

# INVENTORY RISK MANAGEMENT

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# AGENDA:

- I. What Is Inventory Management**
- II. Why Inventory Management**
- III. What are the Risk in Inventory**
- IV. Basic Inventory Planning and Control Functions**
- V. Classification of Materials**
- VI. Inventory Costing**
- VII. Inventory Systems**
- VIII. Common Inventory Problems**
- IX. Solution and Recommendations**



# What is Inventory Management?



# • Inventory Management

- The process of determining the optimal quantity and timing of inventory for the purpose of aligning it with sales and production capacity.
- Inventory Management has a direct impact a company's cash flow and profit margins especially for smaller businesses that rely upon a quick turnover of goods or materials.

## • Why Inventory Management?

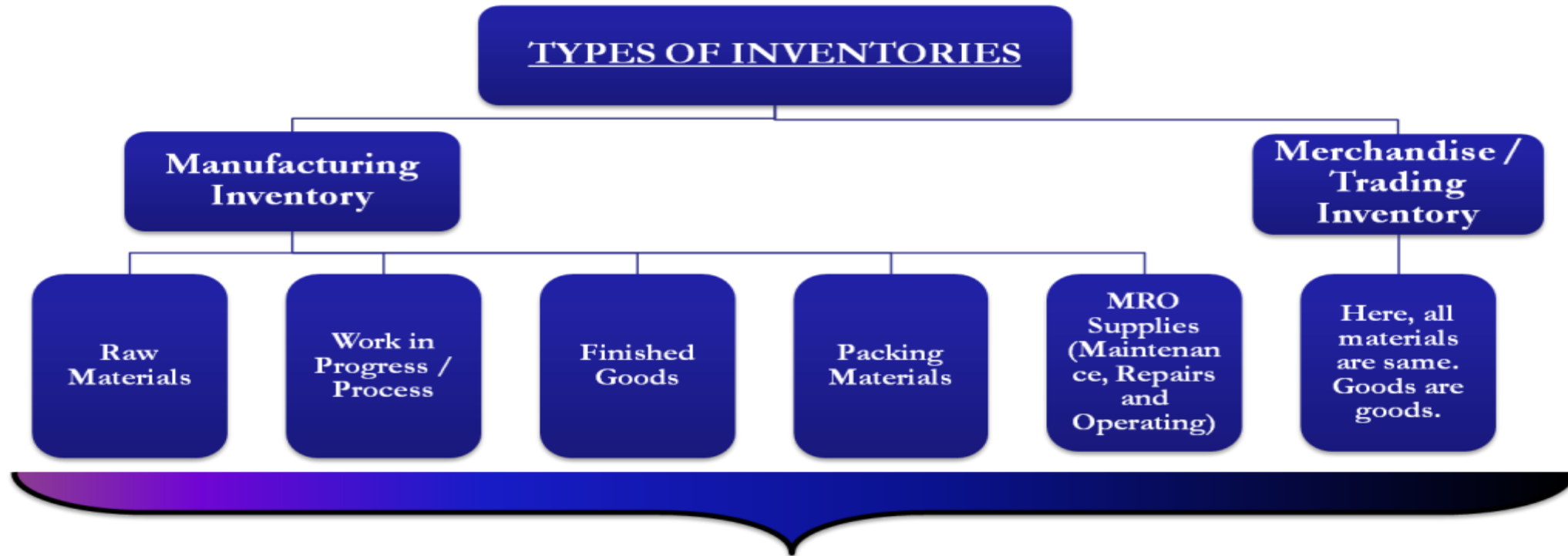
- ✓ Customer Satisfaction
- ✓ Forecasting
- ✓ Controlling Cost
- ✓ Optimal Storage

# Elements of Inventory Management

- **Types of Inventories**

- Raw materials
- Purchased parts and supplies
- Finished Goods
- Work-in-process (partially completed products )
- Items being transported
- Tools and equipment
- Goods-in-transit to warehouses or customers
- Scraps

# Elements of Inventory Management



- **What are the risks in Inventory?**

- **Theft/Inventory Loss**
- **Inventory Waste**
- **Damage**
- **Shelf Life**
- **Life Cycle**



# Basic Inventory Management Functions

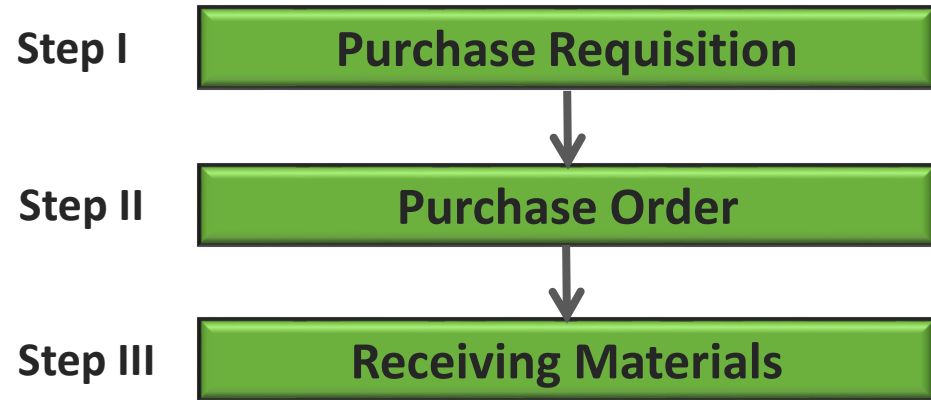
- Recording
- Report
- Monitoring

# Basic Inventory Management Functions

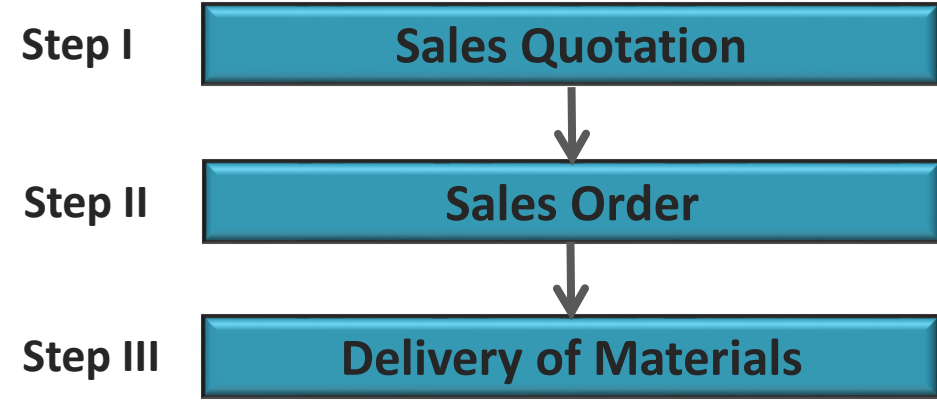
- **Recording**
- **Reporting**
- **Monitoring**

# Basic Inventory Management Functions

## ➤ Recording



**Purchasing and Receiving Process**



**Sales and Delivery Process**

# Basic Inventory Management Functions

- Recording
- **Reporting**
- Monitoring

# Basic Inventory Management Functions

## ➤ Reports

- Receiving Report Summary
- Inventory Audit
- Inventory Status
- Delivery Summary
- Pull-out Summary

# Basic Inventory Management Functions

## ➤ Reports

### DELIVERY SUMMARY REPORT

05/21/2000 to 05/21/2000  
Printed 15:04 06/06/2000

ASSAL Corporation  
Walnut Creek, CA

Zone	Avg. Time (Min)	Deliveries	Sales
PINK	15.67	3	\$34.97
GREE	11.96	33	\$616.63
YELL	13.00	1	\$8.98
RED	9.00	1	\$17.98
BLUE	14.25	8	\$152.16
PURP	9.00	3	\$56.96

Date 11-Nov-2005  
Time 6:42:10 PM

### Receipt Summary Report

User ID	dc1mgr	Warehouse ID	DC1
User Name	DC1 Manager	Warehouse Name	RF Based DC(DC1
Document Type	Purchase Order	Order No	
Enterprise	E1	Seller	
Receipt Date	From 10/16/2005 To 10/18/2005	Buyer	
Shipment No		Carrier	

E1

Shipment No.	Receipt Date	Receipt No.	Order No.	Carrier/Service	Seller	Buyer
<a href="#">VINS-003</a>	Oct 18, 2005	VINR-003	VIN-0003	FEDX Priority Overnight	VENDOR1	BUYER1
<a href="#">VINS-002</a>	Oct 17, 2005	VINR-002	VIN-0002	USPS Priority	VENDOR1	BUYER1
<a href="#">VINS-001</a>	Oct 17, 2005	VINR-001	VIN-0001		VENDOR1	BUYER1
<a href="#">DSS-004</a>	Oct 17, 2005	DRS-004	DS-0004		VENDOR1	BUYER1
<a href="#">DSS-003</a>	Oct 17, 2005	DSR-003	DS-0003	UPSN 2nd Day Air	VENDOR1	BUYER1
<a href="#">DSS-002</a>	Oct 17, 2005	DSR-002	DS-0002	UPSN Ground	VENDOR1	BUYER1
<a href="#">DSS-001</a>	Oct 17, 2005	DSR-001	DS-0001	UPSN Next Day Air	VENDOR1	BUYER1
<a href="#">DOSTS-003</a>	Oct 18,	DOSTR-	DOST-0003	UPSN Next Day Air	VENDOR1	BUYER1

# Basic Inventory Management Functions

## ➤ Reports

6:39 PM

12/15/15

### Manufacturing Sample File Inventory Stock Status by Item December 1 - 15, 2015

	♦ <u>Pref Vendor</u>	♦ <u>Reorder Pt</u>	♦ <u>On Hand</u>	♦ <u>On Sales Order</u>	♦ <u>For Assemblies</u>	♦ <u>Available</u>	♦ <u>Order</u>	♦ <u>On PO</u>	♦ <u>Next Deliv</u>	♦ <u>Sales/Week</u>
<b>Inventory</b>										
<b>AH-12x1</b>	Fran's Fast...	100	773	6	500	267		0		0
<b>AHAD</b>	Caylor's Ha...	50	1	5	12	-16	✓	0		0
<b>AHBA-BL</b>	Philip Pump ...	100	-167	6	44	-217	✓	0		0
<b>AHPI-BL</b>	Anderson's...	100	16	25	44	-53	✓	5	11/30/2015	0
<b>AHSP</b>	Anderson's...	100	500	0	600	-100		100	01/11/2016	0
<b>BO-1/2x4-J</b>	Fran's Fast...	50	18	0	7	11	✓	0		0
<b>CEPE</b>	Price Pedes...	100	-7	0	0	-7	✓	0		0
<b>CODR</b>	Anderson's...	10	4	1	0	3	✓	2	01/11/2016	0

# Basic Inventory Management Functions

## ➤ Reports

**Inventory Audit Report**

Date From: 01/01/2013 Date To: 12/31/2013 Accounts: Multiple  
Currency: US Dollar

#	G/L Account	System Date	Posting Date	Document	Item No.	Item Description	Whse	Qty	Cost	Trans. ...
1	13400000-01-									
2	Opening Bal:									
3		04/24/2013	04/24/2013	IN 225	I00007	HP Printer 95 Inkjet	01	-5.000	19.56	-97.5
4		04/24/2013	04/24/2013	IN 225	I00008	HP Viverra Ink 6-Pa	01	-6.000	27.16	-162.5
5		04/24/2013	04/24/2013	IN 225	I00009	Canon PowerShot	01	-8.000	108.11	-864.8
6		04/24/2013	04/24/2013	IN 226	I00001	DVD+R Disc 10-Pac	01	-9.000	2.15	-19.3
7		04/24/2013	04/24/2013	IN 226	I00002	DVD+R Disc 50-Pac	01	-7.000	8.67	-60.6
8		04/24/2013	04/24/2013	IN 226	I00003	USB Flashdrive 4GE	01	-10.000	14.81	-148.1
9		04/24/2013	04/24/2013	IN 227	C00006	Network Card 10/10	01	-5.000	10.46	-52.3
10		04/24/2013	04/24/2013	IN 227	C00007	Hard Disk Seagate	01	-5.000	361.05	-1,805.5

OK Expand Collapse



# Basic Inventory Management Functions

- Recording
- Reporting
- **Monitoring**

# Basic Inventory Management



# Monitoring

- Approvals
- Alerts
- Warning
- Blockings

[illegible]

# Classification of Materials

Establishing the identity of your items.

## A.) Grouping

- Use
- Nature
- Value

## B.) Coding

- Barcode
- Item Code
- Business Partner Coding

## C.) Location

- Warehouse
- Bin Location

## D.) Picture

# Classification of Materials

Item Master Data

Item No.

Manual

ITM00001

Description

Laptop Sonic Master

Foreign Name

Item Type

Items

Item Group

Merchandise

UoM Group

Set

Price List

Distributor Price

Bar Code

Set

Unit Price

Primary Currer

Set

☒ Inventory Item

☒ Sales Item

☒ Purchase Item

General

Purchasing Data

Sales Data

Inventory Data

Planning Data

Production Data

Properties

Remarks

Attachments

☒ Withholding Tax Liable

☐ Do Not Apply Discount Groups

Brand

Asus

Additional Identifier

Shipping Type

ATR 21

Serial and Batch Numbers

Manage Item by

None

None

Serial Numbers

Batches

☒ Active

☐ Inactive

☐ Advanced

From

To

Remarks

# Inventory Costing

A.) Valuation Method

B.) Inventory Cost

# Inventory Costing

A.) **Valuation Method**

B.) **Inventory Cost**

# Inventory Costing

## A.) Valuation Method

- FIFO
- Moving Average
- Standard
- Specific Identification by Serial/Batch

# Inventory Costing

A.) Valuation Method

B.) **Inventory Cost**



# Inventory Costing and I.M Terms

## B.) Inventory Cost

- **Holding Cost** - *cost to carry an item in inventory for a length of time, usually a year*
- **Ordering Cost** - *costs of ordering and receiving inventory*
- **Shortage Cost** - *when demand exceeds supply*

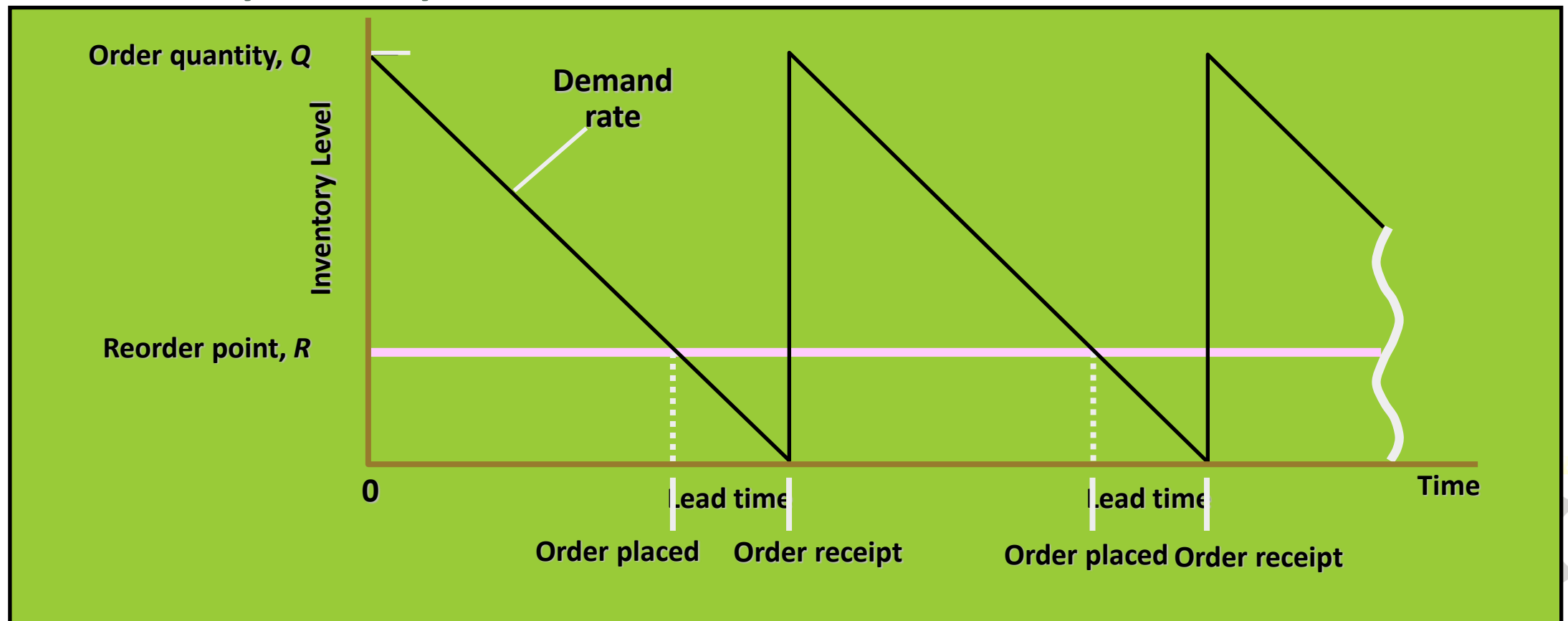
- **EOQ** - *The economic order quantity, commonly referred to as EOQ, seeks to find a balance between holding too much or too little inventory.*

### Basic EOQ model

- ✓ Demand is known, constant, and independent
- ✓ Lead time is known and constant
- ✓ Order quantity received is instantaneous and complete
- ✓ No shortage is allowed

## ➤ EOQ

### ■ Inventory Order Cycle



# Major Inventory Systems

A.) Fixed Order Quantity System

B.) Periodic Review

# Major Inventory Systems

A.) **Fixed Order Quantity System**

B.) **Periodic Review**

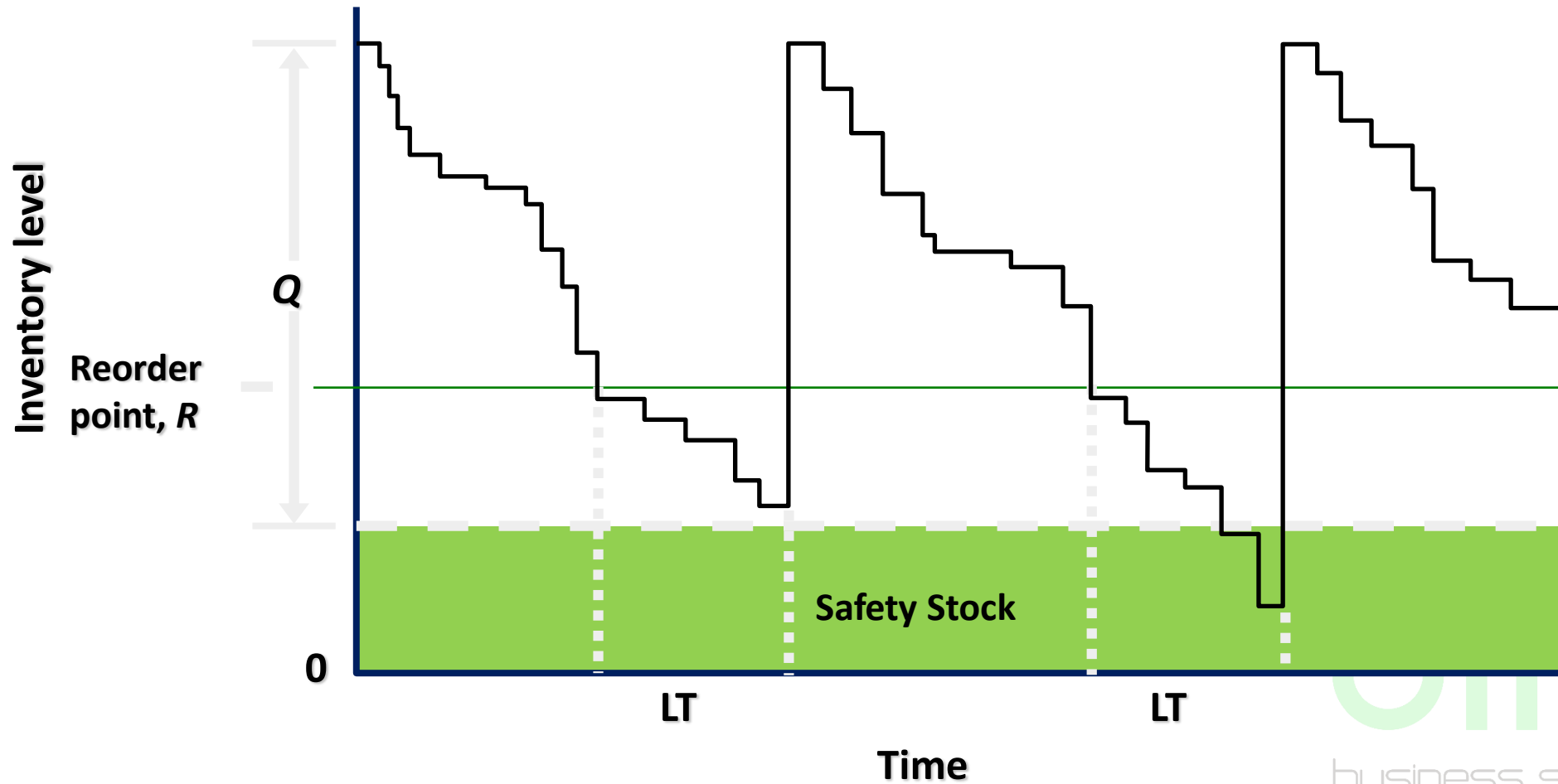
# Major Inventory System

## A.) Fixed Order Quantity System

### Safety Stock/Last Bag System

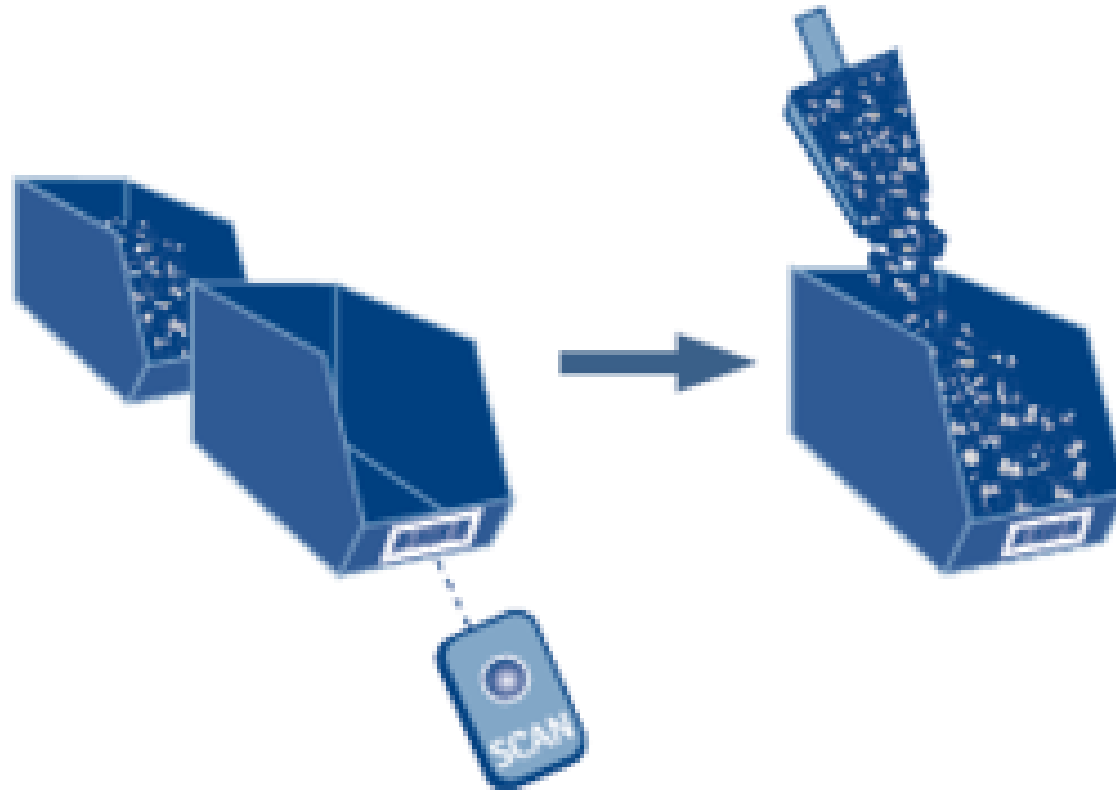
*- Safety stock refers to an additional amount of stock carried over the normal stocking level requirements as a buffer against uncertainty.*

# Major Inventory System



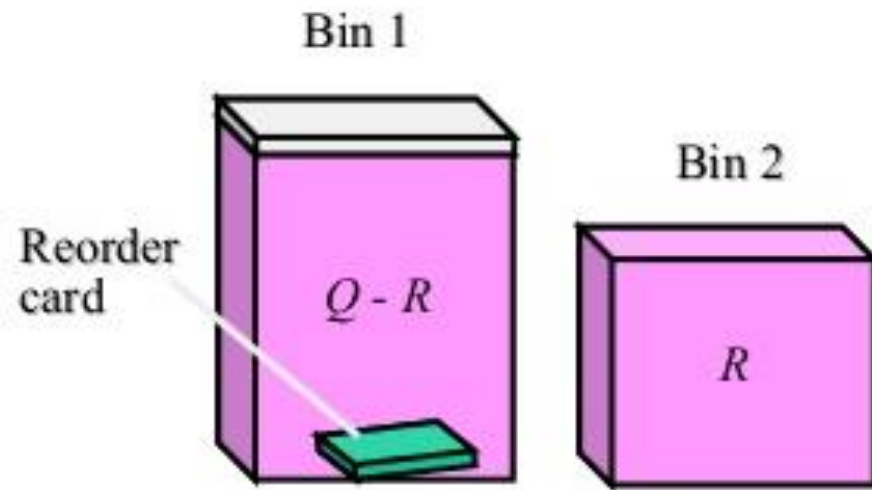
- **Two-Bin System** - *Two containers of inventory; reorder when the first is empty*

*The **two-bin** inventory control method is mainly used for small or low value items.*

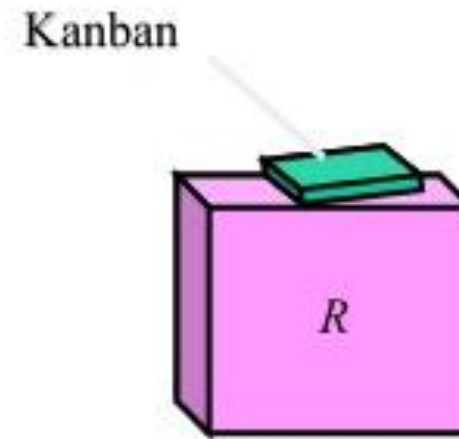




a) Two-bin inventory system



b) Kanban inventory system



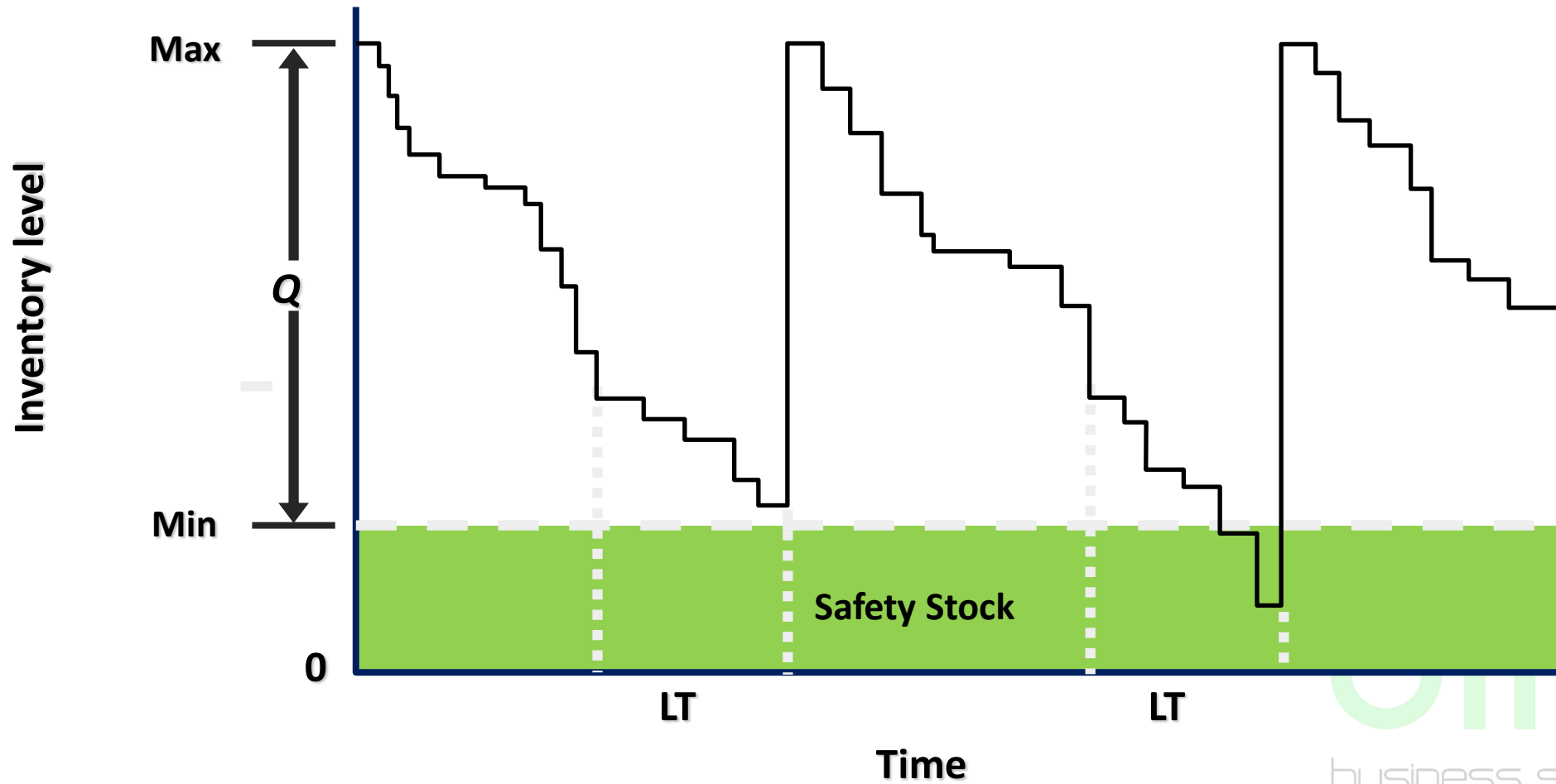
$Q$  = order quantity

$R$  = reorder point - demand during lead time

- **Min-Max inventory**

- *The Min-Max inventory control method helps you define how much inventory you should maintain for specific items.*

- Min-Max inventory



# Inventory System

A.) Fixed Order Quantity System

B.) **Periodic Review**

# Inventory System

## B.) Periodic Review

- J.I.T (Just In Time)
- Periodic System
- ABC Classification

## ➤ JIT

- The Just In Time (JIT) method works to lessen the volume of inventory that a business has on hand. It is considered a risky technique because you only purchase inventory a few days before it is needed for distribution or sale so that the items arrive just in time for use.

"JIT helps organisations save on inventory holding costs by keeping stock levels low, and eliminates situations where deadstock sit on shelves for months on end. You need to conduct thorough research into customer buying habits, seasonal demand, and source for reliable suppliers and channels of transportation before implementing JIT into your business operations to minimize risks and screw ups."

- Trade Gecko

## ➤ Periodic system (fixed-time-period)

- It is an inventory control method where orders are periodically placed, but the order quantity is different every time, and is also called Fixed Period Deficit Ordering System.



## ➤ ABC Classification (Pareto Principle)

- Classification model Known as **Always Better Control (ABC)** based upon Pareto rule ( 80/20 rule)

## ➤ ABC Classification (Pareto Principle)

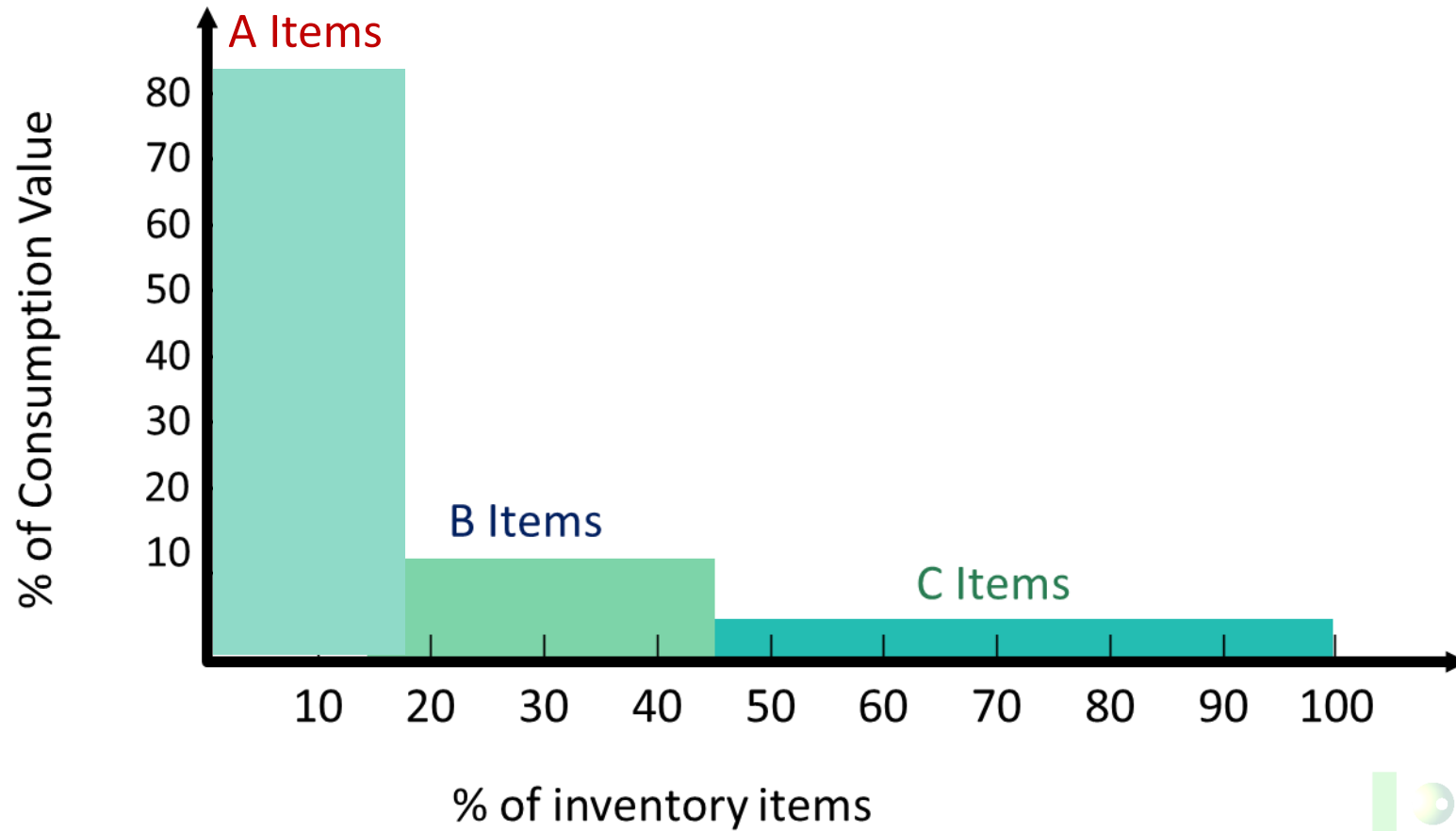
### ABC ANALYSIS

Divides inventory into three classes based on Consumption Value

Consumption Value = (Unit price of an item) (No. of units consumed per annum)

- Class A - High Consumption Value
- Class B - Medium Consumption Value
- Class C - Low Consumption Value

## ➤ ABC Classification (Pareto Principle)



## Conclusion

Inventory control methods vary from company to company, commodity to commodity and SKU to SKU. The inventory control method that **works best for slow-moving items** might not work as well for fast-moving items. A company might have 1 million different SKUs and use only five different inventory control methods. **One thing to remember there is no perfect method to manage inventory.**

– Kenneth Hamlett, *Methods for Inventory Control*, Twitter: [@HoustonChron](#)

# MRP-Materials Requirements Planning

Material requirements planning (**MRP**) is a production planning, scheduling, and inventory control system used to manage manufacturing processes. Most **MRP** systems are software-based, while it is possible to conduct **MRP** by hand as well.

# MRP-Materials Requirements Planning

An MRP system is intended to simultaneously meet three objectives:

- Ensure materials are available for production and products are available for delivery to customers.
- Maintain the lowest possible material and product levels in store
- Plan manufacturing activities, delivery schedules and purchasing activities.

# 5 Simple Best Practices for Great Inventory Management

Look for key features to evaluate systems that allow you to manage your company's inventory digitally.

- **Web-based**
- **Mobile Inventory**
- **Barcode integration**
- **Unit of Measurement Conversion**
- **Data Import**
- **Batch Processes**
- **Cycle / Physical Counts**
- **Alerts and Notifications**

# Inventory control system should contain several key elements

*“Every parts operation needs an inventory control system of some sort, which should incorporate the following key elements:*

- It must warn parts personnel far in advance that a part is being depleted from stock.
- It must list a part’s historical purchase price so that if the price changes, the manager will be able look into the issue and ascertain whether this change is a price increase or due to incorrect billing.
- It should list vendors that offer the best prices.
- It should give past usage rates so that the manager can determine proper inventory levels.
- It should require as little writing as possible, particularly by mechanics.”

**John Dolce, 15 Tips for Improving Your Inventory Control,**

**Twitter: [@UtilityFleetPro](https://twitter.com/UtilityFleetPro)**

business solutions inc.



# Solutions & Recommendations

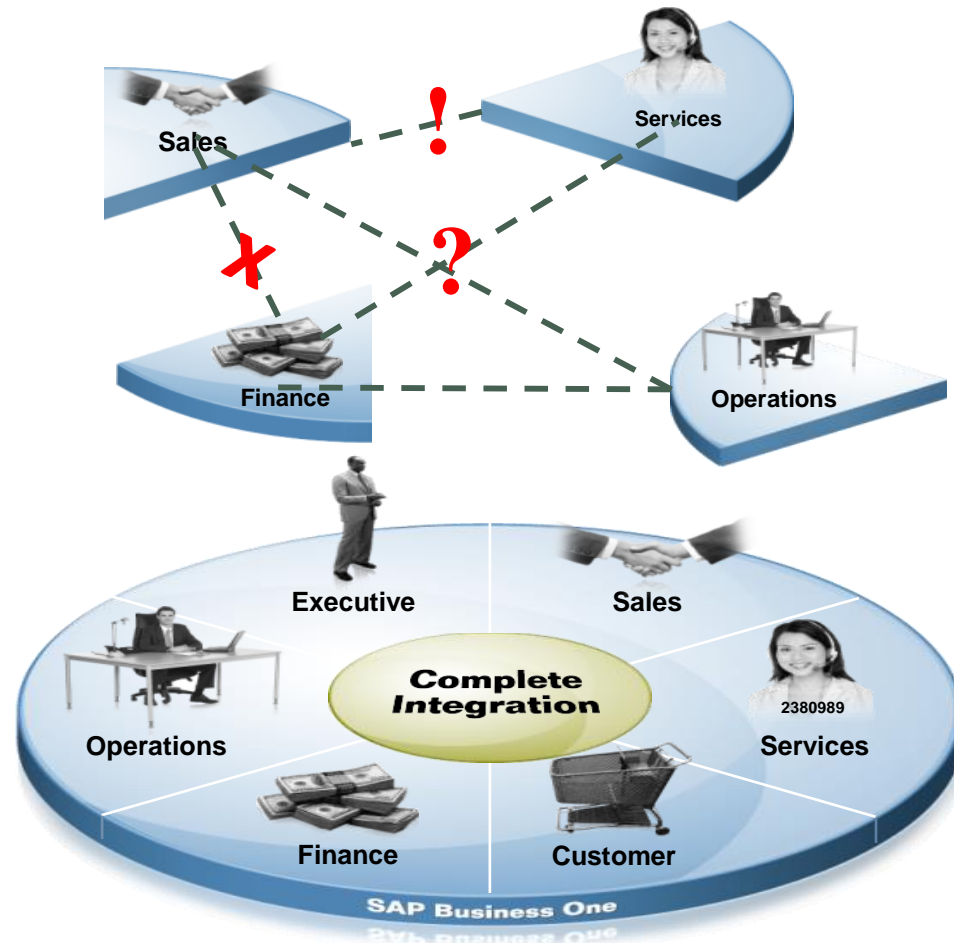
SAP Business  
One

SAP  
Business One



direc  
business solutions inc.

# The Solution: SAP Business One®



**A Single Integrated Solution**

- A single system to streamline the entire business
- Instant and complete business information
- Strengthen customer relationship and loyalty
- Adaptable to your business and industry needs

**THE BEST-RUN BUSINESSES RUN SAP**



# A Single System to Streamline Your Entire Business



## ■ Integrate All Critical Business Functions

Manage your entire business end-to-end across sales, customers, purchasing, inventory, operations, financials and HR functions, all in a single system

## ■ Eliminate Duplicates & Redundancies

Information captured is instantly accessible in the entire system, eliminating redundant data entries and errors in different systems

## ■ Proactively Focus on What's Important

Workflow-based alerts to monitor, notify and trigger auto-responses when important business events occur



# Why manage your inventory?

- ☐ Customer Satisfaction
- ☐ Forecasting
- ☐ Controlling Cost
- ☐ Optimal Storage

# How do we manage our Inventory?

- ☐ Establish the identity of your Items
- ☐ Identify Inventory Risks
- ☐ Facilitate basic inventory functions
- ☐ Implement mitigating controls

# What are the risks in Inventory?

- ☐ Theft/Inventory Loss
- ☐ Inventory Waste
- ☐ Damage
- ☐ Shelf Life
- ☐ Life Cycle
- ☐ Other common problems



# The Solution:

The logo for SAP Business One. The word "SAP" is in a large, bold, grey sans-serif font. To its right, the word "Business" is in a smaller, grey sans-serif font. Below "Business", the word "One" is written in a large, bold, orange sans-serif font.

**SAP** Business  
**One**

# Common Inventory Problems/Risks and Control Measure

RISK/problems	Principle /Control measure	SAP B1 SOLUTIONS
Theft/Inventory Loss	Stock Card, Random Count	Serial/Batch Mangement & Inventory Count /Invntory Posting List

# Setting Serial and Batch Numbers

Item Master Data

Item No. Manual ITM00001

Description Laptop Sonic Master

Foreign Name

Item Type Items

Item Group Merchandise

UoM Group Set

Price List Distributor Price

Bar Code Set

Unit Price Primary Currer Set

☒ Inventory Item  
☒ Sales Item  
☒ Purchase Item

General Purchasing Data Sales Data Inventory Data Planning Data Production Data Properties Remarks Attachments

☒ Withholding Tax Liable

☐ Do Not Apply Discount Groups

Brand Asus

Additional Identifier

Shipping Type AIR 21

**Serial and Batch Numbers**

Manage Item by

None  
None  
Serial Numbers  
Batches

☒ Active ☐ Inactive ☐ Advanced

From To

Remarks

# Serial Number Transaction Report

[illegible]

# Inventory Counting

Inventory Counting													
Count Date		05-28-2016		Time		12:06				No.	Primary	12	
Counting Type		Multiple Counters								Status	Open		
No. of Individual Counters		1								Ref. 2			
No. of Team Counters		0								Branch	Test Database		
<b>General</b>													
Find		Item No.				Warehouses				<<		>>	
#	Item No.	Item Description	Freeze	Whse	Bin Location	In-Whse Qty on Count Date	Counted	Branch	UoM Code	Items per Unit	manager - Uo...	manager - Cou...	
1	➡ 1000001	Item	<input type="checkbox"/>			0.000	<input type="checkbox"/>		Manual			0.000	
2	➡ 14S003-Cya	2014 SWIMWEAR - KID	<input type="checkbox"/>			0.000	<input type="checkbox"/>		1kgPack	1.000	0.000	0.000	
3	➡ 14S003-Mag	2014 SWIMWEAR - KID	<input type="checkbox"/>			0.000	<input type="checkbox"/>		Manual			0.000	
4	➡ 14S003-Yell	2014 SWIMWEAR - KID	<input type="checkbox"/>			0.000	<input type="checkbox"/>		Manual			0.000	
5	➡ 14SANT/Cy	SANTA 2014 Cyan LAR	<input type="checkbox"/>			0.000	<input type="checkbox"/>		Manual			0.000	
6	➡ 14SANT/Cy	SANTA 2014 Cyan LAR	<input type="checkbox"/>			0.000	<input type="checkbox"/>		Manual			0.000	
7			<input type="checkbox"/>			0.000	<input type="checkbox"/>						
												0.000	
Remarks													
Add		Cancel											
Add Items		Adjust Counted Quantities										Copy to Inventory Posting	

# Inventory Posting

File Edit View Data Go To Modules Tools Window Help

Inventory Posting

Posting Date: 11-18-2014  
 Count Date: 11-18-2014 Time: 16:46  
 Price Source: Item Cost

No. Primary 10  
 Ref. 2  
 Branch Test Database

Find Item No. Warehouses << >>

#	Item No.	Item Description	Whse	Bin Location	In-Whse Qty on Count Date	UoM	Counted Qty	Variance	Variance %	Price	Total	UoM Code	Items per Unit
1	14S003-C	2014 SWIMWEAR - K	01		0.000		10.000	10.000	100.0000	101.800	PHP 1,018.000	Manual	
2	14S003-M	2014 SWIMWEAR - K	01		0.000		20.000	20.000	100.0000			Manual	
3	14SANT/C	SANTA 2014 Cyan L	01		136.000		130.000	-6.000	4.4118	592.210	HP -3,553.260	Manual	
4	14SANT/C	SANTA 2014 Cyan L	01		5.000		6.000	1.000	20.0000	953.330	PHP 953.330	Manual	
5	samsung	samsung galaxy s4	Whse_		0.000		10.000	10.000	100.0000			Manual	
6					0.000		0.000	0.000	0.0000				
					141.000		176.000	47.000	33.3333		HP -1,581.930		

Remarks: Based On Inventory Counting 3

Journal Remark: Inventory Posting

Add Cancel

# Inventory Posting List

Inventory Posting List

Posting Date	Document	Doc. Row	Whse	G/L Acct/BP Code	G/L Acct/BP Name	Inventory UoM	Qty	Price after Disc.	Balance
1000001					Item				218
11-19-2014	⇒ ST 4	1	⇒ 01	⇒ 1000-3200	Supplies Inventory		-9	PHP 366.560	209
									209
14S003-Cyan					2014 SWIMWEAR - KIDS				
06-03-2014	⇒ SI 200000025	1	⇒ 2		Opening Balance	1 Kilogram Pack	2,000	PHP 0.000	2,000
06-03-2014	⇒ MR 300000002	1	⇒ 2	⇒ 1000-3100	Merchandise Inventory	1 Kilogram Pack		PHP 100.000	2,000
06-03-2014	⇒ DN 500000025	1	⇒ 2	⇒ CUS0004	Customer	1 Kilogram Pack	-100	PHP 375.000	1,900
06-05-2014	⇒ DN 500000026	1	⇒ 2	⇒ CUS0004	Customer	1 Kilogram Pack	-100	PHP 375.000	1,800
08-25-2014	⇒ DN 500000032	1	⇒ 2	⇒ CUS0005	SM Mall Of Asia	1 Kilogram Pack	-10	PHP 500.000	1,790
08-27-2014	⇒ CN 200000011	1	⇒ 2	⇒ CUS0004	Customer	1 Kilogram Pack	1	PHP 375.000	1,791
10-30-2014	⇒ DN 500000036	1	⇒ 2	⇒ CUS0006	SM Megamall	1 Kilogram Pack	-95	PHP 398.280	1,696
10-30-2014	⇒ DN 500000037	1	⇒ 2	⇒ CUS0006	SM Megamall	1 Kilogram Pack	-5	PHP 398.280	1,691
									1,691
14S003-Magenta					2014 SWIMWEAR - KIDS				
06-03-2014	⇒ SI 200000025	2	⇒ 2		Opening Balance	SET	3,000	PHP 0.000	3,000
06-03-2014	⇒ MR 300000002	2	⇒ 2	⇒ 1000-3100	Merchandise Inventory	SET		PHP 100.000	3,000
06-03-2014	⇒ DN 500000025	2	⇒ 2	⇒ CUS0004	Customer	SET	-350	PHP 375.000	2,650
06-05-2014	⇒ DN 500000026	2	⇒ 2	⇒ CUS0004	Customer	SET	-100	PHP 375.000	2,550
									2,550

# Common Inventory Problems/Risks and Control Measure

RISK/problems	Principle /Control measure	SAP B1 SOLUTIONS
Theft/Inventory Loss	Stock Card, Random Count	Serial/Batch Management & Inventory Count
Inventory Waste	J.I.T	Procurement Confirmation Wizard



# Procurement Process

Sales Order

Customer

Name

Contact Person

Customer PO. No.

Local Currency

COMPANY

Contents

Item/Service Type

#	Item No.
1	

Sales Employee

Owner

Procurement Confirmation Wizard

Base Document Type and Customers

Choose whether to base the procurement documents on sales orders or sales quotations, and select the customers for whom you want to create the procurement documents.

Base Doc. Sales Order

#	BP Code	BP Name	
	CUS0004	Customer	<input checked="" type="checkbox"/>

☐ Include All Open Base Documents

Clear Table

Add

Step 1 of 6

Cancel

Back

Next

Finish

# Procurement Process

Sales Order

Customer

Name

Contact Person

Customer PO. No.

Local Currency

COMPANY

Contents

Item/Service Type

#	Item No.
1	

Sales Employee

Owner

Procurement Confirmation Wizard

Base Document Line Items

Select line items for inclusion in the procurement documents. To create a procurement document as a draft, select "Create Draft Documents".If required, you can change the vendor or the purchase quantities.

Target Document

Purchase Order

Vendor

Purchase Order

Name

Purchase Quotation

Target Doc. Series

Purchase Request

Primary

Production Order

☐ Print Target Document

☐ Create Draft Document

Delivery Date

#	Branch	Vendor	Target Doc. Series	Base Doc.	Item No.	Item Description	Quantity
1	Test Database		Primary	4000001	14SANT/	SANTA 2014 Magent	5.000

Step 3 of 6

Cancel

Back

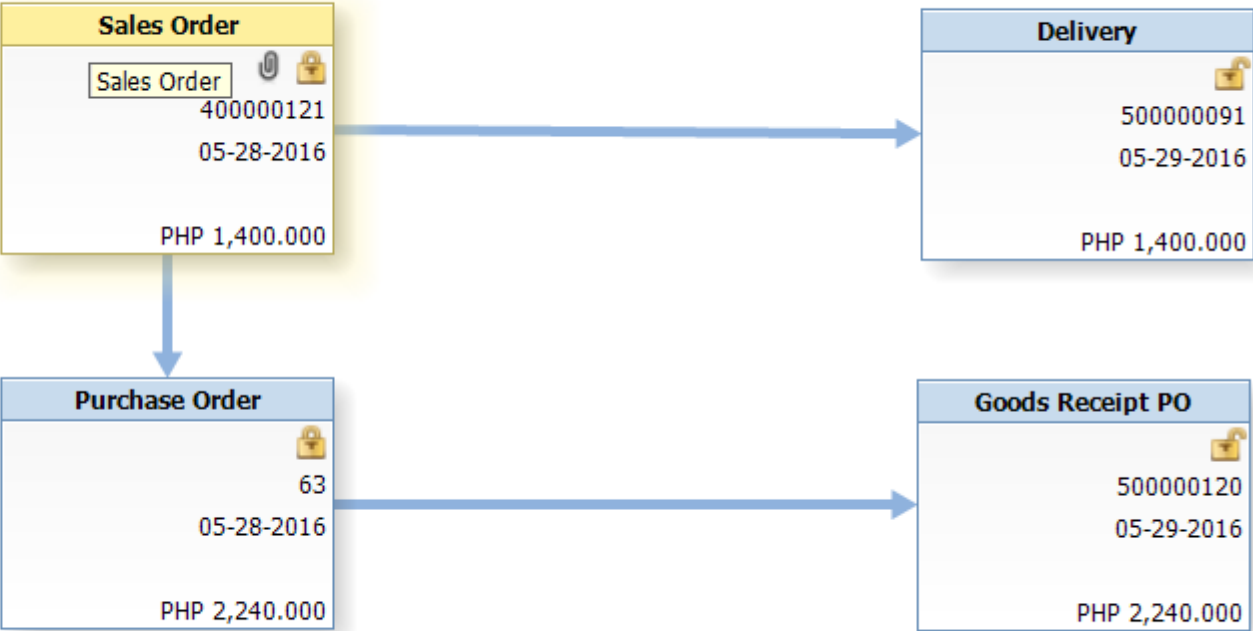
Next

Finish

# Procurement Process

Business Partners	
CUS0004	Customer

Business Partners	
VEN0011	BMEG



# Procurement Process

Business Partners
CUS0006
SM Megamall

Sales Order
400000016
11-19-2013
PHP 672.000

Production Order
100000049
14S003-Magenta
Standard
Released
Production Order Status

Issue for Production
100000061
05-29-2016
PHP 68.831

# Common Inventory Problems/Risks and Control Measure

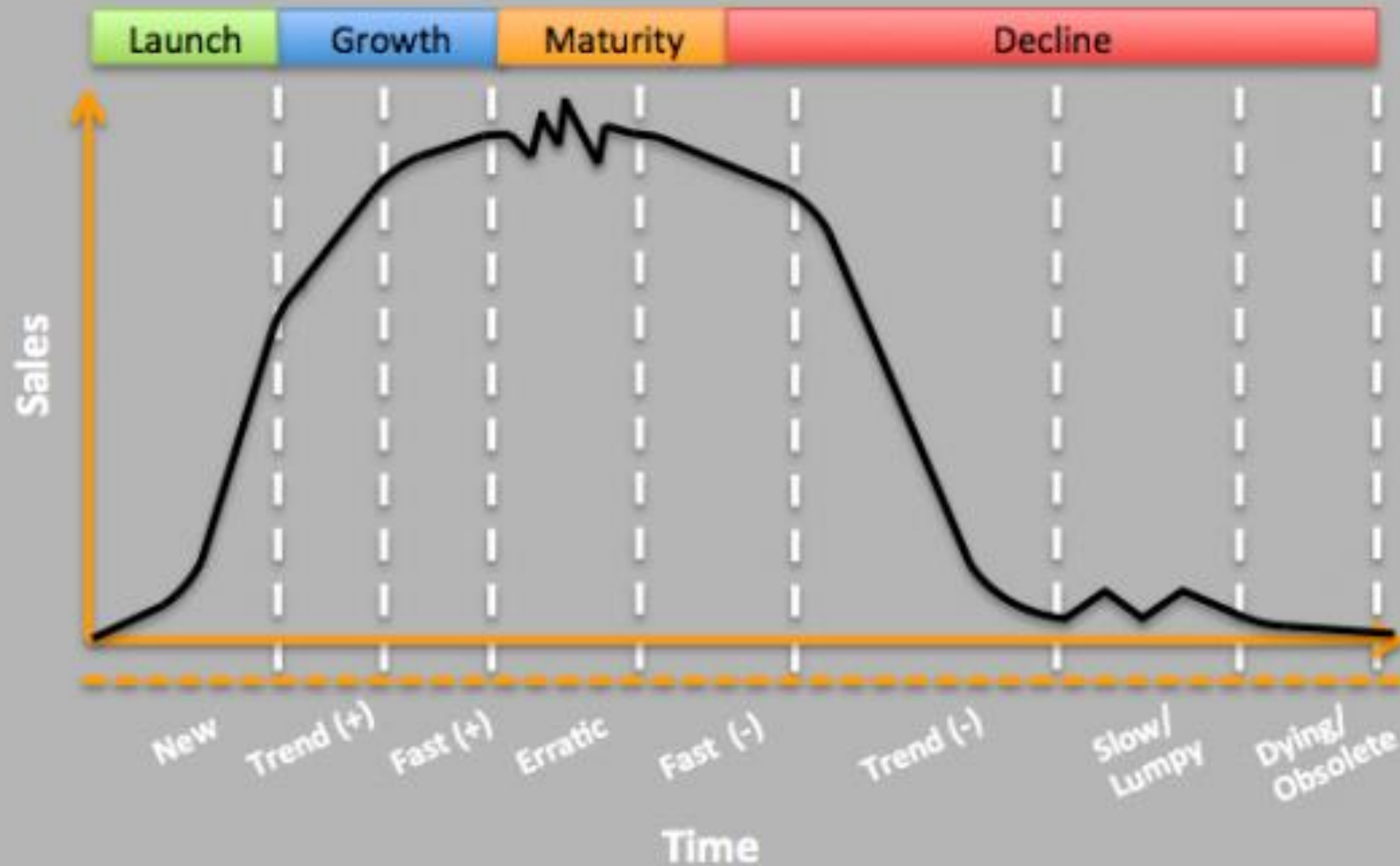
RISK/problems	Principle /Control measure	SAP B1 SOLUTIONS
Theft/Inventory Loss	Stock Card, Random Count	Serial/Batch Management & Inventory Count
Inventory Waste	J.I.T	Procurement Confirmation Wizard
Shelf Life	FIFO Stock Movement plan	Serial/Batch Management

[illegible]

# Common Inventory Problems/Risks and Control Measure

RISK/problems	Principle /Control measure	SAP B1 SOLUTIONS
Theft/Inventory Loss	Stock Card, Random Count	Serial/Batch Management & Inventory Count
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Shelf Life	FIFO Stock Movement plan	Serial/Batch Management
Life Cycle	Fixed Order Quantity	Forecasting

## The Different Stages of a Product Life-Cycle



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# Forecasting in SAP B1

Forecasts											
Forecast Code		June 1									
Forecast Name		June1									
Start Date		05-01-2016		End Date		12-31-2016		View		Monthly	
<div style="text-align: right;"> <span>+ 0.000 % -</span> </div>											
	Item No.	Item Description	Warehouse	May	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.
1	➡ 14S003-Cyar	2014 SWIMWEAR - KIDS	➡ 2	11.25	11.25	11.25	11.25	11.25	11.25	11.25	11.25
2	➡ 14S003-Mag	2014 SWIMWEAR - KIDS	➡ 2	12.5	12.5	12.5	12.5	12.5	12.5	12.5	12.5
3	➡ 9001	Grease Streaper	➡ 01	0.625	0.625	0.625	0.625	0.625	0.625	0.625	0.625
4	➡ Fer002	Vitamins	➡ 01	12.5	12.5	12.5	12.5	12.5	12.5	12.5	12.5
5	➡ G001	.45 caliber	➡ 01	0.125	0.125	0.125	0.125	0.125	0.125	0.125	0.125
6	➡ lobster	lobster	➡ 01	10	10	10	10	10	10	10	10
7	➡ Mer001	Peotraco Glucose	➡ 01	5	5	5	5	5	5	5	5
8	➡ Mer003	ZIPPER	➡ 01	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25
9	➡ MP4100	MP BLEND	➡ FG	5	5	5	5	5	5	5	5
10	➡ MX115	MX115	➡ Whse_2	0.125	0.125	0.125	0.125	0.125	0.125	0.125	0.125
11	➡ Oppo R7	Oppo R7	➡ 01	2.75	2.75	2.75	2.75	2.75	2.75	2.75	2.75
12	➡ RM001	FABRIC - DIRECT MATERIAL	➡ 01	12.5	12.5	12.5	12.5	12.5	12.5	12.5	12.5
13	➡ RM012	Fruit Salad	➡ 01	12.5	12.5	12.5	12.5	12.5	12.5	12.5	12.5
14	➡ RM021	Buttons	➡ 01	12.625	12.625	12.625	12.625	12.625	12.625	12.625	12.625
15	➡ S0001	Lappy Top	➡ 01	13.75	13.75	13.75	13.75	13.75	13.75	13.75	13.75
16	➡ samsung gals	samsung galaxy s4	➡ 01	1.875	1.875	1.875	1.875	1.875	1.875	1.875	1.875
17	➡ SERVICE	LOADING / UNLOADING VES	➡ 01	0.125	0.125	0.125	0.125	0.125	0.125	0.125	0.125
18											

OK
Cancel
Generate Forecast

# Forecasting in SAP B1

12-31-2016

use

May

11.25

12.5

0.625

12.5

0.125

10

5

1.25

5

2

0.125

2.75

12.5

12.5

12.625

13.75

1.875

0.125

Generate Forecasts - Setup

Select Items By

Item

Item No.

From

To

Item Group

All

Properties

☐ Generate Forecast for Warehouses

...

▼ Advanced Settings

System-Generated Forecast

☒ Base on Sales History

Simple Average

☐ Sales Orders

☒ Deliveries and A/R Invoices

History Start Date

05-01-2015

-12-31-2015

OK

Cancel

+ 000 % -

Generate Forecast



# Common Inventory Problems/Risks and Control Measure

RISK/problems	Principle /Control measure	SAP B1 SOLUTIONS
Theft/Inventory Loss	Stock Card, Random Count	Serial/Batch Management & Inventory Count
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Life Cycle	Fixed Order Quantity	Forecasting
Damage	Basic Inventory Management function	UoM Package Type/Approvals, Restrictions

# UoM Package Types

Item Master Data

Item No. Manual VM001

Description VIALS - SUPPLEMENTS

Foreign Name

Item Type Items

Item Group Merchandise

JoM Group Packs

Price List Distributor Price

General

Purchasing Data

Sales Data

Preferred Vendor

Mfr Catalog No.

Purchasing UoM Code 1kgPack

Purchasing UoM Name 1 Kilogram Pack

Items per Purchase Unit 1 1kgPack

Package Type

Quantity per Package 1

Customs Group Duty Exempt

Tax Group Input VAT - Goods 12

Inventory Item

Sales Item

Purchasing UoM and Package Types

Item No. VM001

UoM Group Packs

Inventory UoM 1kgPack

Purchasing UoM 1kgPack

Add Rows

Set as Default

Unit Name 1 Kilogram Pack

Items per Unit 1 1kgPack = 1 1kgPack

Purchasing UoM Dimensions

Length

Width

Height

Volume

Weight

cm

OK

Cancel

Package Types

01

02

Add Rows

Set as Default

Qty per Package

Package Type Dimensions

Length

Width

Height

Volume 0.0000

Weight

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# Common Inventory Problems/Risks and Control Measure

RISK/problems	Principle /Control measure	SAP B1 SOLUTIONS
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Shelf Life	FIFO Stock Movement plan	Serial/Batch Management
Life Cycle	Fixed Order Quantity	Forecasting
Damage	Basic Inventory Management function	UoM Package Type/Approvals, Restrictions
Over Delivery of Items or Stock -Outs	Min Max Method	Alert management, Blockings

# Alert Management for Minimum/Maximum Stock

**Alerts Management**

Name  Priority

☒ Active

#	To	Int.	E-Mail	SMS	Fax
1	ACCTG	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2	Admin	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3	AlertSvc	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4	Angel	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5	B1i	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6	Dingdong	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7	manager	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8	Sales	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9	Support	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10	Whse	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>



[illegible]

# Common Inventory Problems/Risks and Control Measure

RISK/problems	Principle /Control measure	SAP B1 SOLUTIONS
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Damage	Basic Inventory Management function	UoM Package Type/Approvals, Restrictions
Over Delivery of Items and Stock-outs	Min Max Method	Alert management, Blockings
Surprise Purchase Orders	Internal Communications/Forecasting	Approval Procedure/Blockings



Welcome, manager. You are in the Home cockpit of

### Approval Stages - Setup

Stage Name

Stage Description

No. of Approvals Required

No. of Rejections Required

#	Authorizer	Department
1	manager	General ▼
2		▼

# Approval Procedures

Approval Templates - Setup

Name  ☒ Active

Description  ☒ Active when Updating Documents

**Originator** **Documents** **Stages** **Terms**

☒ Documents

Sales - A/R

- ☐ Sales Quotation
- ☐ Sales Order
- ☐ Delivery
- ☐ Returns
- ☐ A/R Down Payment
- ☐ A/R Invoice
- ☐ A/R Credit Memo

☐ Inventory

- ☐ Goods Receipt
- ☐ Goods Issue
- ☐ Inventory Transfer Request
- ☐ Inventory Transfer
- ☐ Inventory Opening Balance

Purchasing - A/P

- ☐ Purchase Quotation
- ☒ Purchase Order
- ☐ Goods Receipt PO
- ☐ Goods Returns
- ☐ A/P Down Payment
- ☐ A/P Invoice
- ☐ A/P Credit Memo

☐ Internal Requisition

- ☐ Purchase Request

☐ Payment

- ☐ Outgoing Payment

☐ Inventory Counting Transactions

- ☐ Inventory Counting
- ☐ Inventory Posting

# Approval Procedures

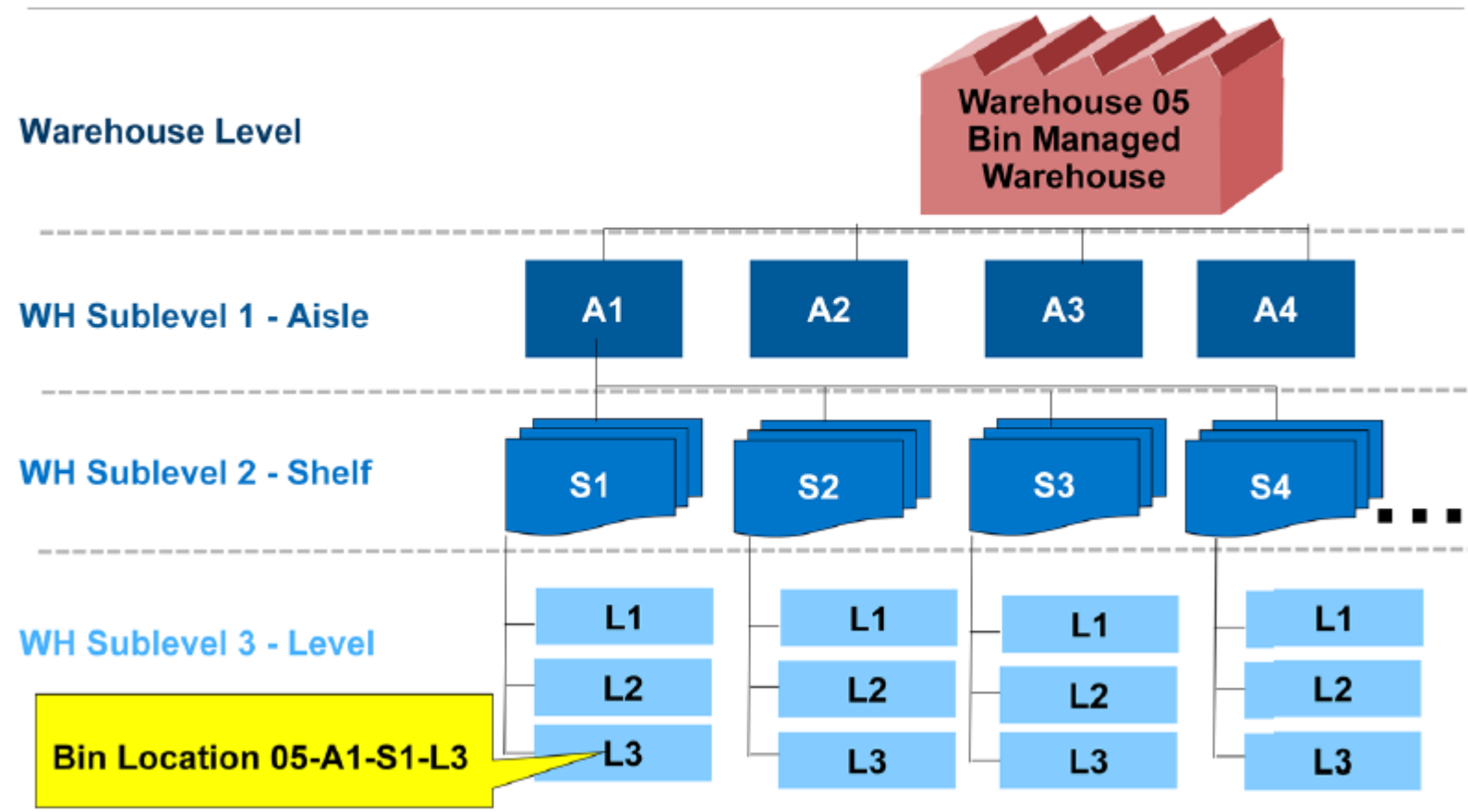
Approval Templates - Setup			
Choose	Term	Ratio	Value
<input type="checkbox"/>	Deviation from Credit Limit	Undefined Type	
<input type="checkbox"/>	Deviation from Commitment	Undefined Type	
<input type="checkbox"/>	Gross Profit %	Undefined Type	
<input type="checkbox"/>	Discount %	Undefined Type	
<input type="checkbox"/>	Deviation from Budget	Undefined Type	
<input checked="" type="checkbox"/>	Total Document	Greater or Ec ▼	PHP 5,000.00

# Common Inventory Problems/Risks and Control Measure

RISK/problems	Principle /Control measure	SAP B1 SOLUTIONS
Theft/Inventory Loss	Stock Card, Random Count	Serial/Batch Management & Inventory Count
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Damage	Basic Inventory Management function	UoM Package Type/Approvals, Restrictions
Over Delivery of Items and Stock outs	Min Max Method	Alert management, Blockings
Surprise Purchase Orders	Internal Communications/Forecasting	Approval Procedure/Blockings
Having too many SKUs in too many places	ABC Analysis	BIN Location Management

# BIN Location

## Bin Locations in the Warehouse



# BIN Location

Bin Location Master Data

Warehouse  Sublevel 1  Sublevel 2

Bin Location Code

Bin Location Properties

Inactive ☐

Receiving Bin Location ☐ Exclude from Auto. Alloc. on Issue ☐

Description

Item Weight  Item Qty

No. of Items  No. of Batches/Serials

Alternative Sort Code  Bar Code

Minimum Qty  Maximum Qty

Maximum Weight

Item Restrictions

UoM Restrictions

Batch Restrictions

Transaction Restrictions

Last Updated On

Reason

# BIN Location

Bin Location Management

Management Task

Generate Bin Locations

Bin Location Codes

	From	To
Warehouse	bodega	
Sublevel 1	500	
Sublevel 2	AA	

Bin Location Properties

Inactive

Receiving Bin Location

Description

Alternative Sort Code

Minimum Qty

Maximum Weight

Item Restrictions

None

UoM Restrictions

None

Batch Restrictions

None

Transaction Restrictions

None

User-Defined Fields

Exclude from Auto. Alloc. on Issue

Bar Code

Maximum Qty

Reason

# BIN Location and Barcode

Item Master Data

Item No.  14S003-Cyan  
Description   
Foreign Name   
**Item Type**   
Item Group   
UoM Group   
Price List

Bar Code   
Unit Price  PHP 375.000 1kgPack

General Purchasing Data Sales Data **Inventory Data** Planning Data Producti

Set G/L Accounts By   
UoM Code   
UoM Name   
Weight   
Inventory Counting UoM Code   
Inventory Counting UoM Name   
Items per Counting Unit  1kgPack  
Valuation Method

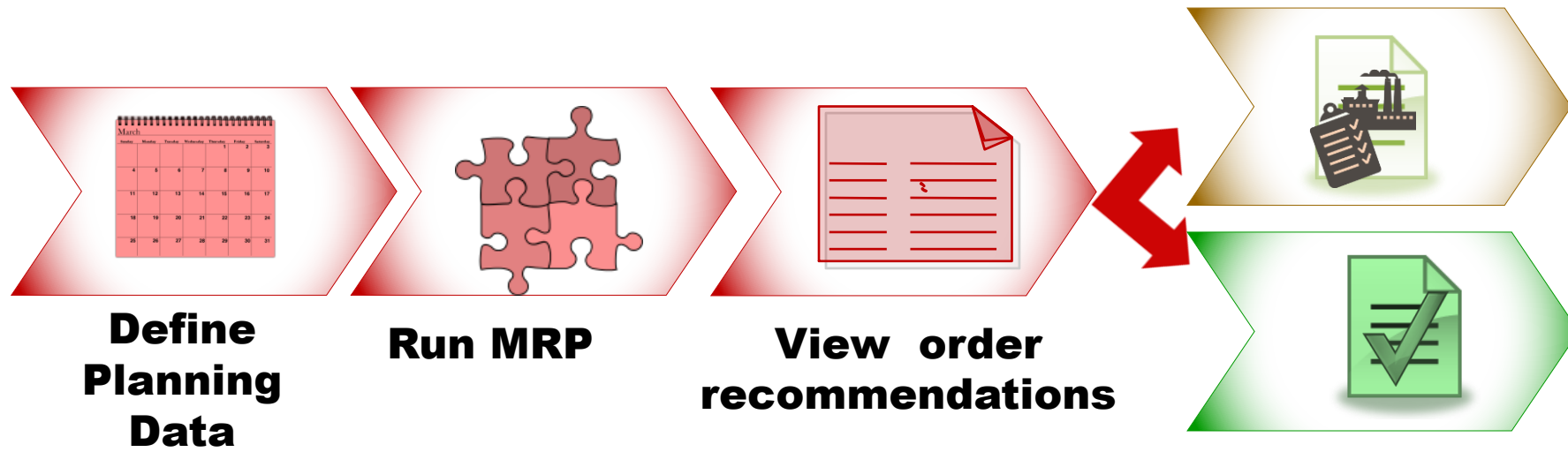
#	Whse Code	Whse Name	Locked	In Stock	Committed	Default Bin Location	Ordered	Available	Min. Invent
1	<input type="text" value="001"/>	BLOCK Margarita	<input type="checkbox"/>	20		<input type="text" value="001-AREA-AA"/>	1	21	
2	<input type="text" value="002"/>	BLOCK CAMELLA	<input type="checkbox"/>						
3	<input type="text" value="003"/>	Igloo Cold Storage	<input type="checkbox"/>						
4	<input type="text" value="004"/>	Slicing Facility	<input type="checkbox"/>						
5	<input type="text" value="01"/>	General Warehouse	<input type="checkbox"/>	100	120			-20	
				2,816	3,732		731	-185	



# Common Inventory Problems/Risks and Control Measure

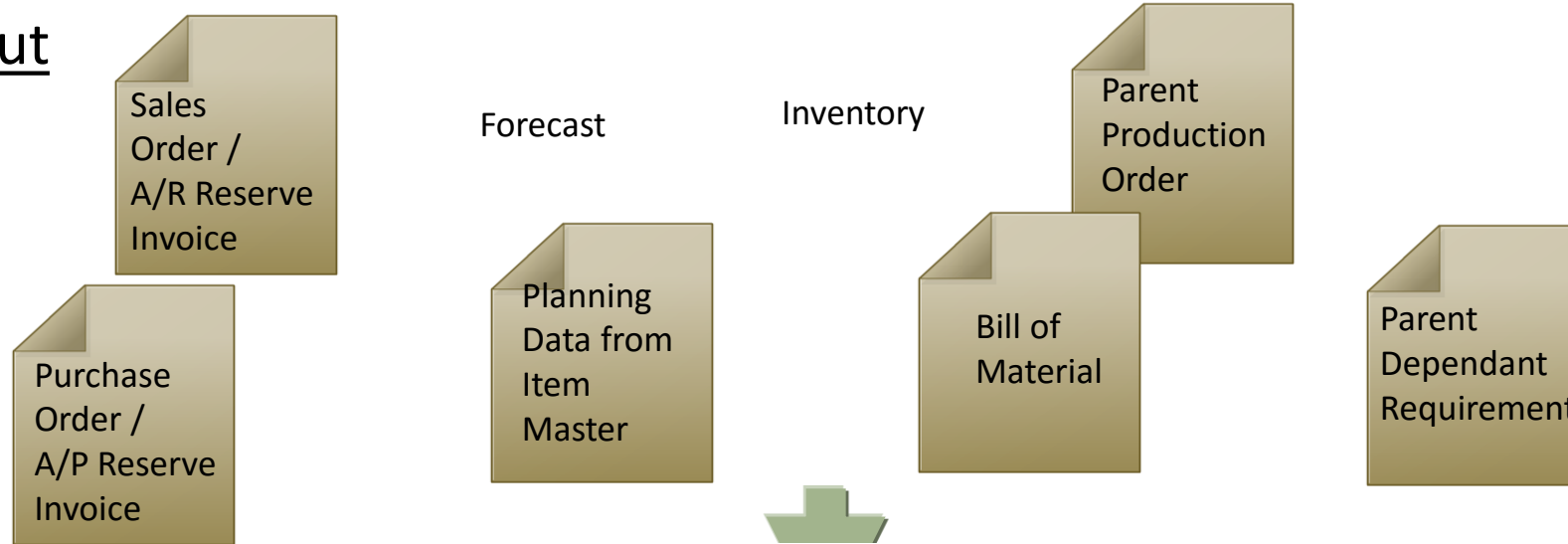
RISK/problems	Principle /Control measure	SAP B1 SOLUTIONS
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Over Delivery of Items or stock-outs	Min Max Method	Alert management, Blockings
Surprise Purchase Orders	Internal Communications/Forecasting	Approval Procedure/Blockings
Having too many SKUs in too many places	ABC Analysis	BIN Location Management
Performance Measurement are lacking	MRP	MRP

# Material Requirements Planning Overview



# MRP Basics

## Input



.....Material Requirements Planning.....

## Output



# MRP- Materials Requirements Planning

MRP Wizard - 2015

Scenario Details

Define the planning horizon that you want to display in the MRP report.

Description

2015

Planning Horizon

Start Date

05-24-2016

End Date

12-31-2016

View Data in Periods Of

1

Days

Planning Horizon Length

222

Days

Consider Holidays For

☒ Production Items

☒ Purchase Items

☐ Ignore Cumulative Lead Time

Display Preferences

Sort By

Assembly Sequence

☐ Display Items with No Requirements

☐ Display Selected Items Only

☐ Simulation

Save Scenario

Cancel

Back

Next

Run

# MRP- Materials Requirements Planning

[illegible]

# MRP- Materials Requirements Planning

MRP Wizard - 2015

## Inventory Data Source

Define which storage locations and warehouse as well as which sources of demand and supply to include in the MRP run.

### Run By

- ☒ Company - Consolidate existing inventory, demand, and supply into default warehouse only.  
☐ Warehouse - Include existing inventory, demand, and supply separately for each warehouse.

### Include Data Source

Include Supply	Location	Warehouse Code	Warehouse Name	Include Demand	Include Existing Inventory
<input checked="" type="checkbox"/>	▼			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<input checked="" type="checkbox"/>		⇒ 001	BLOCK Margarita	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<input checked="" type="checkbox"/>		⇒ 002	BLOCK CAMELLA	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<input checked="" type="checkbox"/>		⇒ 003	Igloo Cold Storage	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<input checked="" type="checkbox"/>		⇒ 004	Slicing Facility	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<input checked="" type="checkbox"/>		⇒ 01	General Warehouse	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<input checked="" type="checkbox"/>		⇒ 03	IT Warehouse	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<input checked="" type="checkbox"/>		⇒ 2	Main Warehouse	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<input checked="" type="checkbox"/>	▼ Main Office			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<input checked="" type="checkbox"/>		⇒ FG	FG WHSE	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<input checked="" type="checkbox"/>		⇒ Whse_2	MIOKA-MTC	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<input checked="" type="checkbox"/>		⇒ Whse_3	HOLD	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

Expand  
Collapse

Save Scenario

# MRP- Materials Requirements Planning

MRP Wizard - 2015

Documents Data Source

Define the data sources as well as the documents to include in the MRP calculation.

Time Range

☒ Within Planning Horizon

☐ Include Historical Data

Sources of Demand and Supply to Be Included in MRP Calculation

☐ Purchase Requests

☐ Purchase Quotations

☒ Purchase Orders

☒ Blanket Purchase Agreements

☐ Sales Quotations

☒ Sales Orders

☒ Blanket Sales Agreements

☒ Production Orders

☐ Inventory Transfer Requests

☐ Recurring Order Transactions

☐ Reserve Invoices

☐ Restrict Purchase Requests

☐ Restrict Purchase Quotations

☐ Restrict Purchase Orders

☐ Restrict Purchase Agreements

☐ Restrict Sales Quotations

☐ Restrict Sales Orders

☐ Restrict Sales Agreements

☐ Restrict Production Orders

☐ Restrict Transfer Requests

☐ Restrict Reserve Invoices

...

...

...

...

...

...

...

...

...

...

Inventory Level

Minimum

Forecast

2015

Recommendations

☒ Purchase

☒ Purchase Requests

☐ Purchase Orders

☒ Production Orders

☐ Inventory Transfer Requests

☒ Generate to Default Warehouse for Item

☐ Generate to Warehouse with the Demand

Save Scenario

Step 5 of 6

Cancel

Back

Next

Run

## MRP Wizard - June 1, 2016

On the "Report" tab, you may toggle the final inventory quantity either before or after the MRP run with the "Preview MRP Run Results" checkbox.

Calculated At 10:54

Find Item No. 

## Recommendations

☐ Filter Possible Problem Items[illegible]

Save Scenario



# MRP- Materials Requirements Planning

**Order Recommendation**

Planning Horizon: 05-01-2016 - 12-31-2016      Calculated At: 05-28-2016 10:54

Find Item No.:

Create	Order Type	Item Number	Item Description	Quantity	UoM Code	UoM Name	Item Minimum Order Qty	Item Order Multiple	Item Lead Time	Release Date	Due Date	Vendor ...
1	Purchase Request ▼	Fer002	Vitamins	50	Manual	Vial	50.000	0.000	15	10-11-2016	11-01-2016	VEN0011
	Purchase Order											
	Production Order											
	Inventory Transfer Request											
	Purchase Quotation											
	Purchase Request											

Navigation icons: Back, OK, Cancel

# Other inventory facilities in SAP

# Item Master Data – Planning data

Item Master Data

Item No. Manual ▼ ITM00001  
Description Laptop Sonic Master  
Foreign Name  
**Item Type** Items ▼  
Item Group → Merchandise ▼  
UoM Group → Set ▼ ⋮ Bar Code Set ...  
Price List Distributor Price ▼ Unit Price Primary Curren ▼ Set ...

General Purchasing Data Sales Data Inventory Data Planning Data Production Data

Planning Method MRP ▼  
Procurement Method Buy ▼

Order Interval ▼  
Order Multiple  
Minimum Order Qty 0.000 Set

Lead Time Days  
Tolerance Days Days

# Item Master Data – Inventory Data

Item Master Data

Item No. Manual ITM00001

Description Laptop Sonic Master

Foreign Name

Item Type Items

Item Group Merchandise

UoM Group Set

Price List Distributor Price

Bar Code

Unit Price Primary Curren

Set

Set

General

Purchasing Data

Sales Data

Inventory Data

Planning Data

Production Data

Set G/L Accounts By Warehouse

UoM Code Set

UoM Name Set

Weight

Inventory Counting UoM Code Set

Inventory Counting UoM Name Set

Items per Counting Unit 1 Set

Valuation Method Moving Average

Standard

FIFO

#	Whse Code	Whse Name	Committed	Ordered	Available	Min. Inventory	Max. Inventory	Req. Inv. Level	Item
1	001	BLOCK Marga							
2	002	BLOCK CAMEI							
3	003	Igloo Cold St							
4	004	Slicing Facility							
5	01	General Ware							

General

Purchasing Data

Sales Data

Inventory Data

Planning Data

Production Data

Properties

Remarks

Attachments

Set G/L Accounts By

Item Group

UoM Name

Weight

Valuation Method

Moving Average

☒ Manage Inventory by Warehouse

Inventory Level

Required (Purchasing UoM)

Minimum

Maximum

#

Whse Code

Whse Name

Locked

In Stock

Committed

Ordered

Available

Min. Inventory

Max. Inventory

Req. Inv. Level

Item Cost

Revenue Account

E...

4

➡ 004

Slicing Facility

☐

➡ 4000-1000

➡ 60

5

➡ 01

General Warehouse

☐

100

147

762

715

366.56

➡ 4000-1000

➡ 60

6

➡ 03

IT Warehouse

☐

➡ 4000-1000

➡ 60

7

➡ 2

Main Warehouse

☐

109

109

372.4

➡ 4000-1000

➡ 60

8

➡ bodega

bodega

☐

➡ 4000-1000

➡ 60

209

147

762

824

Purchases to supplier



# Barcode in SAP B1

[illegible]

# Multiple units of Measure

#	Code	Unit Name	Length	Width	Height	Volume	Volume UoM	Weight
1	Manual	Manual					ci	
2	Pack	Pack	30cm	21cm	4cm	2,520	cc	2.5kg
3	Small Pack	Small Pack	30cm	21cm	2cm	1,260	cc	1.25kg
4	6 Pack	6 Pack	30cm	21cm	24cm	15,120	cc	15kg
5	Carton	Carton	60cm	42cm	24cm	60,480	cc	60kg
6	Pallet	Pallet	84cm	60cm	24cm	120,960	cc	120kg
7	Case	Case					ci	
8	DVD	DVD					ci	
9	Kit	Kit					ci	

Item Master Data

Item No. Manual P11111 ☒ Inventory Item  
Description Printer Paper A4 ☒ Sales Item  
Foreign Name ☒ Purchase Item  
Item Type Items  
Item Group Items  
UoM Group Paper  
Price List Base Price  
Bar Code  Pack  
Unit Price Primary Curren 3.00 \$

General Purchasing Data Sales Data Inventory Data Planning Data Properties Attachments Remarks

Set G/L Accounts By Warehouse ☒ Manage Inventory by Warehouse  
UoM Code Pack  
UoM Name Pack  
Valuation Method Moving Average  
Inventory Level  
Required (Purchasing UoM)  
Minimum  
Maximum

# SAP Inventory Reports

## Inventory Posting List

Inventory Posting List									
Posting Date	Document	Doc. Row	Whse	G/L Acct/BP Code	G/L Acct/BP Name	Inventory UoM	Qty	Price after Disc.	Balance
1000001					Item				218
11-19-2014	⇒ ST 4	1	⇒ 01	⇒ 1000-3200	Supplies Inventory		-9	PHP 366.560	209
									209
14S003-Cyan					2014 SWIMWEAR - KIDS				
06-03-2014	⇒ SI 200000025	1	⇒ 2		Opening Balance	1 Kilogram Pack	2,000	PHP 0.000	2,000
06-03-2014	⇒ MR 300000002	1	⇒ 2	⇒ 1000-3100	Merchandise Inventory	1 Kilogram Pack		PHP 100.000	2,000
06-03-2014	⇒ DN 500000025	1	⇒ 2	⇒ CUS0004	Customer	1 Kilogram Pack	-100	PHP 375.000	1,900
06-05-2014	⇒ DN 500000026	1	⇒ 2	⇒ CUS0004	Customer	1 Kilogram Pack	-100	PHP 375.000	1,800
08-25-2014	⇒ DN 500000032	1	⇒ 2	⇒ CUS0005	SM Mall Of Asia	1 Kilogram Pack	-10	PHP 500.000	1,790
08-27-2014	⇒ CN 200000011	1	⇒ 2	⇒ CUS0004	Customer	1 Kilogram Pack	1	PHP 375.000	1,791
10-30-2014	⇒ DN 500000036	1	⇒ 2	⇒ CUS0006	SM Megamall	1 Kilogram Pack	-95	PHP 398.280	1,696
10-30-2014	⇒ DN 500000037	1	⇒ 2	⇒ CUS0006	SM Megamall	1 Kilogram Pack	-5	PHP 398.280	1,691
									1,691
14S003-Magenta					2014 SWIMWEAR - KIDS				
06-03-2014	⇒ SI 200000025	2	⇒ 2		Opening Balance	SET	3,000	PHP 0.000	3,000
06-03-2014	⇒ MR 300000002	2	⇒ 2	⇒ 1000-3100	Merchandise Inventory	SET		PHP 100.000	3,000
06-03-2014	⇒ DN 500000025	2	⇒ 2	⇒ CUS0004	Customer	SET	-350	PHP 375.000	2,650
06-05-2014	⇒ DN 500000026	2	⇒ 2	⇒ CUS0004	Customer	SET	-100	PHP 375.000	2,550
									2,550
14S003-Yellow					2014 SWIMWEAR - KIDS				
06-03-2014	⇒ SI 200000025	3	⇒ 2		Opening Balance	SET	4,000	PHP 0.000	4,000
06-03-2014	⇒ MR 300000002	3	⇒ 2	⇒ 1000-3100	Merchandise Inventory	SET		PHP 100.000	4,000
06-03-2014	⇒ DN 500000025	3	⇒ 2	⇒ CUS0004	Customer	SET	-250	PHP 375.000	3,750

- ☐ Split Display by Batch/Serial Numbers  
☐ Split Display by Bin Locations



# SAP Inventory Reports


## Inventory Status

Inventory Status								
Item No.		1000001						
Double-click row number to open following report		Available-to-Promise						
#	Item No.	Item Description	In Stock	Committed	Ordered	Available	Unit of Measure	Req...
1	1000001	Item	209	147	762	824		
2	14S003-Cyan	2014 SWIMWEAR - KIDS	2,816	3,732	731	-185	1 Kilogram Pack	
3	14S003-Magenta	2014 SWIMWEAR - KIDS	2,660	2,101	4,002	4,561	SET	
4	14S003-Yellow	2014 SWIMWEAR - KIDS	3,735	2,511	10	1,234	SET	
5	14SANT/Cyan/L/AS	SANTA 2014 Cyan LARGE ASYMMETRICAL	14	1,000	4,502	3,516		
6	14SANT/Cyan/L/PL	SANTA 2014 Cyan LARGE PLAIN	286	410	5,170	5,046		
7	14SANT/Cyan/L/ST	SANTA 2014 Cyan LARGE STRIPES	105	200	1,241	1,146		
8	14SANT/Cyan/M/AS	SANTA 2014 Cyan MEDIUM ASYMMETRICAL	28		1,000	1,028		
9	14SANT/Cyan/M/PL	SANTA 2014 Cyan MEDIUM PLAIN	5		1,000	1,005		
10	14SANT/Cyan/M/ST	SANTA 2014 Cyan MEDIUM STRIPES	155	10	1,010	1,155		
11	14SANT/Cyan/S/AS	SANTA 2014 Cyan SMALL ASYMMETRICAL	3	10	1,013	1,006		
12	14SANT/Cyan/S/PL	SANTA 2014 Cyan SMALL PLAIN	10	20	1,011	1,001		
13	14SANT/Cyan/S/ST	SANTA 2014 Cyan SMALL STRIPES	16		1,012	1,028		
14	14SANT/Magenta/L/AS	SANTA 2014 Magenta LARGE ASYMMETRICAL		15	1,015	1,000		
15	14SANT/Magenta/L/PL	SANTA 2014 Magenta LARGE PLAIN	8		1,002	1,010		
16	14SANT/Magenta/L/ST	SANTA 2014 Magenta LARGE STRIPES			1,012	1,012		
17	14SANT/Magenta/M/AS	SANTA 2014 Magenta MEDIUM ASYMMETRICAL			1,000	1,000		
18	14SANT/Magenta/M/PL	SANTA 2014 Magenta MEDIUM PLAIN	111		1,010	1,121		
19	14SANT/Magenta/M/ST	SANTA 2014 Magenta MEDIUM STRIPES	32		1,000	1,032		
20	14SANT/Magenta/S/AS	SANTA 2014 Magenta SMALL ASYMMETRICAL			1,001	1,001		
21	14SANT/Magenta/S/PL	SANTA 2014 Magenta SMALL PLAIN			1,000	1,000		
22	14SANT/Magenta/S/ST	SANTA 2014 Magenta SMALL STRIPES	27		1,014	1,041		

# SAP Inventory Reports

## Inventory Status (Available to Promise)

### Inventory Status (Available-to-Promise)

Item No.  1000001 Item

Warehouse

[illegible]

# SAP Inventory Reports

## Inventory in Warehouse Report

### Inventory in Warehouse Report

Find

[illegible]

# SAP Inventory Reports

## Inventory Audit Report

Inventory Audit Report

Date From

Date To

Currency

Items

Warehouses

UoM	#	Item No.	Description	System Date	Posting Date	Document	Whse	Quantity	Cumulative Qty	Cumulative Value	Currency
SET	4	14S003-Yellow	2014 SWIMWEAR - KIDS						3,735.000	602,000.000	
	5					Opening			0.000	0.000	
SET	6			06-03-2014	06-03-2014	SI 2000	2	4,000.000	4,000.000	0.000	PHP
SET	7			06-03-2014	06-03-2014	MR 3000	2	0.000	4,000.000	400,000.000	PHP
SET	8			06-03-2014	06-03-2014	DN 5000	2	-250.000	3,750.000	375,000.000	PHP
SET	9			06-05-2014	06-05-2014	DN 5000	2	-100.000	3,650.000	365,000.000	PHP
SET	10			08-04-2014	08-04-2014	DN 5000	2	-10.000	3,640.000	364,000.000	PHP
SET	11			08-26-2014	08-26-2014	PD 5000	2	90.000	3,730.000	373,000.000	PHP
SET	12			08-26-2014	08-26-2014	PD 5000	2	10.000	3,740.000	374,000.000	PHP
SET	13			08-27-2014	08-27-2014	DN 5000	2	-200.000	3,540.000	354,000.000	PHP
SET	14			08-25-2014	08-25-2014	IM 5000	2	-200.000	3,340.000	334,000.000	PHP
SET	15			08-25-2014	08-25-2014	IM 5000	Brar	200.000	3,540.000	354,000.000	PHP
SET	16			08-25-2014	08-25-2014	DN 5000	2	-10.000	3,530.000	353,000.000	PHP
SET	17			01-08-2015	01-08-2015	DN 5000	2	-10.000	3,520.000	352,000.000	PHP
SET	18			09-07-2015	09-07-2015	PD 5000	2	15.000	3,535.000	502,000.000	PHP
SET	19			05-24-2016	05-24-2016	PD 5000	2	100.000	3,635.000	552,000.000	PHP
SET	20			05-24-2016	05-24-2016	PD 5000	2	100.000	3,735.000	602,000.000	PHP
	21	14SANT/Cyan/L/AS	SANTA 2014 Cyan LARGE ASYMMETRICAL						14.000	2,924.330	
	22	14SANT/Cyan/L/PL	SANTA 2014 Cyan LARGE PLAIN						286.000	169,371.720	
	23	14SANT/Cyan/L/ST	SANTA 2014 Cyan LARGE STRIPES						105.000	100,100.000	
	24	14SANT/Cyan/M/AS	SANTA 2014 Cyan MEDIUM ASYMMETRICAL						28.000	5,889.660	
										9,468,600,886.581	

# SAP Inventory Reports

## Batches and Serial Inventory Audit Report

### Batches and Serials Inventory Audit Report

Date From	<input type="text"/>	Date To	<input type="text"/>	Items	-
Currency	PHP			Warehouses	All
Report View	List				

#	Whse	Item No.	Description	Serial/Batch No.	Serial/Batch	Current Serial/Batch Cost	Serial/Batch Attribute 1	System Date	Expiry Date	Document	Quantity	Cost	Trans. Va...
⇒	001	⇒ AFC001	Back Ribs	⇒ 03172015BR	Batch	879.545		03-17-2015	06-30-2015	⇒ PD 500000075	66.000	879.550	58,050.
⇒	001	⇒ AFC001	Back Ribs	⇒ 03162015BRa	Batch	879.546		03-17-2015	04-30-2015	⇒ PD 500000076	25.000	879.550	21,988.
⇒	001	⇒ AFC001	Back Ribs	⇒ 03162015BRa	Batch	879.546		03-18-2015	04-30-2015	⇒ SO 100000039	2.500	879.540	-2,198.
⇒	001	⇒ AFC001	Back Ribs	⇒ 03162015BRb	Batch	879.546		03-17-2015	04-30-2015	⇒ PD 500000076	20.000	879.550	17,590.
⇒	001	⇒ AFC001	Back Ribs	⇒ 03162015BRc	Batch	879.545		03-17-2015	04-30-2015	⇒ PD 500000076	21.000	879.550	18,470.
⇒	001	⇒ AFC001	Back Ribs	⇒ 03012015BRa	Batch	684.091		03-17-2015	04-30-2015	⇒ PD 500000077	22.000	684.090	15,050.
⇒	001	⇒ AFC001	Back Ribs	⇒ 03012015BR	Batch	684.091		03-17-2015	04-30-2015	⇒ PD 500000077	22.000	684.090	15,050.
⇒	004	⇒ AFC001	Back Ribs	⇒ 120912901	Batch	0.000		03-20-2015		⇒ PD 500000086	500.000	0.000	0.
⇒	004	⇒ AFC001	Back Ribs	⇒ 12901209	Batch	0.000		03-20-2015		⇒ PD 500000087	420.000	0.000	0.
⇒	01	⇒ AFC001	Back Ribs	⇒ 1290129	Batch	94,505.495		03-20-2015		⇒ PD 500000089	0.455	94,505.490	43,000.
⇒	01	⇒ AFC001	Back Ribs	⇒ 1234566	Batch	219.780		07-24-2015	12-31-2015	⇒ PD 500000099	910.000	219.780	200,000.
		⇒ AFC001	Back Ribs	⇒ 1234566	Batch	219.780		07-24-2015	12-31-2015	⇒ PU 100000082	0.000	0.000	0.
⇒	001	⇒ AFC002	Bottom Round Roast	⇒ 03172015BRR	Batch	977.273		03-17-2015	06-20-2015	⇒ PD 500000075	99.000	977.270	96,750.
⇒	001	⇒ AFC002	Bottom Round Roast	⇒ 03162015BRRa	Batch	977.273		03-17-2015	06-30-2015	⇒ PD 500000076	35.000	977.270	34,204.
⇒	001	⇒ AFC002	Bottom Round Roast	⇒ 03162015BRRb	Batch	977.273		03-17-2015	04-30-2015	⇒ PD 500000076	30.000	977.270	29,318.
⇒	001	⇒ AFC002	Bottom Round Roast	⇒ 03162015BRRc	Batch	977.273		03-17-2015	05-15-2015	⇒ PD 500000076	34.000	977.270	33,227.
⇒	001	⇒ AFC002	Bottom Round Roast	⇒ 03012015BRRa	Batch	586.364		03-17-2015	04-30-2015	⇒ PD 500000077	44.000	586.360	25,800.
⇒	01	⇒ AFC002	Bottom Round Roast	⇒ 1221	Batch	39,090.909		03-20-2015		⇒ PD 500000090	2.200	39,090.910	86,000.
⇒	001	⇒ AFC003	Brisket Flat Cut	⇒ 03172015BFC	Batch	937.986		03-17-2015	05-20-2015	⇒ PD 500000075	99.000	937.990	92,860.
⇒	001	⇒ AFC003	Brisket Flat Cut	⇒ 03162015BFca	Batch	937.986		03-17-2015	03-31-2015	⇒ PD 500000076	40.000	937.990	37,519.



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# SAP Inventory Reports

## Inventory Turnover Analysis

OEC Computers



### Inventory Turnover Analysis

Period From: 01/01/2006 To 01/31/2006

Warehouse: 05, 02, 01, 03, 04

Item Group: J.B. Printers, Rainbow Printers

Warehouse Code: 01

Warehouse Name: General Warehouse

Item Group	Item	UOM	Opening Inventory	Closing Inventory	Period Goods Issue Qty	Days of Inventory	Inventory Turnover	Min.	Lead Time	Next Reorder Point	Last Receipt Date
J.B. Printers	*	N/A	0.000	215.000	5.000 666.500		0.047	0.000	0	6,162.800	11/09/2015
	J.B. Officeprint 1111	N/A	0.000	220.000	5.000 682.000		0.045	0.000	0	5,983.000	08/09/2012
	J.B. Officeprint 1186	N/A	0.000	165.000	55.000 46.500		0.667	0.000	0	614.927	08/09/2012
Rainbow Printers	Rainbow Color Printer 5.0	N/A	0.000	190.000	35.000 84.143		0.368	0.000	0	925.571	11/10/2015



# Common Inventory Problems/Risks and Control Measure

RISK/problems	Principle /Control measure	SAP B1 SOLUTIONS
Theft/Inventory Loss	Stock Card, Random Count	Serial/Batch Management & Inventory Count
Inventory Waste	J.I.T	Procurement Confirmation Wizard
Shelf Life	FIFO Stock Movement plan	Serial/Batch Management
Life Cycle	Fixed Order Quantity	Forecasting
Damage	Basic Inventory Management function	UoM Package Type/Approvals, Restrictions
Over Delivery of Items and Stock-Outs	Min Max Method	Alert management, Blockings
Surprise Purchase Orders	Internal Communications/Forecasting	Approval Procedure/Blockings
Having too many SKUs in too many places	ABC Analysis	BIN Location Management
Performance Measurement are lacking	MRP	MRP

# SAP Business One Q & A

