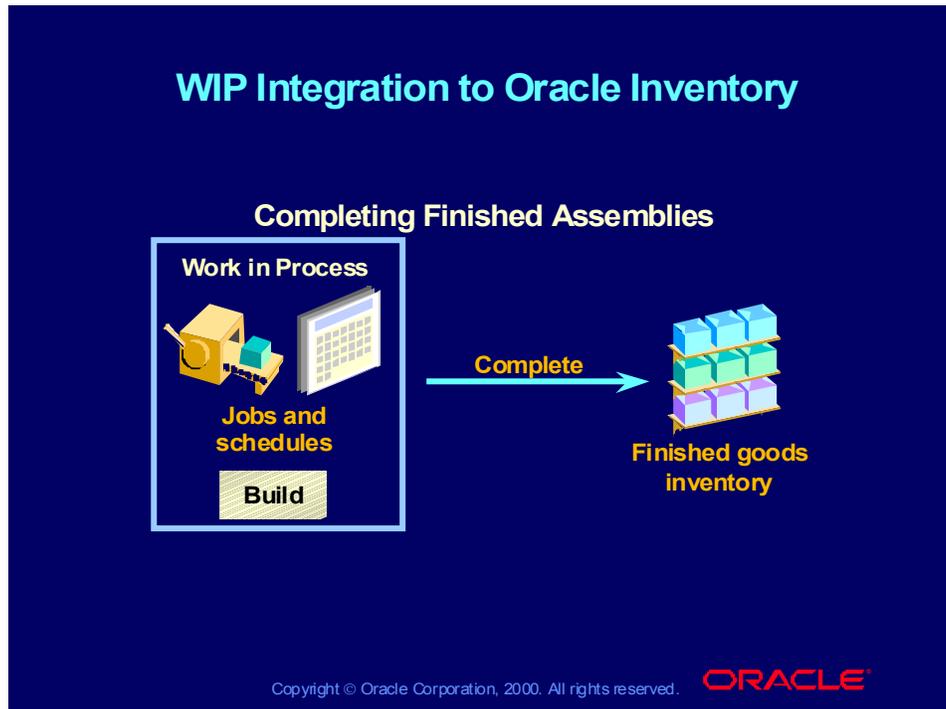


Issuing Material

An issue transaction is a material transaction to issue component items from inventory to work in process.

- Material issue transactions fulfill WIP material requirements on jobs or schedules.
- Issue transactions reduce inventory balances and valuation.
- Issue transactions incur WIP costs and increase WIP valuation.
- You can use supply types to control how components are supplied to fulfill material requirements.
- A push issue transaction is a material transaction to issue component items from inventory to work in process before you manufacture the assembly.
- A backflush transaction is a material transaction that automatically issues component items into work in process from inventory when you move or complete the assembly. A backflush transaction is also known as post-deduct or pull.

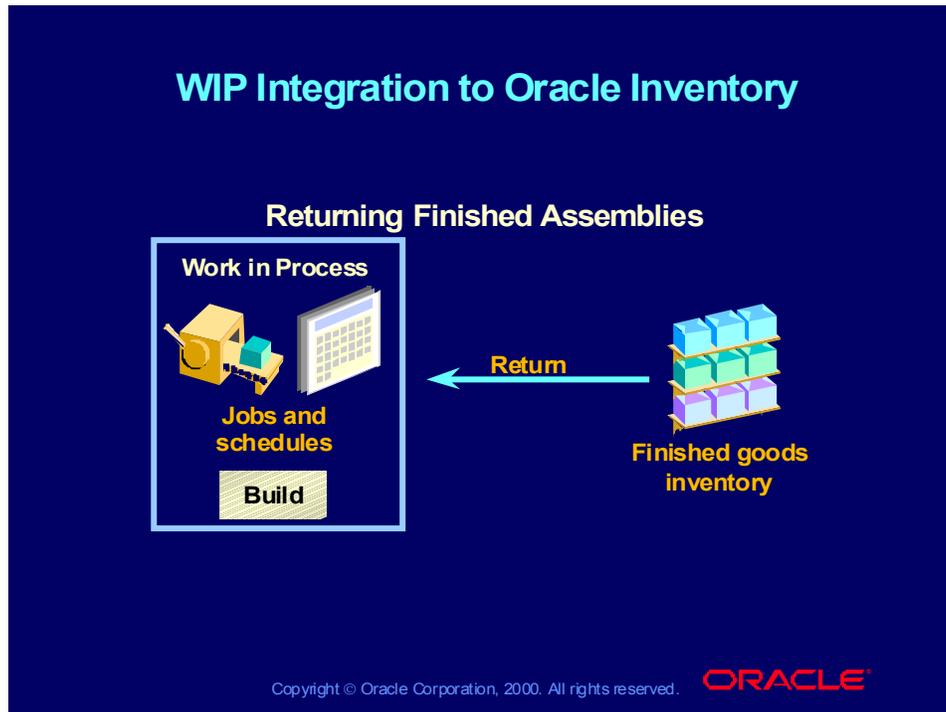
WIP Integration to Oracle Inventory



Completing Finished Assemblies

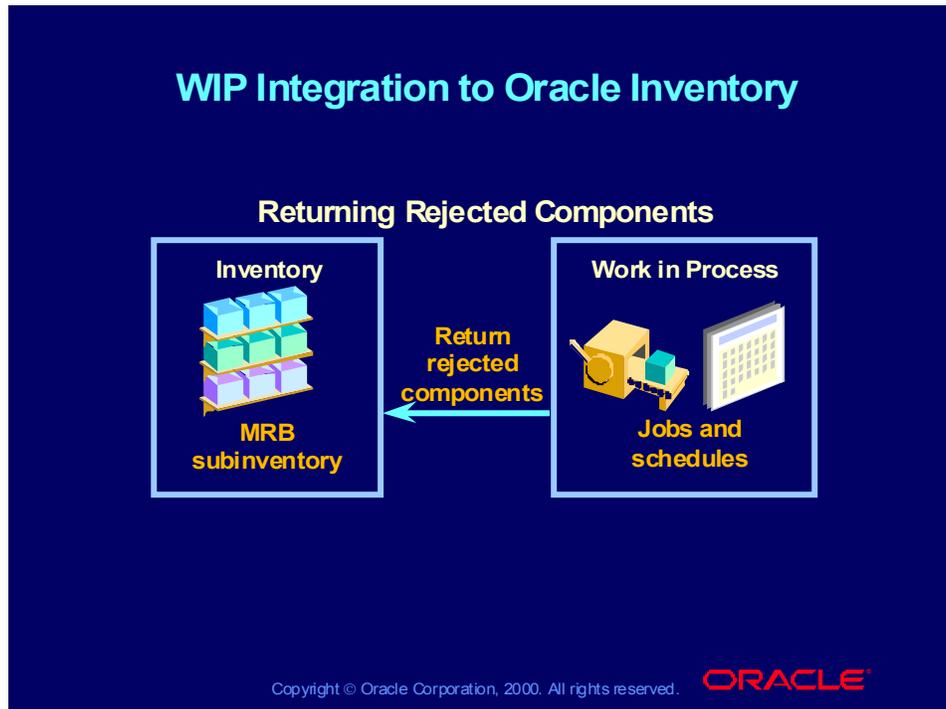
- Assembly completion transaction is a material transaction in which you receive assemblies into inventory from a job or repetitive assembly/line upon completion of the manufacture of the assembly.
- The finished assemblies are received into inventory, either to be used as subassemblies or to be shipped as finished goods.
- All assembly pull material attached on the bill is backflushed.
- The quantity in the To Move step of the last operation is decreased, if there is a routing.
- The Quantity Complete on the job or repetitive schedule is increased.
- If the quantity completed equals the total quantity for a schedule, and there are other active schedules following it on the assembly/line, the schedule's status is changed to Complete—No Charges. If the schedule is the last active schedule, its status is changed to Complete.
- If the quantity completed equals the start quantity for a discrete job, the job status is changed to Complete.

WIP Integration to Oracle Inventory



Returning Finished Assemblies

- Returning assemblies means moving them back from inventory to work in process.
- All backflush transactions that took place during the corresponding completion transaction are reversed.
- The Quantity Complete is reduced.
- The quantity in the To Move step of the last operation in the routing is increased (assuming there is a routing).
- A discrete job's status is changed back to Released.
- Repetitive schedule statuses are only changed back to Released from Complete, never from Complete—No Charges.



Returning Rejected Components

- You can return rejected components to a nonnettable MRB subinventory to possibly recover them later.
- You can use the WIP Material Transactions window to return rejected components from WIP to inventory.
- You should make sure the components are returned to a nonnettable subinventory so they are not considered as supply by the planning processes.
- You can evaluate whether the components can be recovered.
- If the raw material subinventory is close to your shop floor, you can directly exchange a rejected component in WIP with a good component in inventory. You should isolate the rejected component in the raw material subinventory and then dispose of it as you would any other rejected component in inventory.
- After returning the components to the MRB subinventory, you can also perform an inventory transaction to issue the failed components to a scrap account.

WIP Integration to Oracle Inventory

WIP material transactions use Oracle Inventory controls.

- Item attribute
- Subinventories and locators
- Lot control
- Serial number control
- Revisions

Copyright © Oracle Corporation, 2000. All rights reserved.

ORACLE

Item Attribute

The item being transacted must be transactable in Oracle Inventory.

Subinventories and Locators

You can use the subinventories and locators and any transaction default values defined in Oracle Inventory.

Lot Control

- Oracle Work in Process supports lot control for all material transactions.
- You can use the same entry window for issues, backflushes, and completions.
- You can enter lot numbers for items under lot control when performing issues, returns, and completions.
- You can use the lot number assigned upon receipt of an item into inventory when issuing that item to work in process.

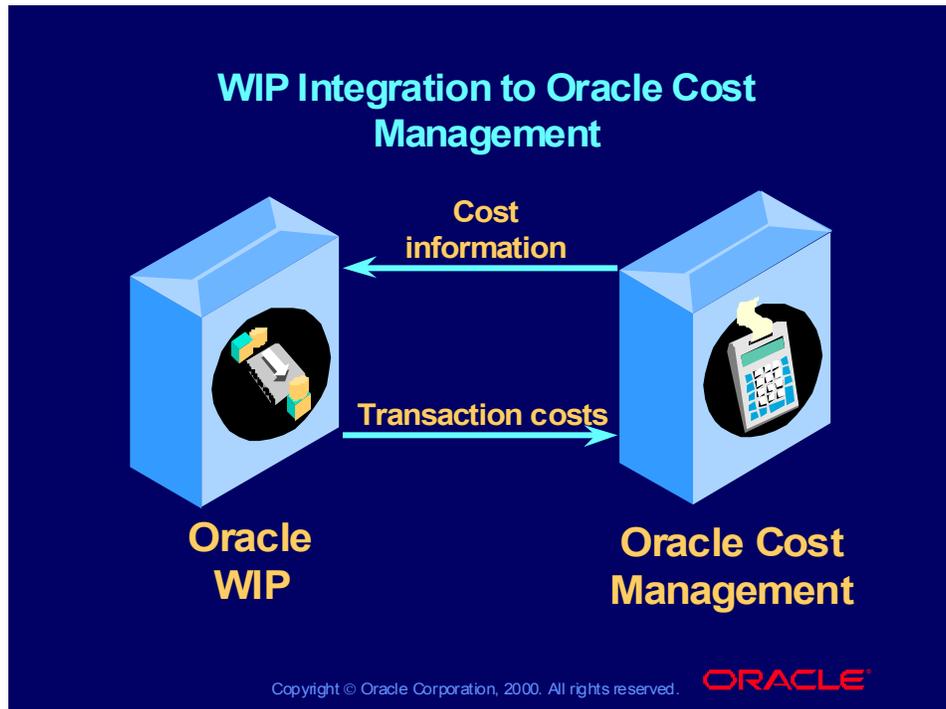
Serial Number Control

- Oracle Work in Process supports serial number control for all material transactions.
- You can use the same entry window for issues, backflushes, and completions.
- When performing issues, returns, and completions, you can enter serial numbers for items under serial number control.
- When issuing that item to work in process, you can use the predefined or dynamically created serial numbers assigned upon receipt of an item into inventory.

Revisions

- You can issue, return, or complete components under revision quantity control.
- Transaction quantities are tracked by revision.

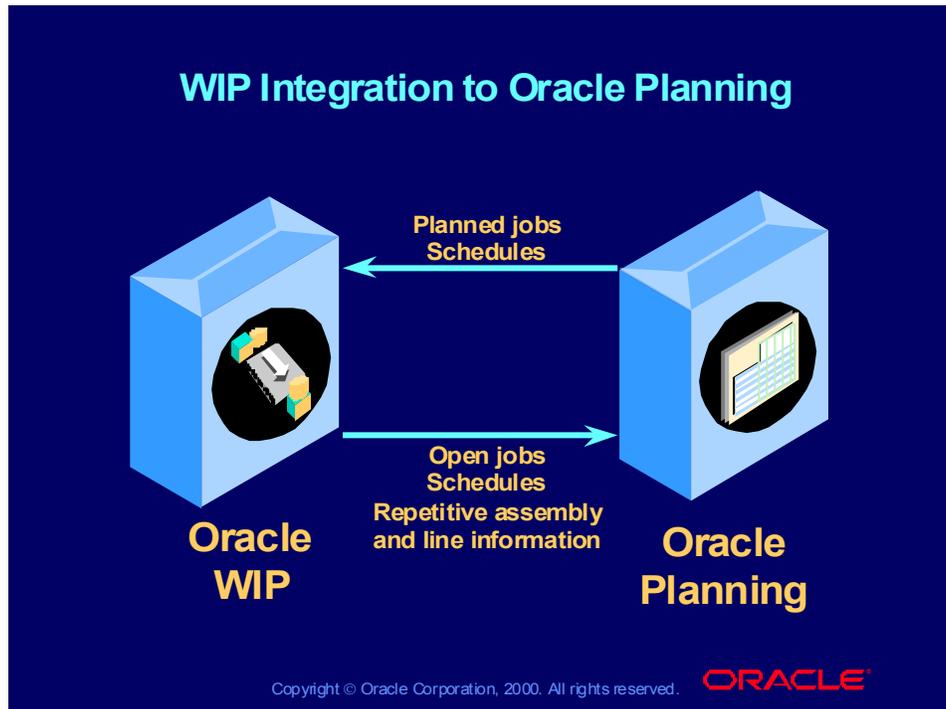
WIP Integration to Oracle Cost Management



Costing Transactions

- Issue and return transactions affect your work in process and inventory valuations.
- Issue transactions increase your work in process valuation and decrease your inventory valuation.
- Return transactions increase your inventory valuation and decrease your work in process valuation.
- Move transactions can automatically launch backflush transactions and charge resources and overheads.
- Backflush material transactions increase your work in process valuation and decrease your inventory valuation.
- Resource charges increase your work in process valuation.
- Overhead charges increase your work in process valuation.
- You can cost resource transactions at either standard or actual.
- Completion transactions affect your work in process and inventory valuations.
- Completion transactions decrease your work in process valuation and increase your inventory valuation.

WIP Integration to Oracle Planning



Requirements

The planning process inflates the demand for a component with a yield factor of less than 1 to compensate for the expected component rejection in WIP.

New Component Usage Quantity = Component Usage Quantity / Yield Factor

The planning process creates additional demand for an item to compensate for the expected assembly shrinkage loss and maintain supply.

Supply Quantity = (MRP Net Quantity - Quantity Completed - Quantity Scrapped) * (1 - Shrinkage Rate)

Net Requirement = Original Demand - Supply Quantity From the Job

Shrinkage Demand = Demand * 1 / (1 - Shrinkage Rate)

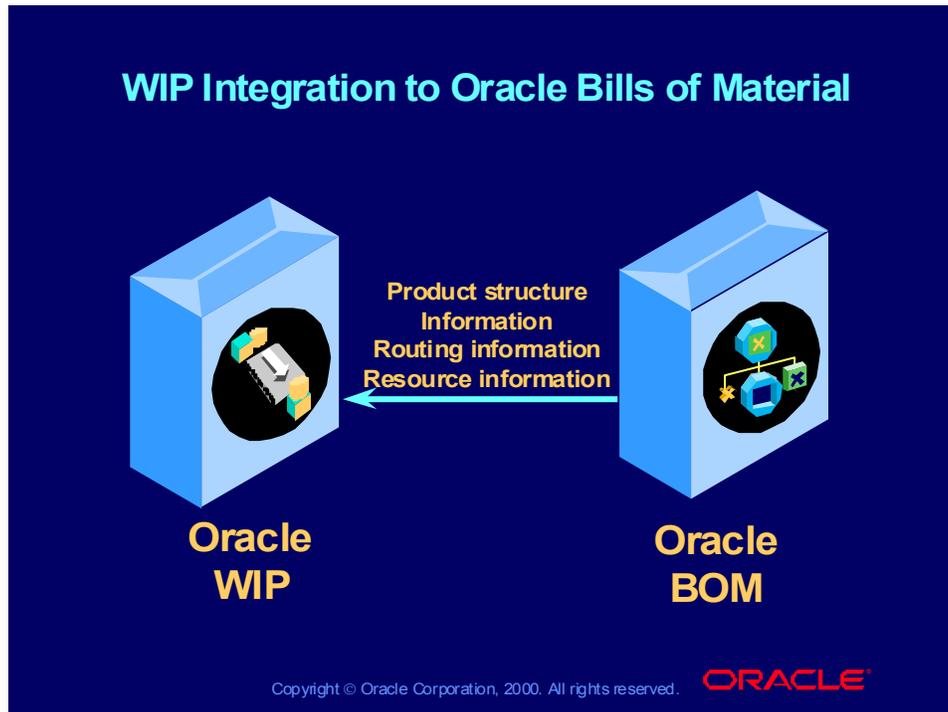
Total Demand = Manual (Original) Demand + Discrete Job Shrinkage + Planned Order Shrinkage

Discrete Job Shrinkage = MRP Net Quantity - Supply Quantity from the Job

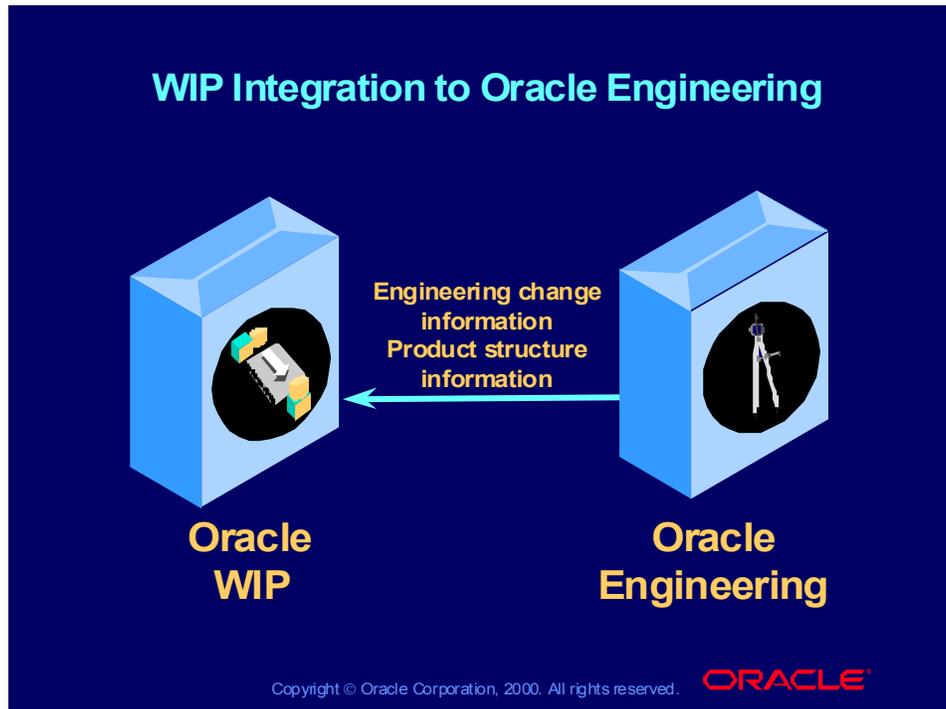
Planned Order Shrinkage = Shrinkage Demand - Net Requirement

Total Supply = Discrete Job Quantity + Planned Order Quantity

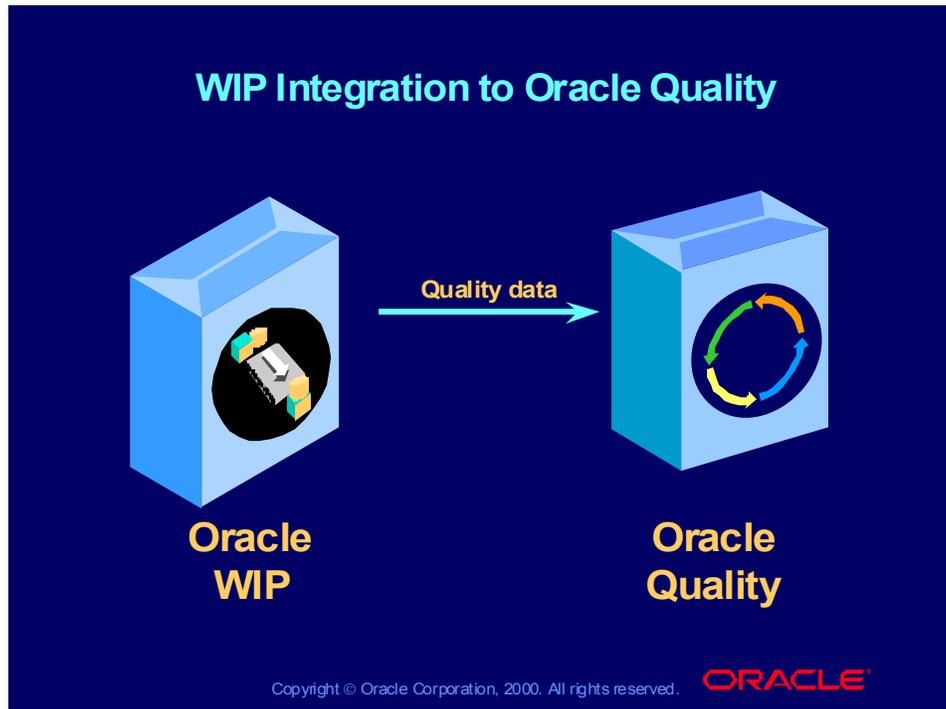
WIP Integration to Oracle Bills of Material



WIP Integration to Oracle Engineering



WIP Integration to Oracle Quality



WIP Integration to Oracle Quality

- Collecting transactional data when doing move transactions.
- Writing context information for reference collection elements to the quality data repository.

Collection Elements

Before you can collect data with Oracle Quality, you must first set up your data collection structure. The basic building block of this structure is the collection element, which is used in both the specification and the collection plan.

Collection elements define the characteristics of the product or process for which you are collecting, analyzing, and reporting data. For each collection element, you can specify a list of acceptable values or specification limits, such as target value and upper and lower limits.

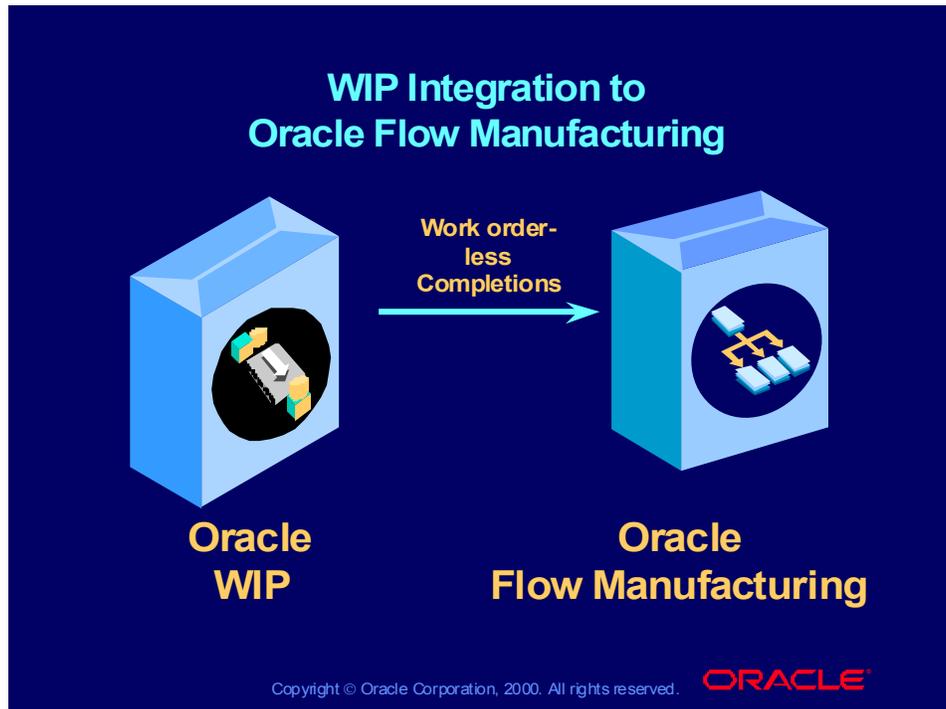
Specifications

Specifications describe the requirements of a product. You can define specification limits for key characteristics of the product that you produce.

Collection Plans

Collection plans are similar to test or inspection plans. Collection plans specify the collection elements to use in collecting data. Collection plans specify when and how to collect the data as well as the actions to take based on the data collected.

WIP Integration to Oracle Flow Manufacturing



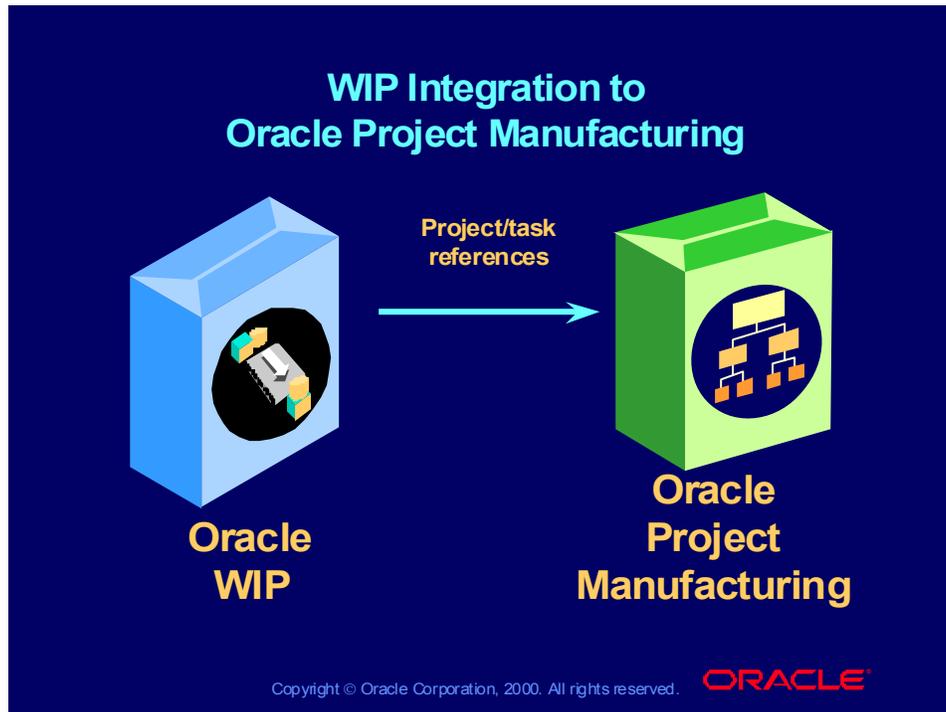
Flow Manufacturing is a manufacturing approach with the objective of building the highest quality product in the shortest possible time at the lowest cost.

Production is recorded with the Work Order-less Completion transaction against flow schedules created with the Line Scheduling Workbench. Completions can be either unscheduled or scheduled against a flow schedule. The system backflushes all components and performs resource and overhead transactions upon recording completion of the finished product. Additionally, Oracle Flow Manufacturing allows assembly completions to be recorded without having to create work order, a job or repetitive schedule, or a flow schedule.

Work order-less completions do the following:

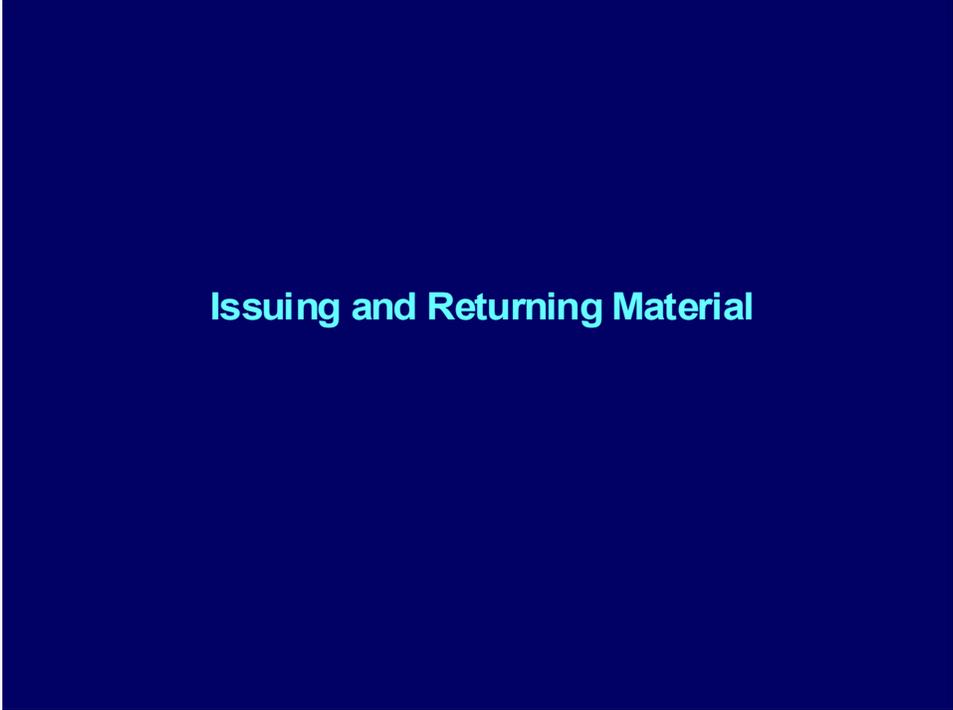
- Backflush pull and push components
- Charge resources and overhead based on the flow routing

WIP Integration to Oracle Project Manufacturing



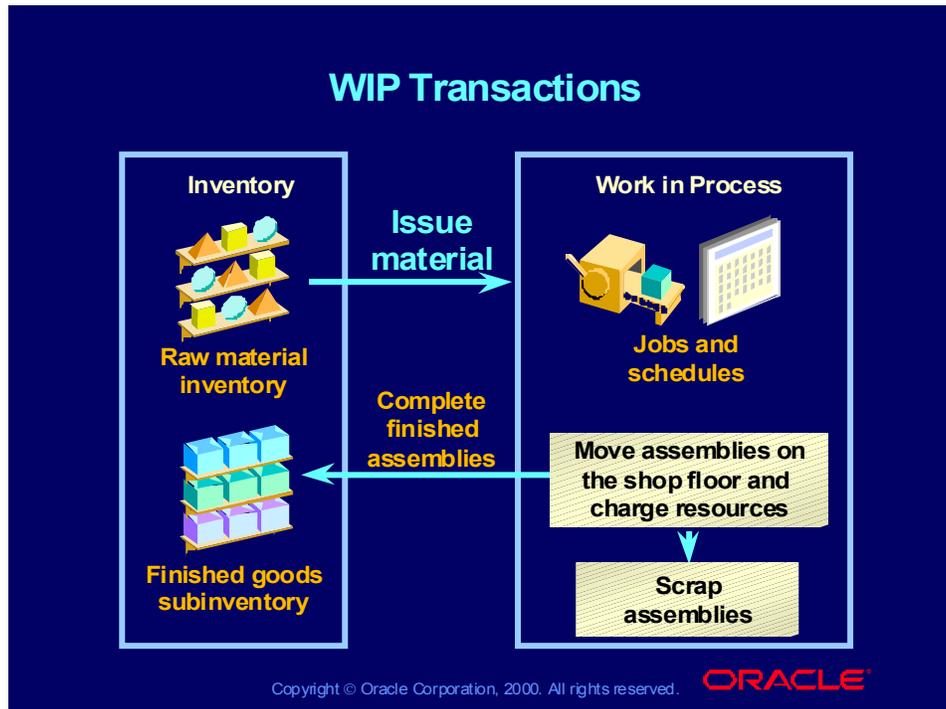
Project WIP Jobs

You can create WIP jobs (work orders) with project/task references. Both standard and non-standard WIP jobs are supported. Standard Project WIP jobs can be created automatically and released from the Planner Workbench.



Issuing and Returning Material

WIP Transactions



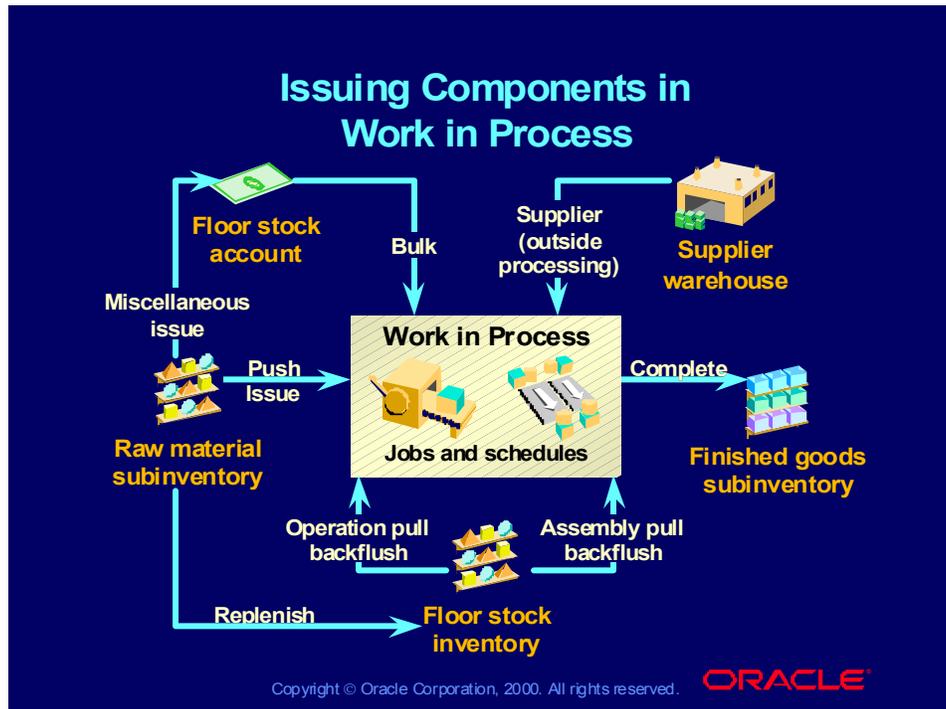
Definitions

- **Issue transaction** is a material transaction to issue component items from inventory to work in process.
- **Replenishment transaction** is a material transaction to stage components in advance of backflushing.
- **Return transaction** is a material transaction to return components from WIP back to inventory. Return transactions increase WIP material requirements, inventory balances, and valuation, and decrease WIP valuation.

Distinguishing Between Types of Material Transactions

- Material issue transactions fulfill WIP material requirements on jobs or schedules.
- Issue transactions reduce inventory balances and valuation.
- Issue transactions incur WIP costs and increase WIP valuation.
- You can use supply types to control how components are supplied to fulfill material requirements.
- **Push issue transaction** is a material transaction to issue component items from inventory to work in process before you manufacture the assembly.
- **Backflush transaction** is a material transaction that automatically issues component items into work in process from inventory when you move or complete the assembly. A backflush transaction is also known as post-deduct or pull.

Issuing Components in Work in Process



Definitions (continued)

WIP Material Requirements

WIP material requirements describe the items and quantities needed to build an assembly on a discrete job or repetitive schedule. Requirements in discrete jobs or repetitive schedules come from component items defined on a bill of materials. WIP issue transactions fulfill material requirements.

Distinguishing Between Types of Material Requirements

- **Open requirements** are WIP material requirements not yet transacted to a discrete job or repetitive schedule. They equate to the component quantity required less any quantity issued.
- **Shortage** is an open requirement with no inventory in the organization to cover the requirement.
- **Negative requirements** are requirements that are supplied rather than consumed by a discrete job or repetitive schedule, i.e. byproducts. You can define negative requirements on your bills of material to support byproducts or other reusable components. Negative material transactions fulfill negative material requirements.
 - You can define negative requirements for a nonstandard job used to disassemble a Sentinel assembly, for example.
 - Oracle Planning sees negative requirements as supply and plans requirements accordingly.

Supply Types

Name	Description
Based on bill	Oracle Work in Process creates component requirements with supply types equal to those on the bill of material.
Assembly pull	Oracle Work in Process issues assembly pull components to a job or schedule when you complete assemblies into inventory.
Bulk	Oracle Work in Process does not automatically transact bulk components to the job or schedule.
Operation pull	Oracle Work in Process issues operation pull components to a job or schedule when you complete the operation in which the components are consumed.
Push	You issue push components to a job or schedule using the WIP Material Transactions window in advance of consumption.
Supplier	A vendor supplies components directly to work in process.

Copyright © Oracle Corporation, 2000. All rights reserved. **ORACLE**

You can control how components are supplied to fulfill material requirements with supply types. You can define component sourcing attributes at the item level and override them in the bill of materials or in Oracle Work in Process.

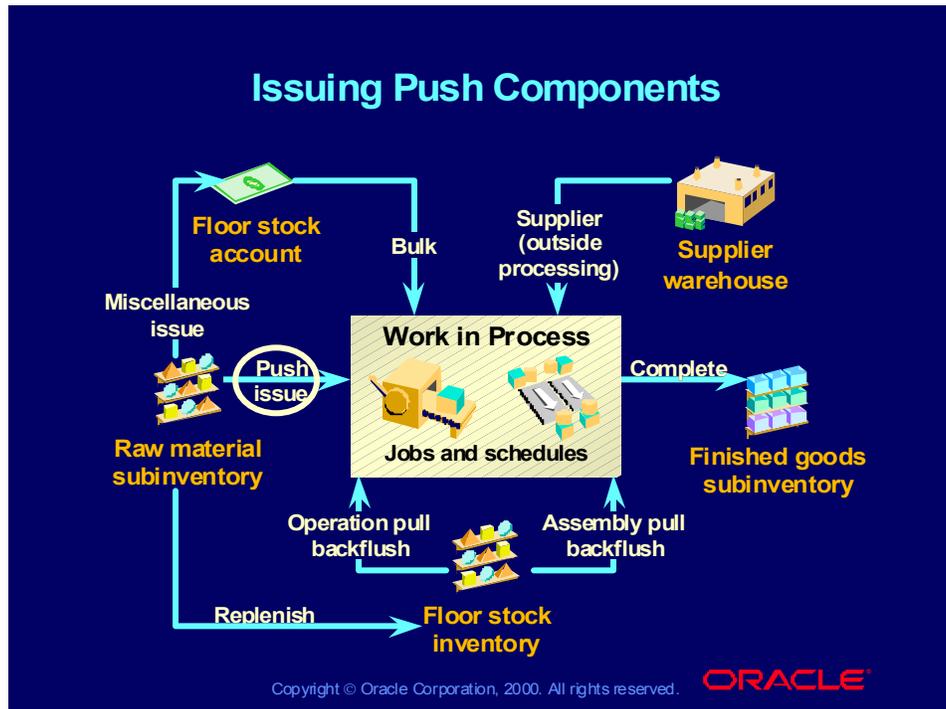
Setting the Supply Type in the Item Master or Bill of Materials

- If an item is usually pushed from subinventory Raw Material Inventory, for example, you can set the supply type to Push and the supply subinventory to Raw Material Inventory in the item master.
- However, if an item is staged in subinventory Floor Stock on a production line, and backflushing is done at assembly completion, you can set the supply type to Assembly Pull and the supply subinventory to Floor Stock in the bill of materials for the assemblies being built on that line.
- You can override the item master supply type when you assign the component to a bill of materials.
- You can override the item master and the bill of materials supply type for all components the bill in the Material Requirements window for discrete jobs and repetitive schedules.

Setting the Supply Subinventory/Locator in the Item Master or Bill of Materials

- You can specify the default WIP supply subinventory and locator in the item master and optionally override those defaults in the bill of materials or in Work in Process.
- You can also specify the Default Pull Supply Subinventory parameter and the Default Pull Supply Locator parameter in the Work in Process Parameters window.

Issuing Push Components



You should consider how you want to push issue your material.

Business Needs

You need to be able to do the following things:

- Enter a single transaction to record the picking of all push components for the entire job quantity or for a partial quantity
- Enter a single transaction to record the picking of all push components for a day or several days of production on a repetitive schedule
- Enter a single transaction to record the picking of all push components for a certain location on the shop floor
- Push issue components that are not on the original WIP bill—that is, that do not fulfill a material requirement

Issuing Push Components

Material Requirements				
Op Seq	Dept	Component	Supply Type	Qty
20	FinAssy	Sentinel Base Assembly	Operation Pull	100
20	FinAssy	PCMCIA modem/fax	Operation Pull	100
20	FinAssy	Motherboard	Operation Pull	100
20	FinAssy	Hard drive—340 MB	Operation Pull	100
20	FinAssy	3.5" disk drive	Operation Pull	100
20	FinAssy	5.25" disk drive	Operation Pull	100
20	FinAssy	Video card	Operation Pull	100
20	FinAssy	Keyboard mouse card	Operation Pull	100
20	FinAssy	SIMM—16 MB internal module	Operation Pull	100
20	FinAssy	Power cord	Assembly Pull	200

Copyright © Oracle Corporation, 2000. All rights reserved. **ORACLE**

Example

Job Sentinel-F1 is defined to build 100 Sentinel Financial assemblies. The slide shows the WIP bill of materials for the Sentinel Financial. The following two slides show examples of material transactions that can be performed on job Sentinel-F1.

Issuing Push Components

Issuing Push Components

Material Requirements				
Op Seq	Dept	Component	Supply Type	Qty
20	FinAssy	Sound Board	Operation Pull	100
20	FinAssy	Sentinel cover assembly	Operation Pull	100
20	FinAssy	Standard screws	Operation Pull	600
20	FinAssy	Sentinel documentation	Operation Pull	100
20	FinAssy	Monitor—15" Super VGA	Assembly Pull	100
20	FinAssy	Packing material	Assembly Pull	100
20	FinAssy	External 101-key keyboard	Assembly Pull	100
20	FinAssy	O/S documentation set	Push	100
20	FinAssy	UNIX/Windows 1-user pack	Push	100
20	FinAssy	Motherboard—486DX2 w/PCI	Operation Pull	100

Copyright © Oracle Corporation, 2000. All rights reserved.

ORACLE

Example

Job Sentinel-F1 is defined to build 100 Sentinel Financial assemblies. The slide shows the WIP bill of materials for the Sentinel Financial. The following two slides show examples of material transactions that can be performed on job Sentinel-F1.

Issuing Push Components

Issuing Push Components

Examples of Material Transactions						
All material	N/A	<u>Component</u>	<u>Op</u>	<u>Seq</u>	<u>Dept</u>	<u>Quantity</u>
		O/S doc set		20	FinAssy	100
		UNIX user pack		20	FinAssy	100
Assembly quantity	Quantity = 5	<u>Component</u>	<u>Op</u>	<u>Seq</u>	<u>Dept</u>	<u>Quantity</u>
		O/S doc set		20	FinAssy	5
		UNIX user pack		20	FinAssy	5
Specific component	Issue 3 power cords at operation 10	N/A				

Copyright © Oracle Corporation, 2000. All rights reserved.

ORACLE

Issuing Push Components

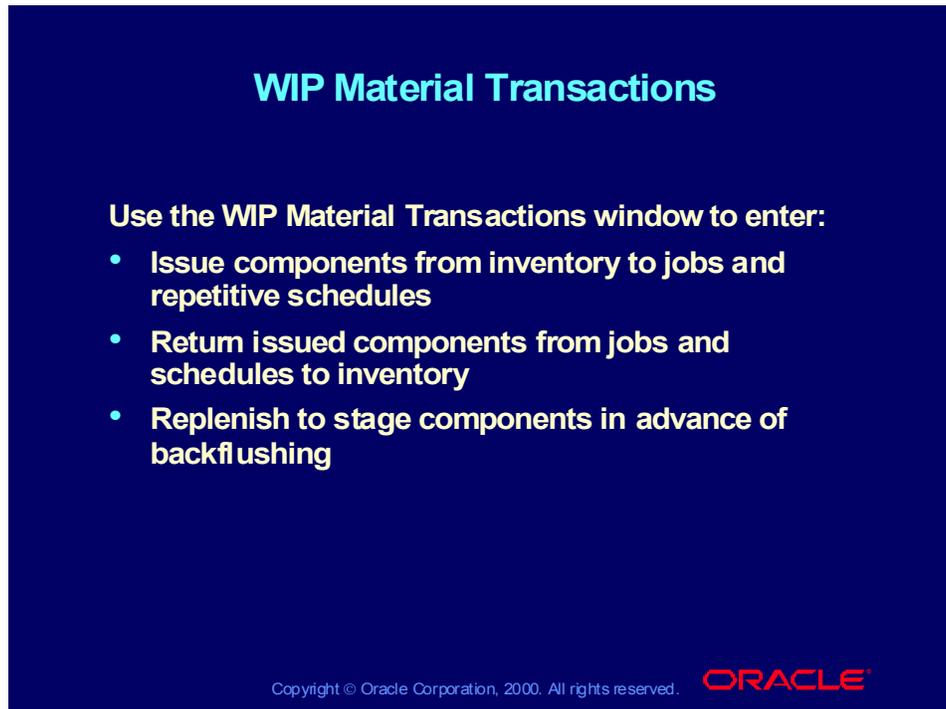
Issuing Push Components

Examples of Material Transactions					
Department	Department = FinAssy	<u>Component</u> O/S doc set UNIX user pack	Op <u>Seq</u> 20 20	<u>Dept</u> FinAssy FinAssy	<u>Quantity</u> 100 100
Operation	Operation = 10	N/A			
Operation	Operation = 20	<u>Component</u> O/S doc set UNIX user pack	Op <u>Seq</u> 20 20	<u>Dept</u> FinAssy FinAssy	<u>Quantity</u> 100 100

Copyright © Oracle Corporation, 2000. All rights reserved.

ORACLE

WIP Material Transactions



WIP Material Transactions

Use the WIP Material Transactions window to enter:

- Issue components from inventory to jobs and repetitive schedules
- Return issued components from jobs and schedules to inventory
- Replenish to stage components in advance of backflushing

Copyright © Oracle Corporation, 2000. All rights reserved. **ORACLE**

(N) Material Transactions—>WIP Material Transactions

(Help) Oracle Manufacturing Applications > Oracle Work in Process > Material Control

- ../ > Component Issues and Returns
- ../ > Repetitive Component Issues and Returns
- ../ > WIP Material Transaction Types
- ../ > Issuing and Returning Specific Components
- ../ > Issuing and Returning All Push Components

Demonstration

Demonstration

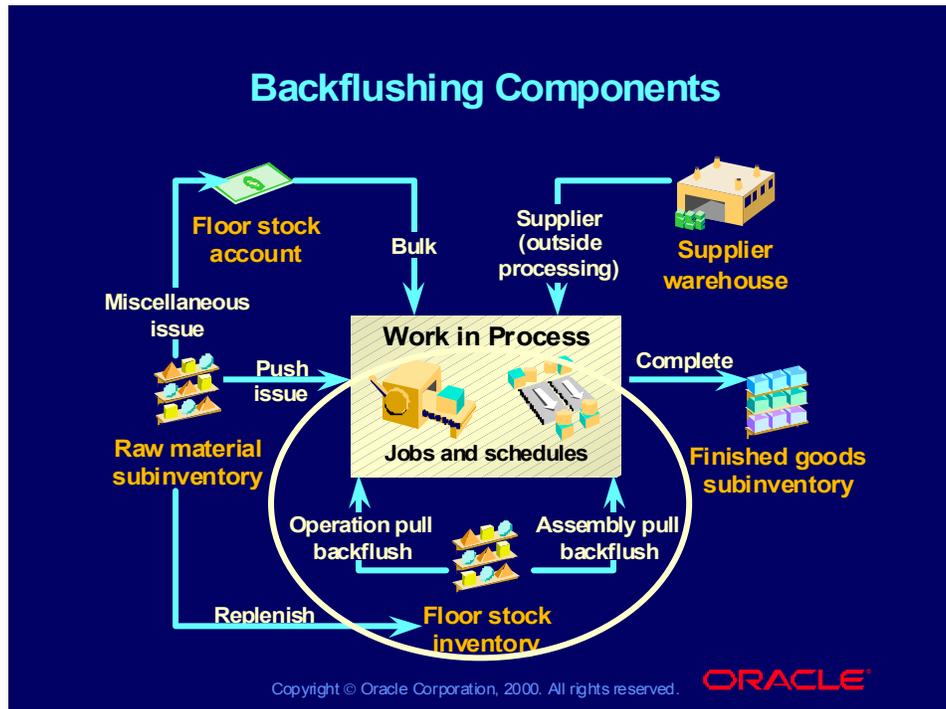
This demonstration covers issuing push components.



Copyright © Oracle Corporation, 2000. All rights reserved.

ORACLE

Backflushing Components



You can initiate a backflush from several sources. You do not need to do an explicit issue transaction if you use backflushing. You can automatically launch backflush transactions when moving or completing assemblies.

Backflush Sources

- Move Transactions window
- Completion Transactions window
- Enter Receipts window in Oracle Purchasing (for outside processing)
- Oracle Inventory Material Transaction interface
- Open Move Transaction interface

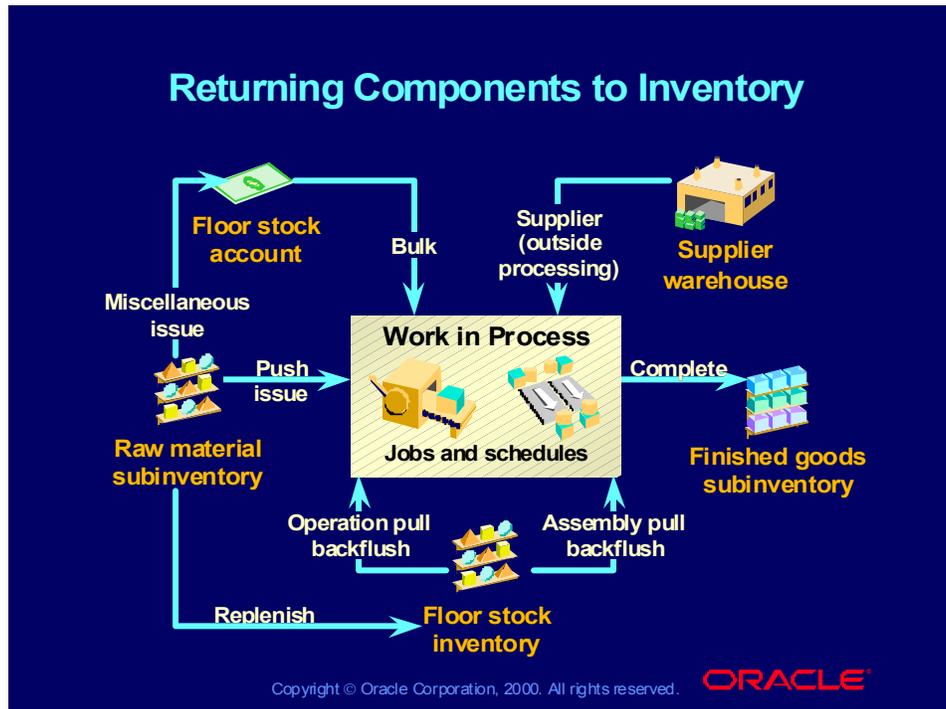
Operation Pull

- Move transactions that complete an operation backflush all components with a supply type of Operation Pull.
- The backflush occurs only at routing operations with a backflush type of Yes. The backflush transaction backflushes all Operation Pull components at all appropriate previous operations in the routing as well.
- Components with a supply type of Operation Pull defined for an operation with a backflush type of No are backflushed after completing an operation with a backflush type of Yes later in the routing.

Assembly Pull

WIP completion transactions backflush all components with a supply type of Assembly Pull.

Returning Components to Inventory



You can return both push and pull components to inventory, as needed. You can return pull components with reverse backflushing.

Reasons to Return Material to Inventory

- You canceled the discrete job or repetitive schedule.
- You issued excess material that was not needed—for example, if your component yield was better than expected.
- You need to correct issue transactions.
- You need to return a bad component for replacement.

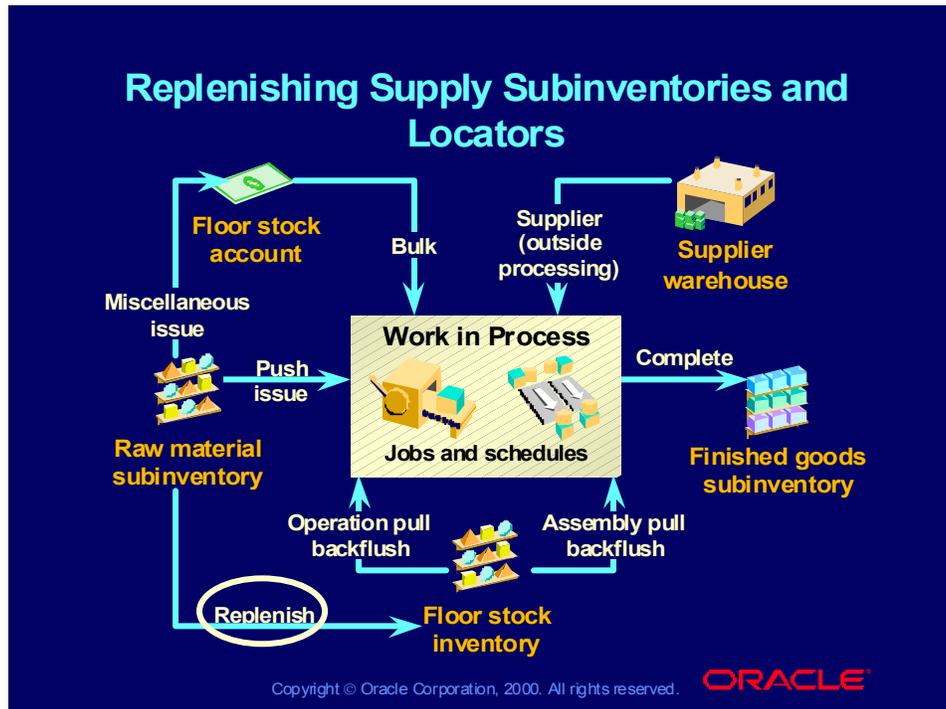
Return Options

- Return all material.
- Return specific components.
- Return components from a specific department.
- Return an assembly quantity.
- Return components from a specific operation sequence.

Open Requirements

- Returning components increases the open requirements by reducing the quantity issued to the job or schedule.
- The quantity of the subinventory is increased accordingly.

Replenishing Supply Subinventories and Locators



Oracle Manufacturing supports a variety of replenishment schemes. To decide how to replenish, consider the following:

- The amount of floor space available for floor stock
- Frequency of replenishment
- Method of visual controls/physical Kanbans
- The physical characteristics of your components—for example, size, weight, perishability
- Proximity of feeder lines to consuming lines
- The number of different jobs/repetitive assemblies in production concurrently
- Variability of your production rate
- Variability of your product mix
- Use of the Bulk supply type as an alternative

(Help) Oracle Manufacturing Applications > Oracle Work in Process >
Material Control > Supply Subinventory and Locator Replenishment
../ > Supply Subinventory and Locator Replenishment Options
../ > Replenishing Supply Subinventories and Locators
../ > Replenishing Higher Level Supply

Review Question

Review Question

Why would you need to return material to inventory?

Copyright © Oracle Corporation, 2000. All rights reserved.

ORACLE

Review Question Solution

Why would you need to return material to inventory?

You might have overissued material, or you might have scrapped assemblies along the way, thereby eliminating the need for the total required quantity of components.

Copyright © Oracle Corporation, 2000. All rights reserved. **ORACLE**

Review Question

Review Question

Suppose you have a job with a negative requirement on its bill. You included material cost in your cost rollup, but you never returned the component to inventory. How would this affect your costing information for the job?

Copyright © Oracle Corporation, 2000. All rights reserved.

ORACLE

Review Question Solution

Review Question Solution

Suppose you have a job with a negative requirement on its bill. You included material cost in your cost rollup, but you never returned the component to inventory. How would this affect your costing information for the job?

Your job would show a negative variance.

Copyright © Oracle Corporation, 2000. All rights reserved.

ORACLE

Practice 1-1 Overview

Practice 1-1 Overview

This practice covers issuing material to a job.

Copyright © Oracle Corporation, 2000. All rights reserved. **ORACLE**

Practice 1-1

Practice 1-1

You must manually define a discrete job in the Seattle organization to build 200 Sentinel Deluxe assemblies recently ordered by a customer. After releasing the job, you must ensure that the material needed resides in inventory, and if it does, issue it to the job.

Copyright © Oracle Corporation, 2000. All rights reserved.

ORACLE

Practice 1-1

You must manually define a discrete job in the Seattle organization to build 200 Sentinel Deluxe assemblies recently ordered by a customer. After releasing the job, you must ensure that the material needed resides in inventory, and if it does, issue it to the job. You will also view your manufacturing activity using the Discrete Workstation.

1. Define a discrete job to satisfy the requirements described above. Assume that the job must start today. Use the Discrete Jobs window to define the job.

- Assembly: Sentinel Deluxe AS18947
- Status: Released
- Quantity: 200
- Class: Discrete
- Start Date: Today's date

2. Determine whether the required material is available in inventory. You can run a pick list report or shortage report.

3. Issue all push material to the job. Use the WIP Material Transactions window to issue push components to the job.

- Transaction Type: WIP Component Issue
- Transact: All Material

4. Ten of the power cords that you issued are defective. What should you do? You should issue 10 more power cords. Use the WIP Material Transactions window.

- Transact: Specific Component

5. Go to the Discrete Workstation or Discrete Job form and view your job.

Copyright © Oracle Corporation, 2000. All rights reserved.

Practice 1-1 Solution

Practice 1-1 Solution

The screenshot shows the Oracle Discrete Jobs (M1) window. The job is SD200A, Type Standard, Assembly AS18947, Class Discrete, Status Released, and UOM Ea. The start quantity is 200 and the start date is 18-JUL-2000 00:00:00. The completion date is 19-JUL-2000 11:08:00. The supply type is Based on Bill. The revision date is 18-JUL-2000 13:57:00. The window includes tabs for Bill, Routing, Job History, Schedule Group, Project, Scheduling, and More. At the bottom, there are buttons for Sales Orders, Operations, and Components. The Oracle logo and copyright notice are visible at the bottom right.

Copyright © Oracle Corporation, 2000. All rights reserved. **ORACLE**

Practice 1-1 Solution

Define a Discrete Job

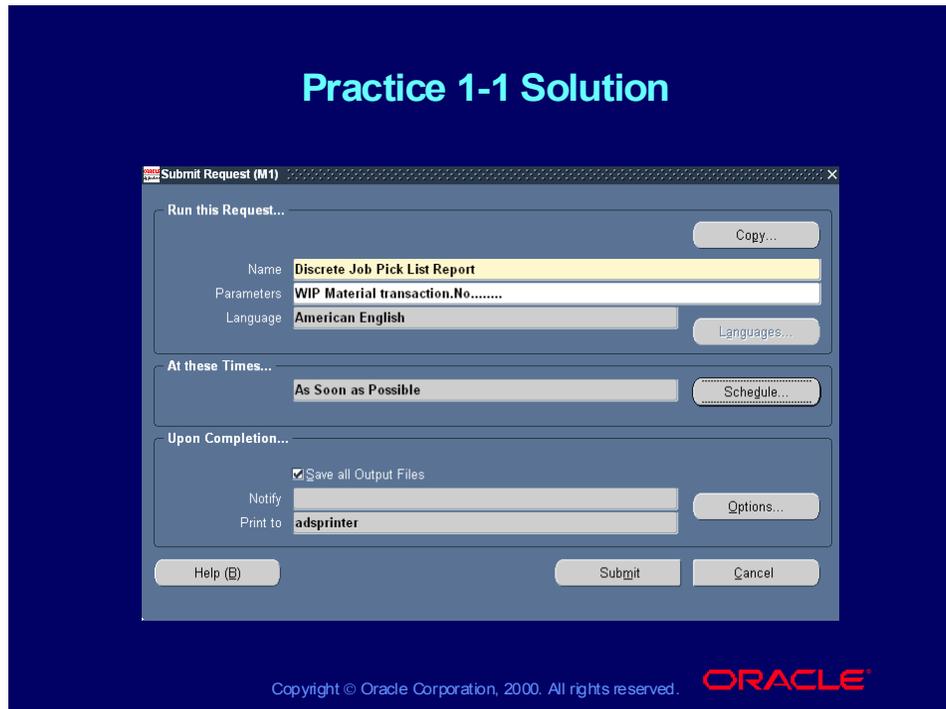
Oracle WIP (N) Discrete—>Discrete Jobs

1. Navigate to the Discrete Jobs window and define a job using the following information:

- Assembly: Sentinel Deluxe AS18947
- Status: Released
- Start Quantity: 200
 - Standard discrete jobs must have a start quantity greater than zero. When you enter a start quantity for jobs with bills and routings, the component material requirements, department schedules, resource load, and job start and end dates are all determined automatically.
 - For nonstandard jobs, if you enter a start quantity of 0 and specify a bill of material reference, the corresponding bill is exploded but material requirements equal to zero are created. To perform move and completion transactions for a nonstandard job, the start quantity must be greater than zero.
- Class: Discrete
- Start Date: Today's date

2. Enter the MRP net quantity.
 - The MRP net quantity is the number of assemblies that MRP considers as supply on the scheduled completion date. For standard and nonstandard discrete jobs with assemblies, the MRP net quantity is derived from the job start quantity. For nonstandard discrete jobs without assemblies, the default is zero.
3. Save your work.

Practice 1-1 Solution



Practice 1-1 Solution (continued)

Determining Availability of Required Material

Oracle WIP (N) Report—>Discrete Job Pick List Report

You can run the Discrete Job Pick List Report or the Discrete Job Shortage Report to determine whether the required material is available in inventory.

- The Discrete Job Pick List Report lists open component requirements for jobs with statuses of Unreleased, Released, Complete, and On Hold. You can use this report when you pick material from stock to issue to discrete jobs. This report lists component requirements in supply type order: push components first followed by pull, bulk, and then vendor components. This report can be sorted by component, date required, supply subinventory/locator, or WIP material transaction.
- If the report is sorted by component, requirements that are common across jobs are consolidated. This can be particularly useful if you are replenishing backflush subinventories that supply several jobs.

Report Submission - Discrete Job Pick List Report

1. In the Submit Requests window, select Discrete Job Pick List Report in the Name field.

Report Parameters

- Sort By (choose one of the following options):
 - Component: Sort by component. Requirements are consolidated across jobs. Use this option to help you replenish backflush subinventories that supply multiple jobs. You can use the Subinventory Transfer form in Oracle Inventory to transfer the consolidated quantity of each requirement from your warehouse to the backflush subinventories that supply your jobs.
 - Date required: Sort by requirement date.
 - Supply subinventory, locator: Sort by supply subinventory and locator.
 - WIP material transaction: Sort component requirements in WIP Material Transaction order. The system lists components in the order presented in the WIP Material Transactions window. This assists data entry when you use the pick list as hard copy for issuing the components.
- Transactable Only: Select Yes or No to indicate whether to exclude discrete jobs with statuses of Unreleased or On Hold.
- Jobs From/To: To restrict the report to a range of jobs, select a beginning and an ending job.
- Start Dates From/To: To restrict the report to a date range, select a starting and an ending date.
- Schedule Groups From/To: To restrict the report to a range of schedule groups, select a beginning and an ending schedule group.
- Supply Type: Choose a supply type. The available options are Push, Pull, Bulk, and Vendor.
- Supply Subinventory: Select the supply subinventory to include as available material in the Discrete Job Pick List. If you do not enter a value, the system lists requirements of any supply subinventory.

Practice 1-1 Solution

Practice 1-1 Solution

WIP Material Transactions (M1)

Sales Order Order Line

Line Order Line

Assembly **AS18947** **Sentinel Deluxe** UOM **Ea**

Job **SD200A** Bill Revision **A**

Transaction

Type **WIP component issue**

Date **18-JUL-2000 14:07:17**

Subinventory

Locator

Include All Material
 Specific Component

Criteria

Start Date

Schedule Days

Assembly Quantity **200**

Operation Sequence

Department

Subinventory

Copyright © Oracle Corporation, 2000. All rights reserved. **ORACLE**

Practice 1-1 Solution (continued)

Issuing Push Components

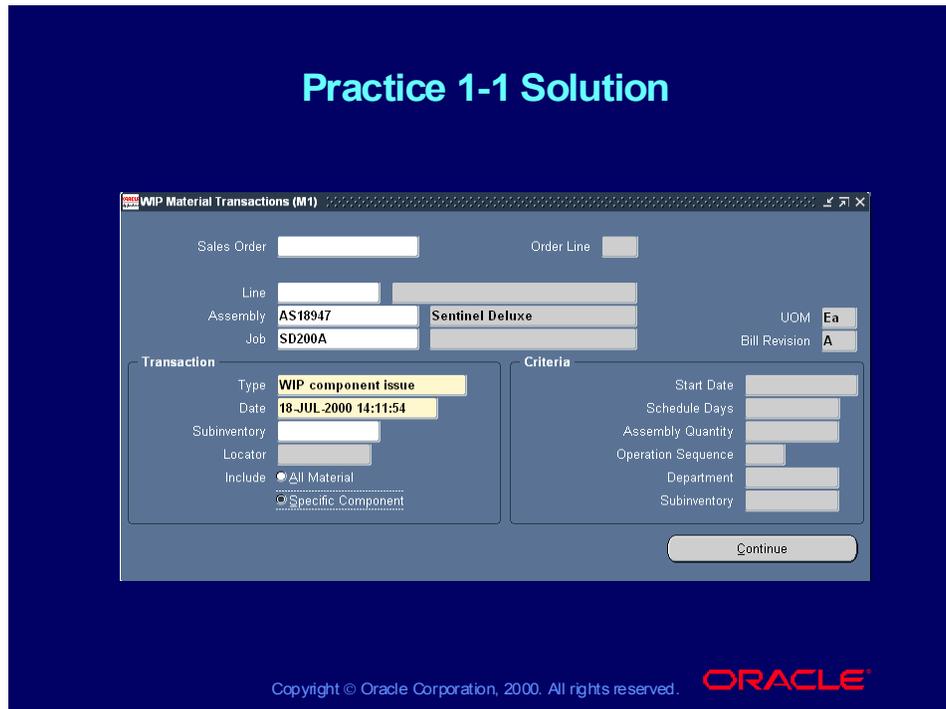
Oracle WIP (N) Material Transactions—>WIP Material Transactions

1. Use the WIP Material Transactions window to issue push components to the job.

- Transaction Type: WIP Component Issue
- Transact: All Material

Note: You may receive a Caution window with the message Quantity will drive inventory negative, click OK.

Practice 1-1 Solution



Practice 1-1 Solution (continued)

Issuing Documentation Sets

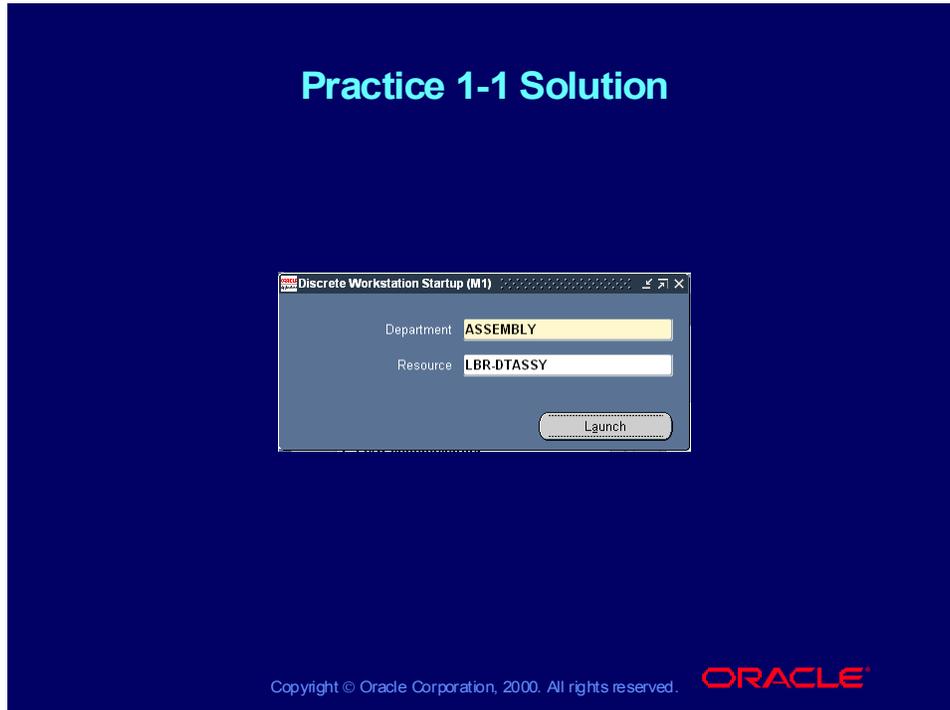
Oracle WIP (N) Material Transactions—>WIP Material Transactions

1. You should issue 10 more power cords, CM42047, using the WIP Material Transactions window.

- Transact: Specific Component

Note: You may receive a Caution window with the message Quantity will drive inventory negative, click OK.

Practice 1-1 Solution



Practice 1-1 Solution (continued)

Discrete Workstation

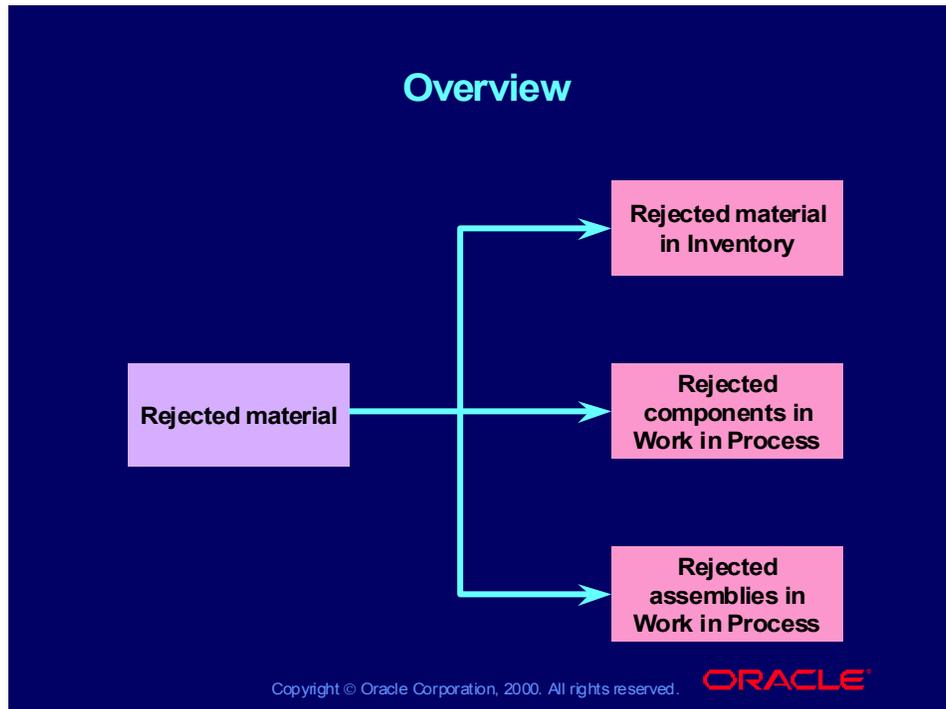
Oracle WIP (N) Discrete—>Discrete Workstation (B) Launch

1. Navigate to the Discrete Workstation Startup window and select Department: ASSEMBLY and Resource: LBR-DTASSY.
2. Note your job in the immediate dispatch list.



Managing Rejected Material

Overview



You should review the following business considerations before you decide how to implement Oracle Manufacturing to manage your rejected material.

Material Flow

- Keeping the good assemblies moving on the shop floor
- Recovering rejected material if possible

Anticipated Yield Loss

- Planning material loss
- Determining actual loss

Traceability

- Determining the causes for rejection
- Identifying responsibility

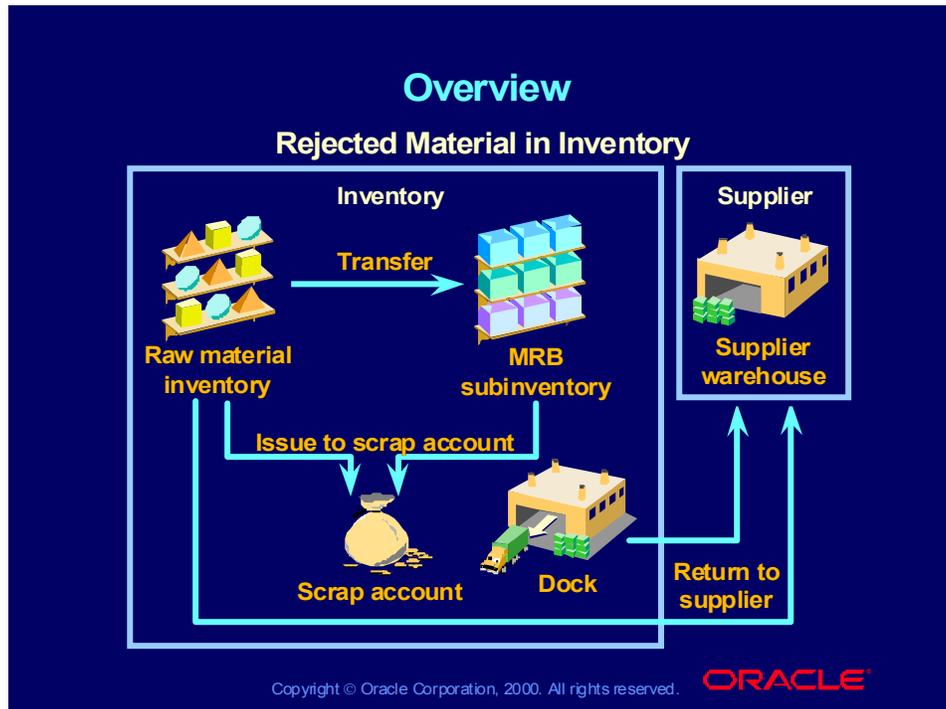
Transaction Volume

- A small number of rejections is handled differently than a large number of rejections.

Cost Management

- High scrap costs represent opportunity for cost improvements.
- High-value items may need to be handled differently.

Overview



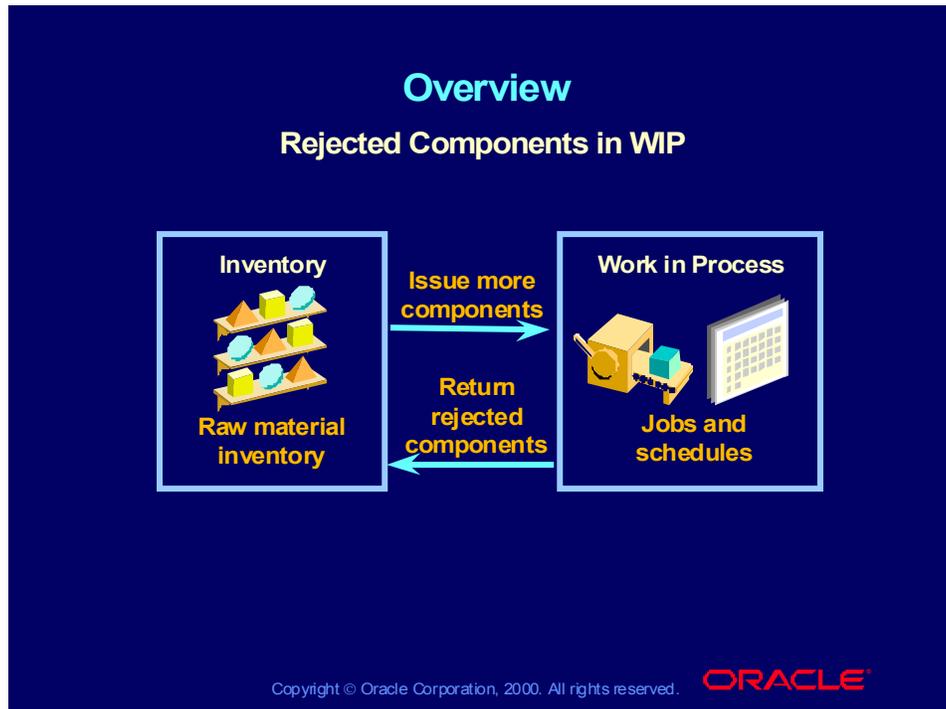
Account Alias

Account alias is an easily recognized name or label representing an account charged on miscellaneous transactions. Optionally you can view, report, and reserve against an account alias.

Return to Supplier

Return to supplier is a transaction that allows you to return to the supplier items from a fully or partially received purchase order and receive credit for them.

Overview



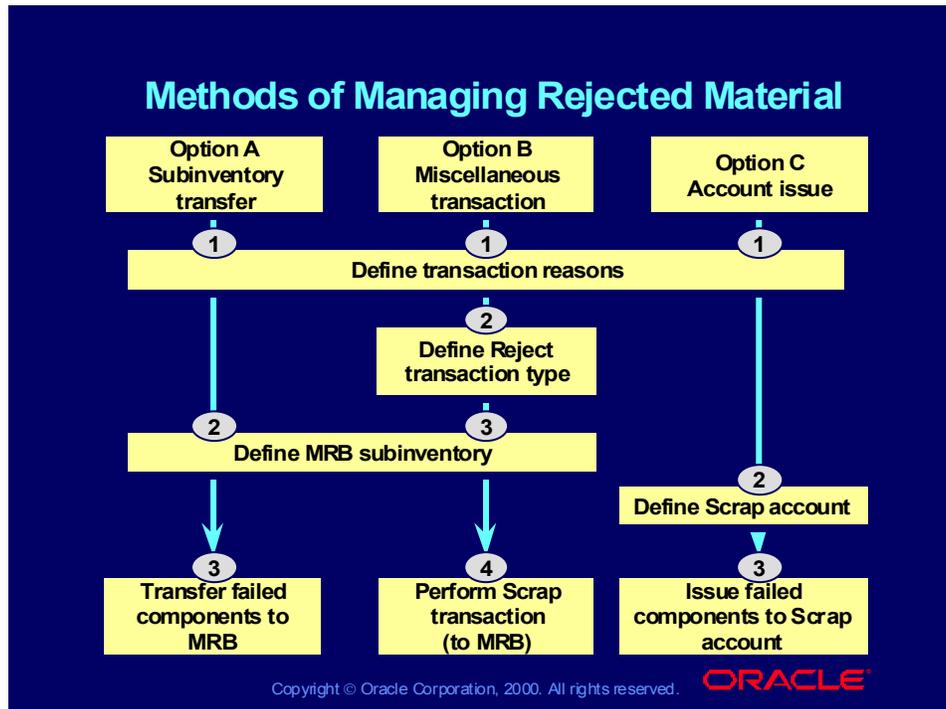
Component Yield

- **Component yield** is the amount of a component you require to build plus the amount of the component you lose or waste while building an assembly.
- A yield factor of 100% indicates no loss in the manufacturing process.
- A yield factor of less than 100% indicates that less than 100% of the components you issue survive the build process. Thus, the component usage quantity increases.
- The cost rollup optionally includes the effect of component yield in the assembly costs.

Account Alias

- Account alias is an easily recognized name or label representing an account charged on miscellaneous transactions.
- Optionally you can view, report, and reserve against an account alias.

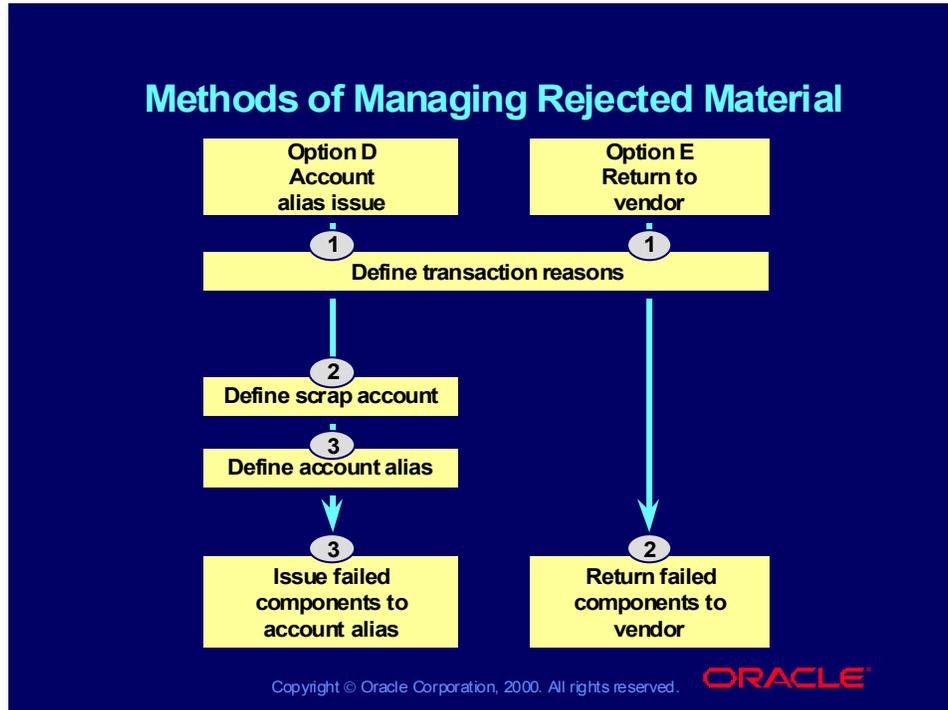
Methods of Managing Rejected Material



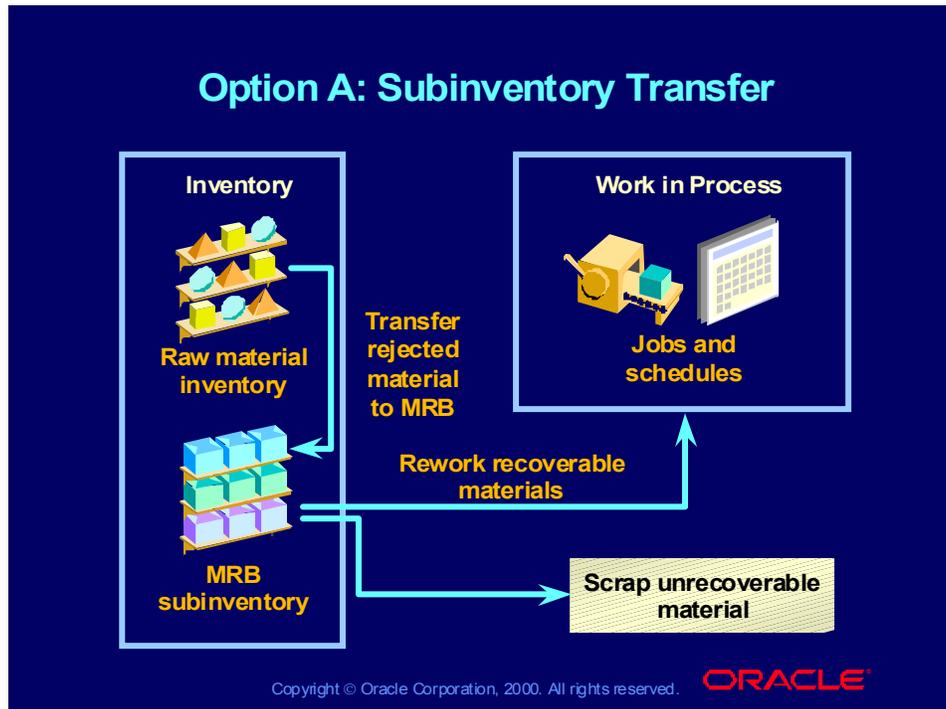
You can manage rejected material in inventory in several ways:

- Subinventory transfer
- Miscellaneous transaction
- Account issue
- Perform account alias issue
- Return to vendor

Methods of Managing Rejected Material



Option A: Subinventory Transfer



You can transfer rejected material to a nonnettable Material Review Board (MRB) subinventory to possibly recover it later.

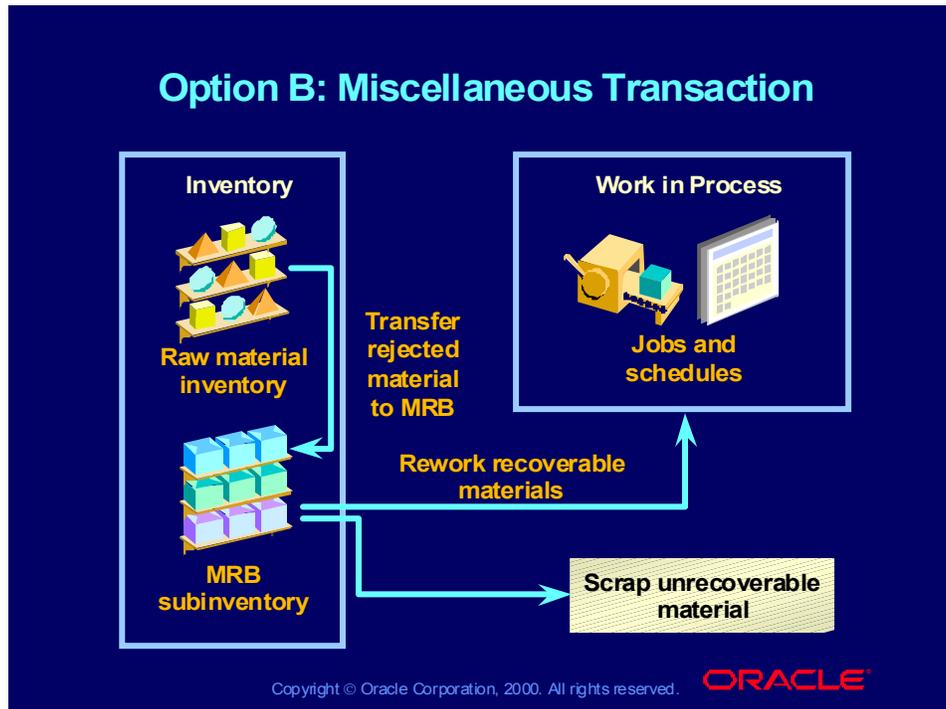
Performing a Transfer Between Subinventories

- After creating a nonnettable subinventory using the Subinventories window, you can transfer the rejected material from the current subinventory to the MRB subinventory.
- You can evaluate whether the rejected material can be recovered or whether it should be scrapped.

Benefits of Option A

- Isolates questionable material
- Leaves the option to recover the material

Option B: Miscellaneous Transaction



You can perform a user-defined reject transaction to transfer rejected material to a nonnettable Material Review Board subinventory.

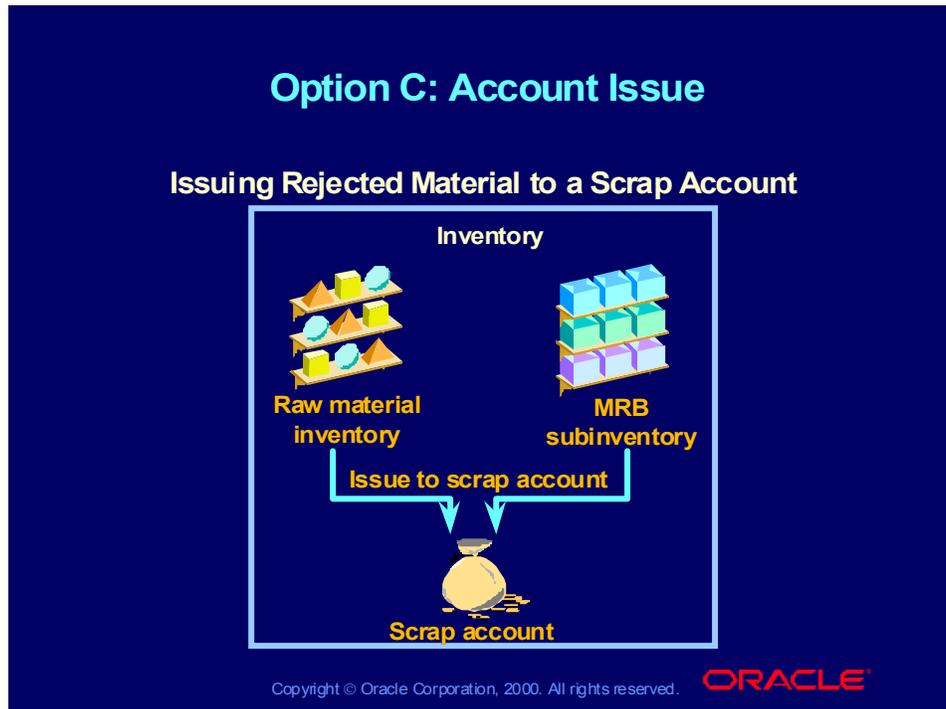
Performing a Miscellaneous Transaction

- You can define a Reject transaction type as a transfer between subinventories transaction.
- Instead of using the Subinventory Transfer window, you can use the Miscellaneous Transaction window to perform a user-defined transaction.
- You can evaluate whether the rejected material can be recovered or whether it should be thrown away.

Benefits of Option B

- Isolates questionable material
- Leaves the option to recover the material
- Identifies transactions using the appropriate terminology

Option C: Account Issue



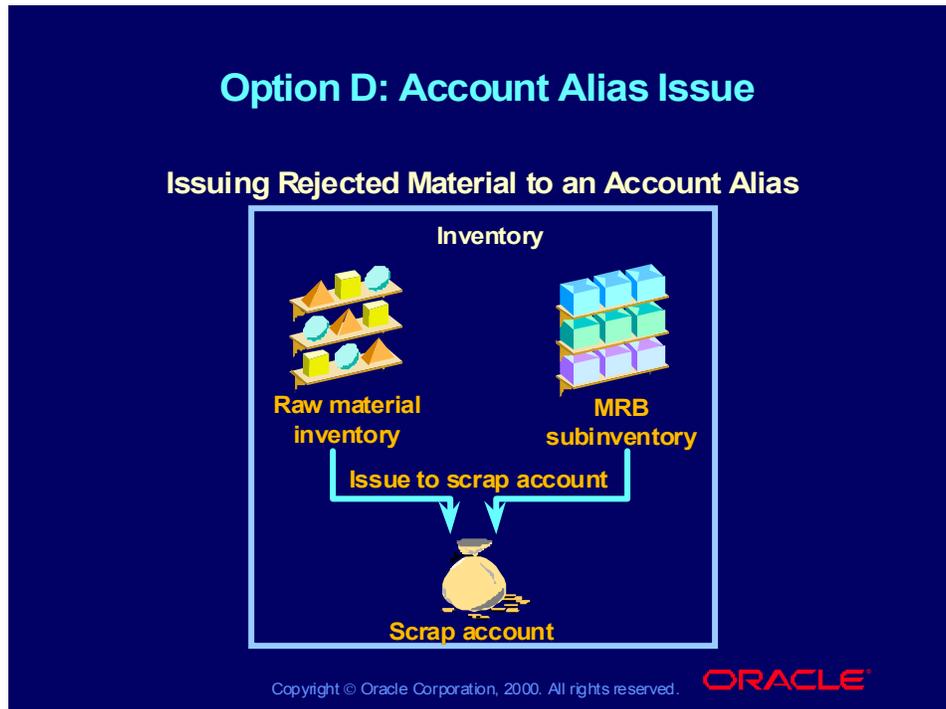
Performing a Miscellaneous Transaction

- You can define Scrap accounts to which to issue rejected material.
- You can issue the rejected material from the MRB subinventory or from stores after determining it was not recoverable.

Benefits of Option C

- Charges scrap costs to appropriate accounts
- Reduces inventory valuation and balances

Option D: Account Alias Issue



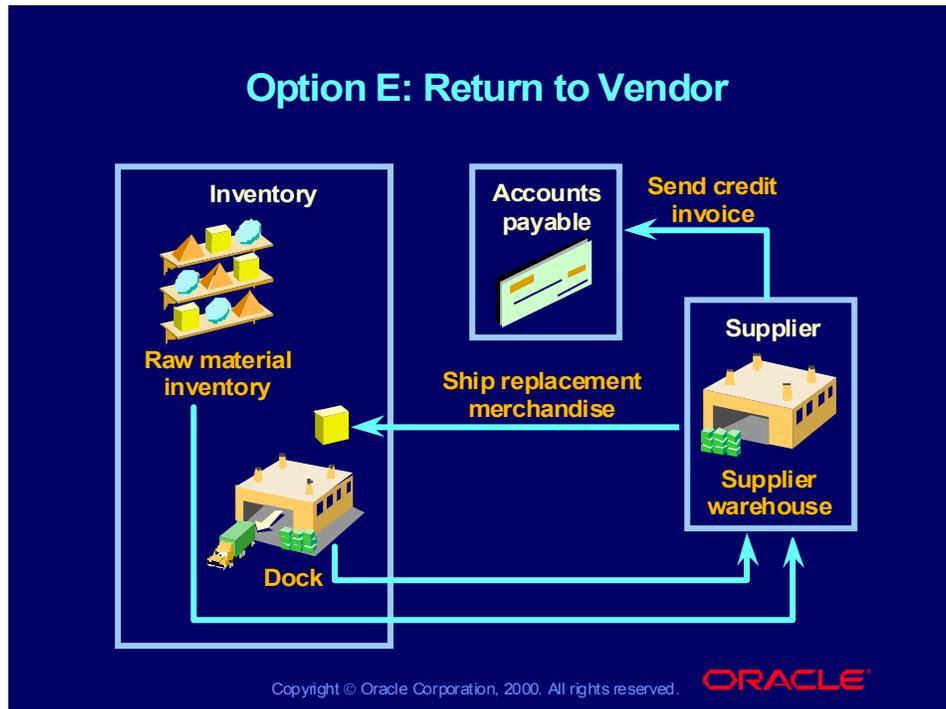
Performing a Miscellaneous Transaction

- You can define account aliases to which to issue rejected material.
- You can issue the rejected material from the MRB subinventory or from raw material inventory after determining it was not recoverable.

Benefits of Option D

- Charges scrap costs to appropriate accounts
- Reduces inventory valuation and balances
- No need to remember an account number to perform the transaction
- Runs cost reports by account alias

Option E: Return to Vendor



Performing a Return to Supplier Transaction

- You can use the Receiving Returns window to return any rejected material to the appropriate supplier.
- The supplier may send a credit invoice or ship some replacement material.

Benefits of Option E

- There is no loss of material if the vendor provides replacement merchandise.
- There is no need to recover the material in-house.
- Credit may be issued by the vendor.

Planning Component Demand

- The planning process inflates the demand for a component with a yield factor less than 1.
- **New component usage quantity = Component usage quantity / Yield factor**
- **Example:**
Component usage quantity = 10
Yield factor = 0.9
New component usage quantity = $10 / 0.9 = 11.1$

Copyright © Oracle Corporation, 2000. All rights reserved.

ORACLE

Planning Component Demand Example

Planning Component Demand Example

Envoy Plastic Cover Bill			
Op Seq	Component	Qty	Yield
20	Plastic Stock—Green	0.04	0.97
20	Plastic Stock—Red	0.04	0.97
20	Resin	0.02	0.97

Copyright © Oracle Corporation, 2000. All rights reserved.

ORACLE

The planning process explodes through the bill of material to generate component requirements. If there is demand for 1,000 Envoy Plastic Covers, the planning process generates the following material requirements:

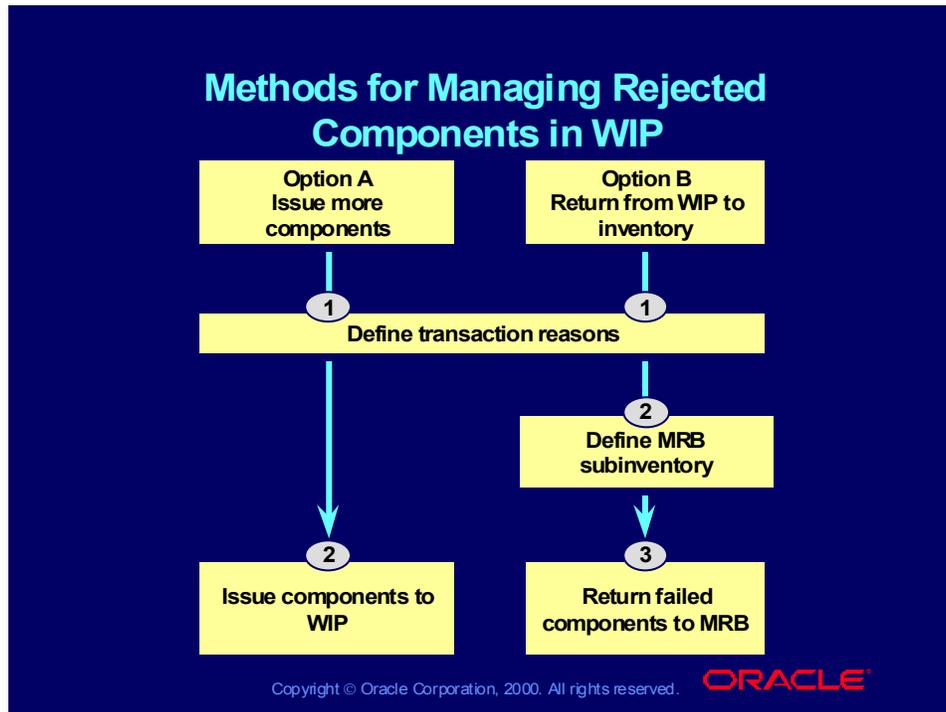
Plastic Stock—Green: $(0.04 / 0.97) * 1,000 = 41.23$

Plastic Stock—Red: $(0.04 / 0.97) * 1,000 = 41.23$

Resin: $(0.02 / 0.97) * 1,000 = 20.61$

Copyright © Oracle Corporation, 2000. All rights reserved.

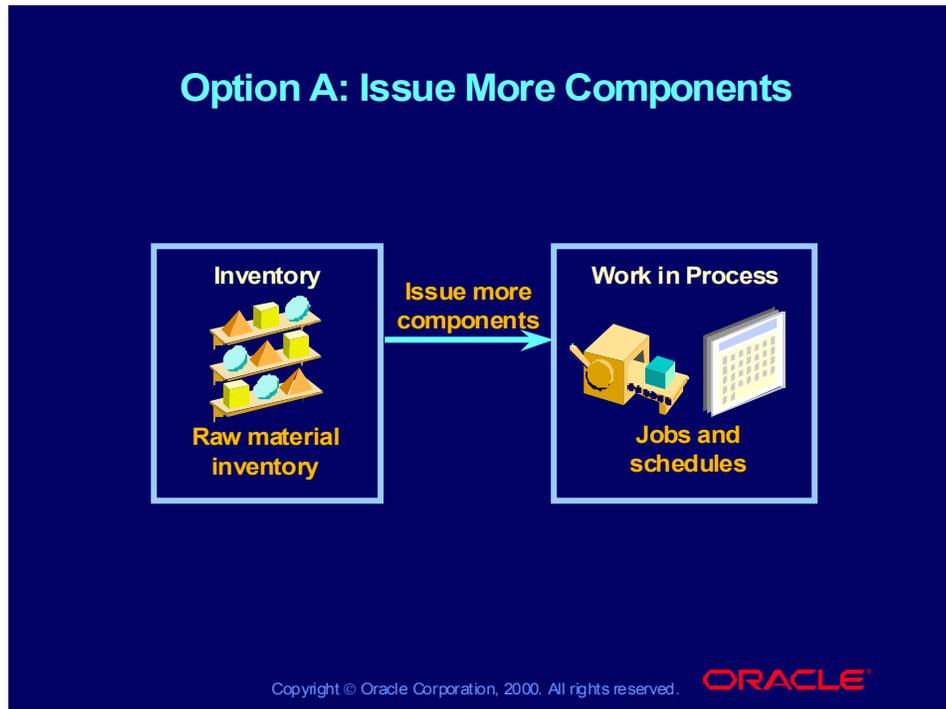
Methods for Managing Rejected Components in WIP



You can manage rejected components in two ways:

- Issue more components
- Return from WIP to inventory

Option A: Issue More Components



Performing an Issue Transaction

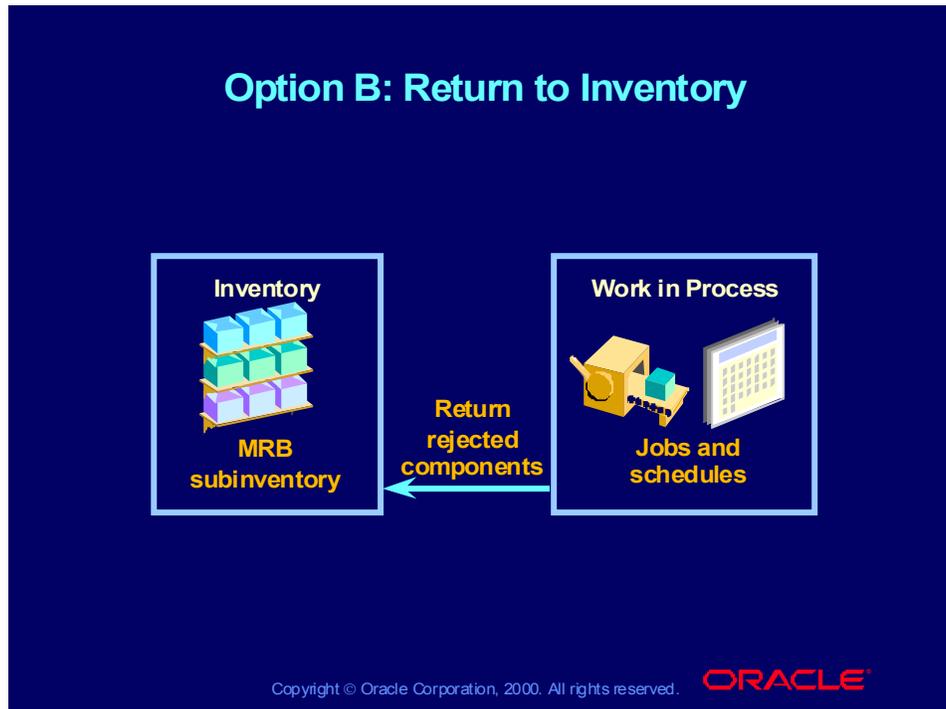
- You can issue extra components to the discrete job using the WIP Material Transactions window.
- You can use a reason code to identify the cause of the overissue.
- You can leave rejected components in the job.

Reviewing the Benefits of Option A

- Rejected components are easily traced by the system.
 - The overissued quantity identifies the volume of rejected components.
 - The material cost variance identifies the cost of rejected components.
 - Reason codes identify the cause of the problem.
- No need to stop production; additional components are easy to issue.
- No transactions are needed to scrap rejected components; you can just physically dispose of them.
- This option provides transaction history to help estimate component yield.

Note: This option does not work well for repetitive schedules, because any extra material in the schedule would be rolled forward to the next schedule.

Option B: Return to Inventory



Performing a Return Transaction

- You can use the WIP Material Transactions window to return rejected components from WIP to inventory.
- You should make sure the components are returned to a nonnettable subinventory so they are not considered as supply by the planning processes.
- You can evaluate whether the components can be recovered.

Benefits of Option B

- Leaves the option to recover the rejected components.
- Isolates rejected components.
- Provides transaction history to help estimate component yield.

Notes

- If the raw material subinventory is close to your shop floor, you can directly exchange a rejected component in WIP with a good component in inventory. You should isolate the rejected component in the raw material subinventory and then dispose of it as you would any other rejected component in inventory.
- You can execute both options A and B simultaneously—that is, issue more good components and return rejected components to inventory.
- After returning the components to the MRB subinventory, you can also perform an inventory transaction to issue the failed components to a scrap account.

Review Question

Review Question

What are the methods to manage rejected material in inventory?

Copyright © Oracle Corporation, 2000. All rights reserved. **ORACLE**

Review Question Solution

What are the methods to manage rejected material in inventory?

There are five ways you can manage rejected material in inventory:

- Subinventory transfer**
- Miscellaneous transaction**
- Account issue**
- Account alias issue**
- Return to vendor**

Copyright © Oracle Corporation, 2000. All rights reserved.

ORACLE

Review Question

Review Question

What are the methods to manage rejected components in work in process?

Copyright © Oracle Corporation, 2000. All rights reserved.

ORACLE

Review Question Solution

What are the methods to manage rejected components in work in process?

You can manage rejected components in two ways:

**Issue more components
Return from WIP to inventory**

Copyright © Oracle Corporation, 2000. All rights reserved. **ORACLE**

Costing Overview



Costing Overview

Costing Issue and Return Transactions

Costing Issue and Return Transactions

- **Costing issue transactions: Accounting entries**

<u>Account</u>	<u>Debit</u>	<u>Credit</u>
WIP accounting class valuation accounts	XX	
Subinventory elemental accounts		XX

- **Costing return transactions: Accounting entries**

<u>Account</u>	<u>Debit</u>	<u>Credit</u>
Subinventory elemental accounts	XX	
WIP accounting class valuation accounts		XX

Copyright © Oracle Corporation, 2000. All rights reserved.

ORACLE

Weighted Average Costing

Weighted Average Costing

- You can charge material to WIP at average cost.
- You can charge resources to WIP at actual or average cost.
- You can define outside processing resources under average costing.
- You can calculate the average cost of completed assemblies in WIP.

Copyright © Oracle Corporation, 2000. All rights reserved.

ORACLE

Weighted Average Costing

With average costing capability in Work in Process, you can define your organization as a standard cost organization or an average cost organization.

- You can issue items from inventory to jobs and return components from a job back to inventory at the item's current average cost.
- You can charge resources to WIP jobs either at actual rate or at an average rate. How you define them is determined by the method you choose for charging labor and nonlabor resources to WIP.
- You can define outside processing resources under average costing in the same way you would in a standard cost organization.
- When you complete assemblies from WIP to a subinventory, they can be costed in one of the following ways:
 - A predefined cost in a user-designated cost type
 - An algorithm based on actual job charges that calculate the unit cost to be relieved from the job and charged to inventory for each unit completed

For more information, see *Oracle Cost Management Release 11i*.



Viewing and Reporting

Viewing and Reporting Material Requirements

Viewing and Reporting Material Requirements

Windows/Reports	Description
View Material Requirements	View requirements by component item
View Discrete Jobs	View open requirements by job
View Repetitive Schedules	View open requirements by repetitive schedule
Discrete Job Data Report	Report job information, including material requirements
Repetitive Schedule Data Report	Report schedule information, including material requirements
Discrete Routing Sheet	Report routing information by job, including material requirements at each operation

Copyright © Oracle Corporation, 2000. All rights reserved.

ORACLE

You can view and report requirement information to control your work in process material flow.

Material Reporting Common Elements

- Bulk and vendor item displays
- WIP supply subinventory and locator
- Alphanumeric ordering of items
- Quantity required, quantity issued, and quantity open
- Quantity on hand with nettable option

Viewing and Reporting Material Requirements

Windows/Reports	Description
Repetitive Routing Sheet	Report routing information by schedule, including material requirements at each operation
Discrete Job Shortage Report	Report open requirements or shortages by job
Repetitive Schedule Shortage Report	Report open requirements or shortages by repetitive assembly and line
Discrete Job Pick List Report	Report requirements for a job, ordered by supply type
Repetitive Pick List Report	Report requirements for a repetitive assembly, ordered by supply type

Copyright © Oracle Corporation, 2000. All rights reserved. **ORACLE**

Oracle Work in Process reports do not show WIP allocations or reservations—that is, material is not allocated or reserved for use in a specific job or schedule ahead of use.

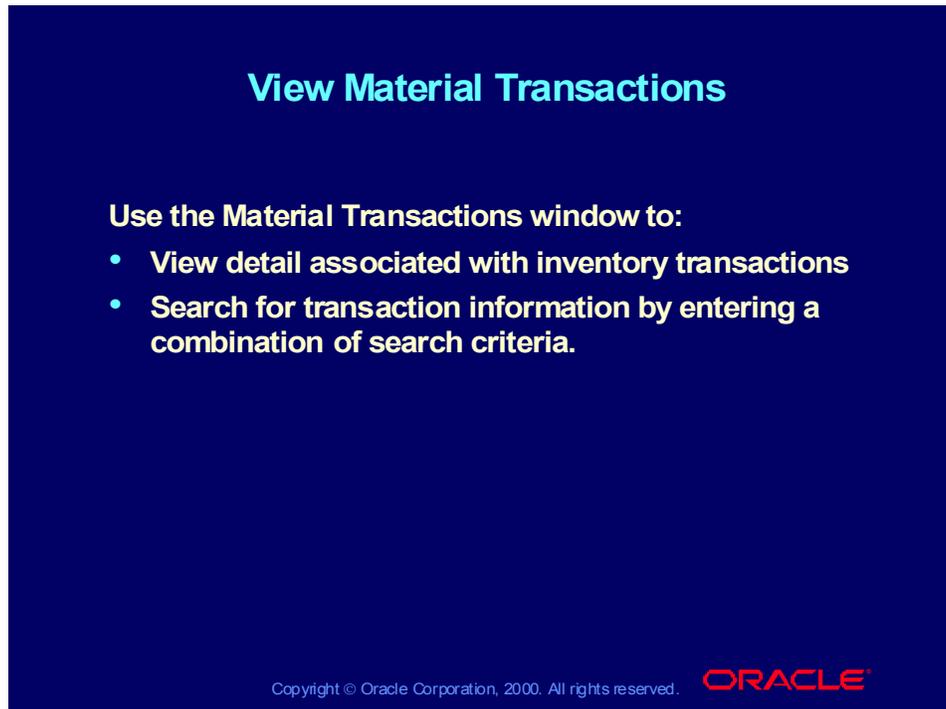
Viewing and Reporting Material Requirements

Viewing and Reporting Material Requirements	
WIP_CUR_NET_AVAILABLE_VIEW	View open requirements whose start date is less than or equal to the current system date
WIP_CUR_SUB_LOC_NET_AVAIL_VIEW	View open requirements whose start date is less than or equal to the current system date consolidated by supply subinventory and locator
WIP_NET_AVAILABLE_VIEW	View open requirements regardless of the requirement date
WIP_SUB_LOC_NET_AVAIL_VIEW	View open requirements regardless of the requirement date consolidated by supply subinventory and locator

Copyright © Oracle Corporation, 2000. All rights reserved. **ORACLE**

The database business views shown in the slide provide additional information that is useful for customized allocation and shortage reporting. They all show the quantities on hand in nettable and nonnettable subinventories for each component.

View Material Transactions



View Material Transactions

Use the Material Transactions window to:

- View detail associated with inventory transactions
- Search for transaction information by entering a combination of search criteria.

Copyright © Oracle Corporation, 2000. All rights reserved. **ORACLE**

(Help) Oracle Manufacturing Applications > Oracle Inventory > Transactions > Overview of Movement Statistics > Viewing Material Transactions

(N) Material Transactions—>View Material Transactions

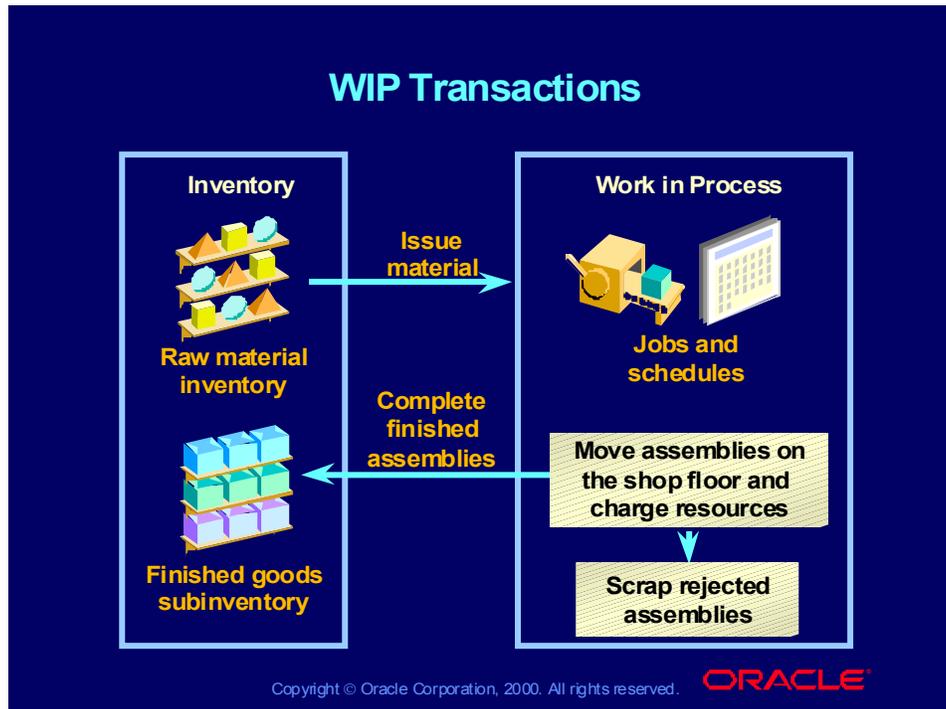
If material transactions have not completed, the defined discrete jobs profile may be set to concurrent and the batch process has not run. Contact the system administrator to launch the Interface Manager for Material Transactions.

Summary



Summary

WIP Transactions



WIP Transactions

With Oracle WIP transactions you can

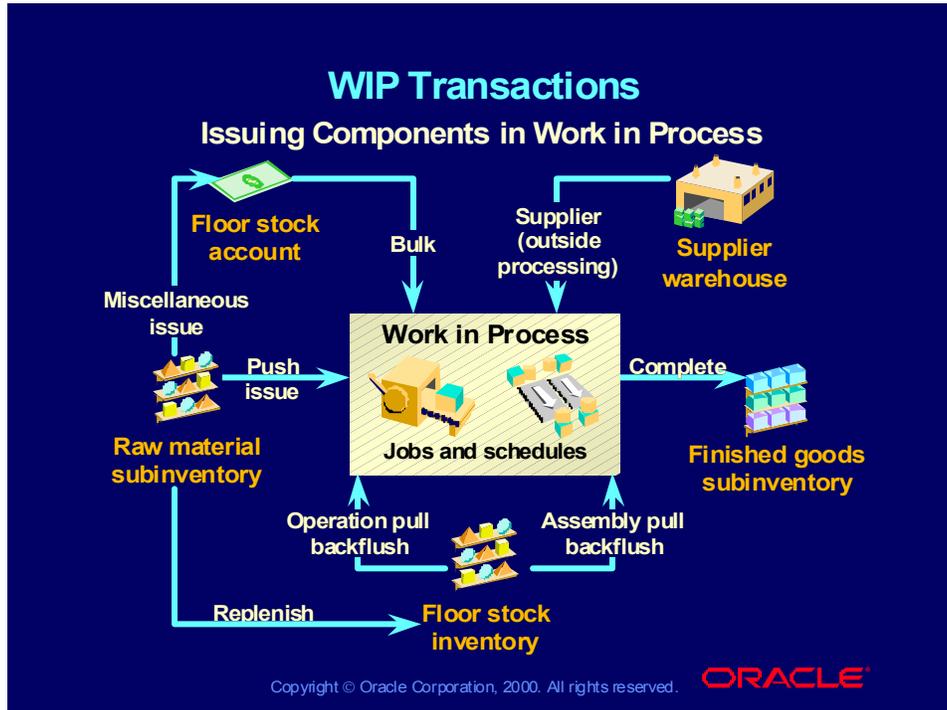
- Track and report your inventory accurately.
- Maintain accurate supply and demand information.
- Track activity costs.
- Value work in process.

Transactions are driven by actions.

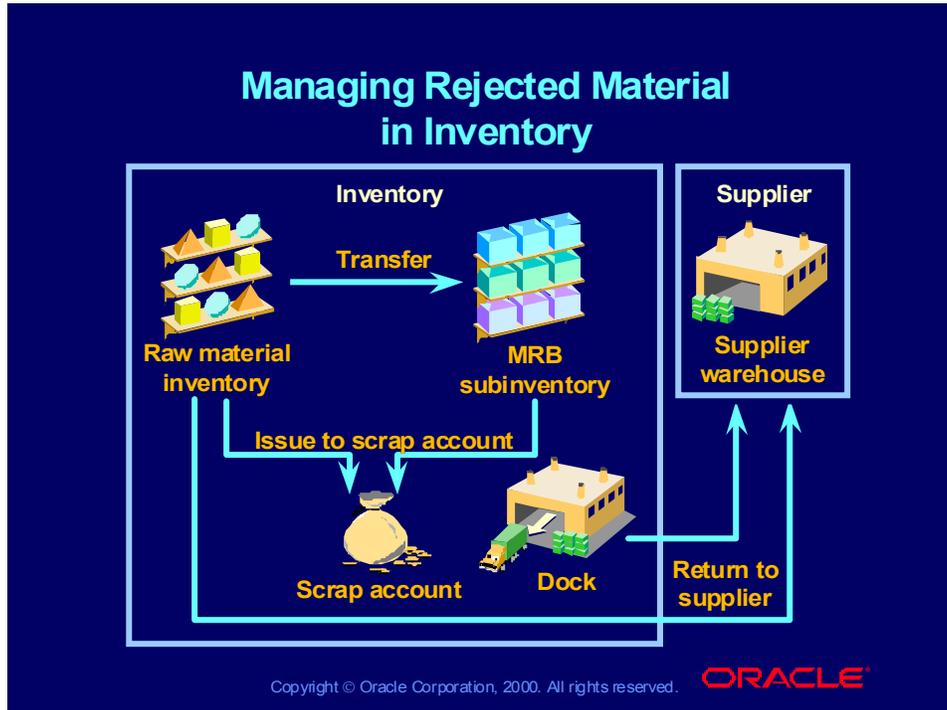
Examples

- Picking material from a pick list drives a material issue transaction in Oracle Work in Process.
- Completing an assembly at an operation drives a move and possibly a backflush transaction.
- Replenishing your subinventories drives a subinventory transfer transaction.
- Failing a test at an operation drives a scrap transaction.
- Shipping an assembly to an outside vendor drives a move transaction.
- Finishing an assembly drives a completion into inventory and possibly a backflush transaction.

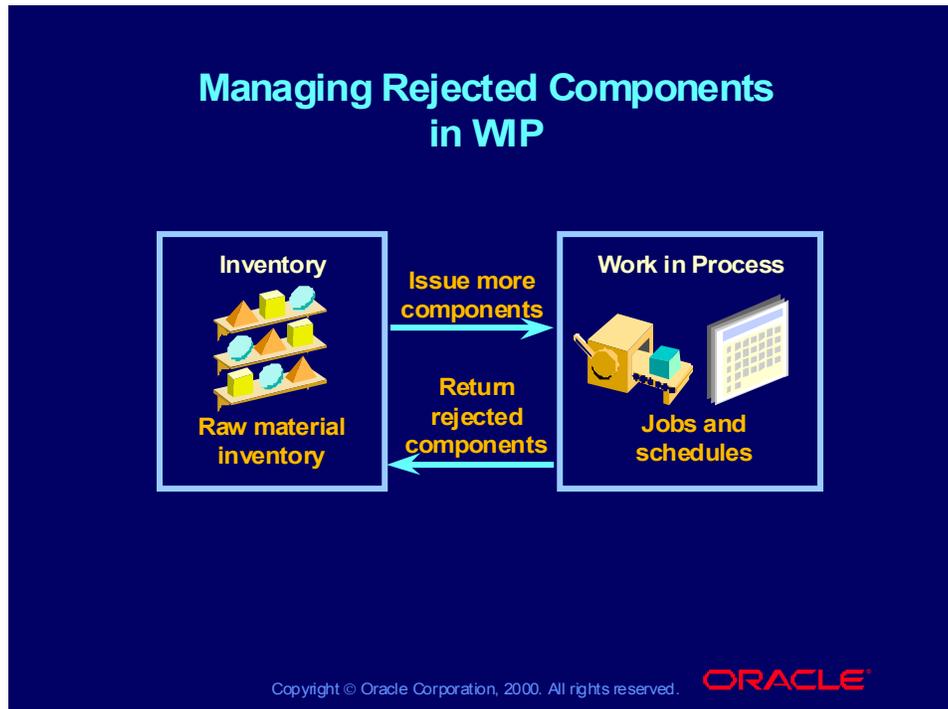
WIP Transactions



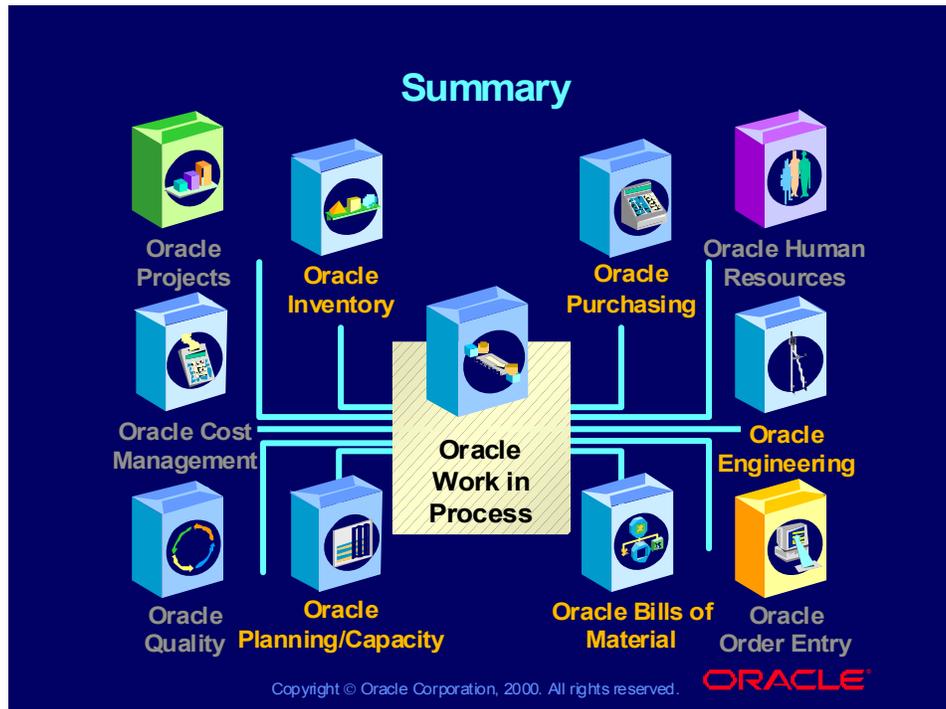
Managing Rejected Material in Inventory



Managing Rejected Components in WIP



Summary

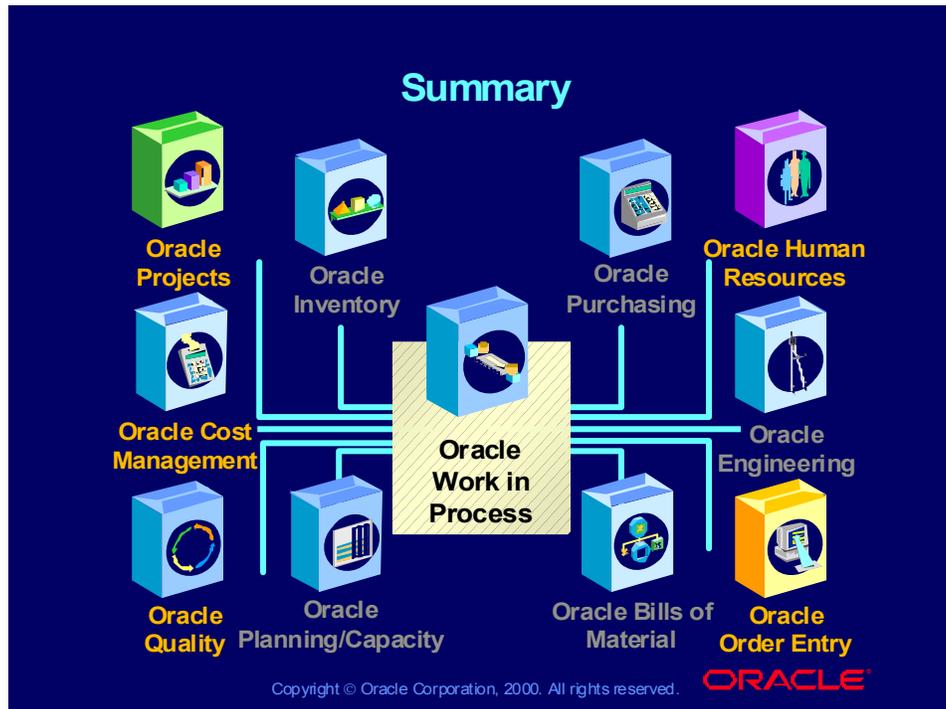


Product Integration

Oracle Work in Process interacts with Oracle's other applications products by sharing common information.

- Oracle Inventory
 - From: UOM, item information, and on-hand information
 - To: WIP activity and ATP supply information
- Oracle Bills of Material
 - From: Product structure information, routing information, and resource information
- Oracle Engineering
 - From: Engineering change information and product structure information
- Oracle Purchasing
 - From: Receipts deliveries
 - To: Subcontract requisitions
- Oracle Planning
 - From: Planned jobs and schedules
 - To: Open jobs, schedules, and repetitive assembly and line information
- Oracle Capacity
 - To: Existing resource load

Summary



Product Integration (continued)

- Oracle Cost Management
 - From: Cost information
 - To: Transaction costs
- Oracle Projects
 - From: Project tasks and IDs
 - To: Job cost information
- Oracle Quality
 - To: Quality data
- Oracle Human Resources
 - From: Employee information
- Oracle Order Entry
 - From: Final assembly orders