

Order Management

Commit confidently to customer demand by better understanding supply and demand

To respond to customer demand is challenging for companies, especially if they lack visibility into their operations. To manage orders effectively, businesses must be able to see the demands they face and directly link those demands to available supply.

Managing demand effectively is essential because orders drive a company's operations. Demands affect materials planning, which in turn affects both production planning and procurement. With inaccurate demand information, companies generate production plans and supply orders that are out of sync with demand, resulting in excess inventory and inefficient capacity utilization.

GLOVIA G2 Order Management enables businesses to commit to customer demand with confidence while keeping production utilization steady and inventories lean. The highly configurable solution helps companies automatically create stable, achievable plans while meeting customer demands. Order Management provides complete visibility into all GLOVIA G2 Sales Orders and GLOVIA G2 Sales Quotes, whether configured or not, as well as the supply and production orders required to complete the delivery.

Order Management provides many lasting benefits to manufacturers, including:

- Improve initial order promising and re-promising
- Reduce excess inventory levels
- Improve customer service levels
- Increase visibility into supply availability
- Increase on-time delivery performance
- Lower transportation costs
- Improve responsiveness and compressed cycle times

A Promise is a Promise

Many companies find it difficult to provide accurate order promising information to their customers because as assemblies are manufactured or purchased according to a forecast, finished goods are assembled in response to an order. Traditional ERP and material planning systems compound this problem since they cannot provide visibility into which supplies are allocated to which demands.

Order Management enables companies to promise accurate Capable-to-Promise delivery dates for new, changed and configured orders automatically. The module plans each Sales Quote or Order as soon as it is received and uses advanced algorithms to allocate projected inventory to these demands. This allows companies to keep their customers informed, even with constant changes in demand and production.

Once a Sales Quote or Order is scheduled and inventory allocated, Order Management runs a test to ensure it can be delivered within customer tolerances. If the date is within tolerance, then promise documents are automatically generated and sent to customers via XML or email. If the date is beyond the established tolerance, then the module manages the exception by flagging the order for manual review and resolution – such as changing the production schedule to resolve the shortage, changing the priority of orders, or using substitute items.

Total Visibility

Order Management provides companies with complete visibility into their operations, helping them to make the right supply and production decisions while reducing inventories and improving customer service.

The module tightly links demand with production and supply by planning Sales Quotes and Orders against both available and potential inventories. Order Management also increases visibility into supply by accounting for supplier's availability.

GLOVIA G2 Order Management provides online, graphical visibility into:

- Requirements and projected supplies for every Sales Quote and Order
- Available alternatives, including substitute products and their projected availability
- Order status and details, showing which orders will be on-time, which will be late, and which cannot be automatically planned
- Details behind supply potential including what demands are consuming incoming supplies
- Order costs and margins, which helps manufacturers understand the financial impact of substitutions and changed orders
- Projected inventory availability overlaid with projected utilization

Flexible Inventory Allocation

To help you provide your customers with accurate order promising while increasing plan stability and maximizing both inventory and production utilization, Order Management supports several advanced inventory allocation methodologies including:

- **First In, First Out (FIFO):** Allocates projected inventory forward to delivery date, typically used for low-cost, short lead time items
- **Last In, First Out (LIFO):** Allocates projected inventory backwards from delivery date, typically used for long lead time items
- **Hikiate:** Allocates projected inventory backward from delivery date and then forward, providing more plan stability when order cancellations or changes are common

- **Time-horizon Based:** Allocates projected inventory based on two time horizons, such as 10-day forward and 40-day limited backwards allocation; provides short-term stability and flexibility for rush and last minute orders as well as increased plan stability for items not required in the first time horizon

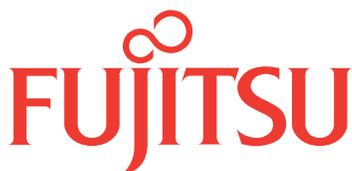
Automatically Manage Sales Quotes and Orders

Order Management is seamlessly integrated with GLOVIA G2 Sales Orders, Sales Quotes and the Customer Portal. This enables manufacturers to handle all their orders and quotes, regardless of whether they are entered via GLOVIA G2 screens, a web browser or XML documents.

Order Management is also integrated with GLOVIA G2 Configurator so sales quotes and orders can be created with an attached configuration. This allows manufacturers to identify the projected delivery date based on the availability of the components defined in the configuration. Order Management is also integrated with GLOVIA G2 Factory Planning and Supply Chain Planning solutions. The module can also be integrated with other ERP, advanced planning, and supply chain planning systems. This provides manufacturers with increased visibility and allows them to leverage their existing technology investments.

Reduce Transportation Cost with Delivery Planning

Order Management enables packing group codes to be assigned to deliveries and ensures that they are picked, packed and shipped together. This lets companies pre-group items based on what is sensible for shipping purposes and reduces transportation costs. The module will also automatically suggest split shipments, which helps companies to be more responsive while maximizing inventory utilization and cash flow.



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