

How-To Guide

CUSTOMER

SAP Business One 9.1 PL04 and higher, and SAP Business One 9.1, version for SAP HANA PL04 and higher
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How to Work with Resources in SAP Business One

Country: All

Typographic Conventions

Type Style	Description
<i>Example</i>	Words or characters quoted from the screen. These include field names, screen titles, pushbuttons labels, menu names, menu paths, and menu options. Textual cross-references to other documents.
Example	Emphasized words or expressions.
EXAMPLE	Technical names of system objects. These include report names, program names, transaction codes, table names, and key concepts of a programming language when they are surrounded by body text, for example, SELECT and INCLUDE.
Example	Output on the screen. This includes file and directory names and their paths, messages, names of variables and parameters, source text, and names of installation, upgrade and database tools.
Example	Exact user entry. These are words or characters that you enter in the system exactly as they appear in the documentation.
<Example>	Variable user entry. Angle brackets indicate that you replace these words and characters with appropriate entries to make entries in the system.
EXAMPLE	Keys on the keyboard, for example, F2 or ENTER .

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1 Introduction

The Resources module together with the existing production functionality provides a base platform for managing light manufacturing processes in SAP Business One.

A resource is defined as a commodity, machine, labor, or other asset used to produce goods and services. As opposed to items, resources have capacity available throughout a period of time which can be consumed in a production process. Resources (resource capacity) can therefore be assigned to production orders. Resource capacity is always viewed within a period of time called "capacity period".

Consumption of resources in a production process contributes to the overall production costs and can be split into underlying cost elements for further accounting purposes.

Using the resources functionality you can perform the following key business functions:

- Manage basic production capacity
- Analyze real production variances
- Simplify BOM management
- Use production order more flexibly
- Monitor complete standard production costing

2 Initial Settings

2.1 Defining Primary G/L Accounts



Define G/L accounts to be used for resources. Postings behind transactions are made to these accounts directly unless you create advanced G/L account determination rules for resources and specify other accounts for certain transactions.

Example

You may have different resource groups which should use different standard cost expense accounts. If you name Standard Cost Expense 1 differently for two different groups, the system posts costs for both resource groups to the account defined for the Standard Cost Expense 1 in the [G/L Account Determination](#) window. To enable posting values for Standard Cost Expense 1 to different accounts depending on the resource group, you can define advanced G/L account determination rules according to which the system will post cost expenses to the accounts determined by each resource group separately. For more information, see 2.2 Advanced G/L Account Determination.

Procedure

1. From the SAP Business One [Main Menu](#), choose [Administration](#) → [Setup](#) → [Financials](#) → [G/L Account Determination](#) → [G/L Account Determination](#) → [Resources](#) tab.

Account	Description
Std. Cost Expense 1 ... 10	<div> Note</div> <p>These fields are available only if you are using a perpetual inventory system.</p> <p>Define accounts for up to ten standard cost expense components. Each of the standard cost components is posted when the resource is consumed through the production order, that is, when a user creates the issue for production document with resource lines. When issuing to production, each separate standard cost component numbered from 1 to 10 is credited according to the quantity consumed to the corresponding standard cost expense account and debited to the related WIP account.</p> <p>If you return a resource through the return components functionality in the receipt from production, the system posts a reverse transaction.</p>
Resource WIP Account	<div> Note</div> <p>This field is available only if you are using a perpetual inventory system.</p> <p>This account maintains the value of resources that are included in the work process, that is, the period between the start of production and the completion of the final product. The value from this field is copied to the Account Code field for resource lines in the issue for production document if the following applies:</p> <ul style="list-style-type: none">• The Component WIP Account radio button is selected for the production order document in the Document Settings window. For more information, see 7.6 Document Settings and WIP Account.

Account	Description
	<ul style="list-style-type: none"> You have not defined the Account Code field for a resource line in the Production Order window. <p>If you defined the Account Code field for a resource line in the production order manually, or if the value has been copied from the Bill of Materials window, then that code is used as the Resource WIP account in the issue for production for the resource in question.</p>
Offset accounts	<p>i Note</p> <p>The offset accounts are available only if you are managing accounting with Balance Sheet accounts and Profit and Loss accounts. To manage accounting with these accounts, from the SAP Business One Main Menu, choose Administration → System Initialization → Document Settings → Per Document tab, in the Document field, select Production Order. In the Posting Schemas for Manufacturing area, select the Accounting with Balance Sheet Accounts and Profit & Loss Accounts radio button.</p> <p>i Note</p> <p>This feature is available in the following localizations only:</p> <ul style="list-style-type: none"> ○ Czech Republic ○ Slovakia ○ Hungary ○ Germany ○ Portugal ○ Turkey ○ Spain ○ Korea ○ France ○ Korea ○ France ○ Russia ○ USA ○ Canada ○ Switzerland ○ Austria ○ Netherlands <p>Postings for resources related to issues for production, receipts from production and production order closure impact these accounts. That is, the offset accounts appear in any posting in which the WIP account and the Std Cost Expense accounts are used.</p> <p>The offset postings are dependent on the definition in the Document Settings window for the production order of whether to use component or parent item WIP accounts for</p>

Account	Description
	component transactions. For more information, see 7.6 Document Settings and WIP Account.
<i>WIP Offset P&L Account</i>	This account is used to offset the WIP resource account posting.
<i>Resource Offset P&L Account</i>	This account is used to offset all of the Std Cost Expense accounts that are in use. This offset account selects component related account irrespective of the document settings option for parent or component WIP accounts.

2.2 Advanced G/L Account Determination

You can manage resource G/L account determination according to a flexible and centralized method. By setting a hierarchy of rules, you can assign resource G/L accounts by the following determination criteria:

- Resource groups
- Resources
- Warehouses
- Various combinations of all the above criteria

If defined, the advanced G/L account determination rules have priority over the settings in the *G/L Account Determination* window. However, there are exceptions, for example, if you define the *WIP Account* field in the *Bill of Materials* or the *Production Order* window manually, that account will be used as the WIP account regardless of the criteria you defined in the *Advanced G/L Account Determination* window. For more information on this functionality, see the *How To Set Up and Work with Advanced G/L Account Determination* guide in the documentation resource center.

2.3 Enabling Fixed Assets Functionality

If you want to associate some resources with fixed assets, you need to enable the fixed assets functionality.

Procedure

1. From the SAP Business One *Main Menu*, choose *Administration* → *System Initialization* → *Company Details* → *Basic Initialization* tab.
2. Select the *Enable Fixed Assets* checkbox.

A system message appears informing you that enabling this functionality is an irreversible process. Choose [Yes](#).

3. On the [Basic Initialization](#) tab, in the [Calculate Depreciation By](#) field, select one of the following options:
 - o [Month](#)
 - o [Day](#)
4. Choose [Update](#).



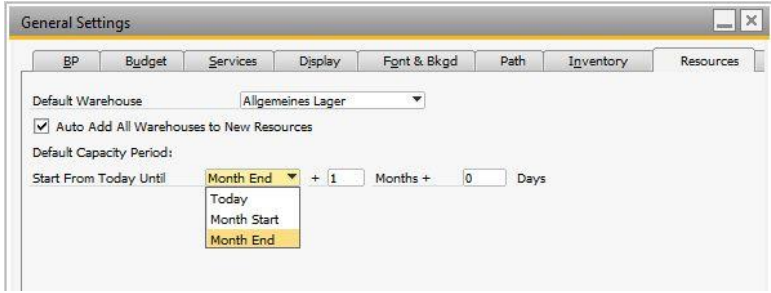

For more information on how to use the fixed assets functionality, see the online help for SAP Business One.

2.4 Defining Resource Defaults

To define default settings for resources at the company level, proceed as follows:

1. From the SAP Business One [Main Menu](#), choose [Administration](#) → [System Initialization](#) → [General Settings](#) → [Resources](#) tab.

Define the following fields:

Field/Checkbox	Activity/Description
Default Warehouse	<p>Select a default warehouse. This warehouse will be used for resources in production orders.</p> <p> Note</p> <p>You can also set a default warehouse at the resource level and at the user level. For more information, see Defining a Default Warehouse.</p>
Auto Add All Warehouses to New Resources	<p>If you select this checkbox, when adding a new resource master data record, all warehouses appear in the Warehouse table on the Capacity Data tab.</p> <p>If you deselect this checkbox, when adding a new resource master data record, only the default warehouse appears in the Warehouse table on the Capacity Data tab.</p>
Default Capacity Period	<p>Determines the default capacity period displayed upon opening any of the windows that contain the Capacity Period From...To fields.</p> <p> Note</p> <p>Upon opening windows and tabs which contain the Capacity Period field, the From date is always the current system date. The To date is calculated by the settings for resources in the General Settings window. You can shift between periods using the arrow buttons; the buttons move the capacity period backwards and forwards by the same number of days as displayed upon opening the window.</p> <ol style="list-style-type: none"> In the Start From Today Until field, specify the default end date for capacity period calculation: <ul style="list-style-type: none"> Today - The current system date is taken as a start date for calculation. Month Start - The first day of the month of the current system date is taken as a start date for calculation. Month End - The last day of the month of the current system date is taken as a start date for calculation.  <ol style="list-style-type: none"> In the Months and Days fields, specify the number of months and days from the start date. Both positive and negative numbers are allowed. <p> Example 1</p> <p>You have defined the default capacity period as displayed below.</p>

Upon opening the *Capacity Data* tab of the *Resource Master Data* window, the *Capacity Period From* field is always the current date, for example, September 23, 2013. Since the end date of the capacity period is Today, the *To* field is September 23, 2013. The forward and backward arrows move the capacity period by **one day**.

Example 2


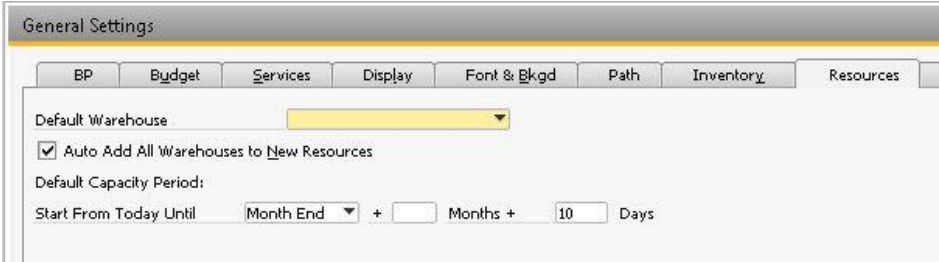

You have defined the default capacity period as displayed below.

Upon opening the *Capacity Data* tab of the *Resource Master Data* window, the *Capacity Period From* field is the current system date, for example, September 23, 2013. The *To* field is October 1st, 2013. The forward arrow moves the capacity period by the same number of days, hence the *From* date is October 2 and the *To* date is October 10.

Example 3

You have defined the default capacity period as displayed below.

Upon opening the *Capacity Data* tab of the *Resource Master Data* window, the *Capacity Period From* field is the current date, for example, September 23, 2013. The *To* field is September 30, 2013 (calculated from September 1, the month start). The forward arrow moves the capacity period by the same number of days, hence the *From* date is October 1 and the *To* date is October 8.

Field/Checkbox	Activity/Description
	<p> Example 4</p> <p>You have defined the default capacity period as displayed below.</p> <div data-bbox="416 499 1358 759">  </div> <p>Upon opening the <i>Capacity Data</i> tab of the <i>Resource Master Data</i> window, the <i>Capacity Period From</i> field is the current date, for example, September 23, 2013. The <i>To</i> field is October 10, 2013 (calculated from September 30, the month end). The forward arrow moves the capacity period by the same number of days, hence the <i>From</i> date is October 11 and the <i>To</i> date is October 28.</p> <p> Note</p> <p>If upon opening the <i>Capacity Data</i> tab (or any other window containing the <i>Capacity Period From... To</i> fields) the current date is later than the <i>To</i> date by the set calculation, the capacity period displays results for the current date only.</p>

- To save the changes, choose **OK**.

2.5 Defining a Default Warehouse

You can set a default warehouse for a resource at three levels:

- Resource level - in the *Resource Master Data* window
- User level - in the *User Defaults* window
- Company level - in the *General Settings* window (*Administration* → *System Initialization* → *General Settings* → *Resources* tab)

The system takes the default warehouse according to the order above; for a new transaction, the system takes the default warehouse from the resource level. If a resource does not have a defined default warehouse at the resource level, it takes the default warehouse from the user level. If there is no default warehouse defined at the user level, it takes the default warehouse defined in the general settings.

2.6 Defining Resource Properties

You can define resource properties and use them for filtering purposes, for example, in reports.

Procedure

To define resource properties, proceed as follows:

1. From the SAP Business One *Main Menu*, choose *Administration* → *Setup* → *Resources* → *Resource Properties*. The *Resource Properties - Setup* window appears.
By default, the fields are named *Resource Master Data Property 1... 64*.
2. To change the name field, click the line and enter a desired property name.
3. Choose *Update*.

2.7 Defining Resource Groups

Whenever you create a resource, it belongs to a group. The default resource group is *Resources*. You can create more groups to classify your resources. Upon creation, a resource obtains setting defaults from its group. You can change these settings at the resource level in the *Resource Master Data* window.

Use the groups for analysis purposes, reports, evaluations, and to process resources together as a group.

Procedure

To create a resource group, proceed as follows:

1. From the SAP Business One *Main Menu*, choose *Administration* → *Setup* → *Resources* → *Resource Groups*. The *Resource Groups - Setup* window appears.

Resource Std Cost	User-Definable Name	Default Std Cost
Resource Std Cost 1	Electricity	
Resource Std Cost 2	Resource Std Cost 2	
Resource Std Cost 3	Resource Std Cost 3	
Resource Std Cost 4	Resource Std Cost 4	
Resource Std Cost 5	Resource Std Cost 5	
Resource Std Cost 6	Resource Std Cost 6	
Resource Std Cost 7	Resource Std Cost 7	
Resource Std Cost 8	Resource Std Cost 8	
Resource Std Cost 9	Resource Std Cost 9	
Resource Std Cost 10	Resource Std Cost 10	

2. In the *Resource Group Name* field, enter the name of the group you want to create.
3. In the *Resource Type* field, select one of the following options:
 - o *Machine* - This type of resource can be linked to fixed assets.
 - o *Labor* - This type of resource can be linked to employees.
 - o *Other* - This type of resource cannot be linked to fixed assets or employees.The default option is *Machine*.
4. In the field *Unit of Measure Text*, enter the unit of measure used for this resource group.

-
5. In the *Resource Std Cost* table, you can define up to ten components of the resource standard cost per the defined unit of measure.

In the column, *User-Definable Name*, enter the desired name of the cost component, for example, "Electricity".

In the column *Default Std Cost*, enter costs charged for one defined unit of measure.

The names and default standard cost values will be copied into the resource master data if the resource belongs to this group.

6. Choose *Update*.

3 Working with Resource Master Data

Use the resource master data to add, update, search and maintain resource data.

3.1 Creating Master Data Records

Procedure

From the SAP Business One *Main Menu*, choose *Resources* → *Resource Master Data*.

1. The window appears in *Find* mode. Switch to *Add* mode.

The screenshot shows the 'Resource Master Data' window in SAP Business One. The window has a header area with fields for 'Resource No.' (set to 'Manuell'), 'Description', 'Foreign Name', 'Resource Type' (set to 'Machine'), 'Resource Group' (set to 'Ressourcen'), 'Unit of Measure Text', 'Time per Resource Units' (set to '0:00:00'), and 'Res. Units per Time Period' (set to '1'). Below the header are tabs for 'General', 'Capacity Data', 'Planning Data', 'Properties', 'Attachments', and 'Remarks'. The 'General' tab is active, showing 'Issue Method' (set to 'Backflush') and 'Resource Allocation' (set to 'On Due Date'). To the right of these fields is a table with two columns: 'Resource Std Cost' and 'Default Std Cost'. The table contains 10 rows for 'Ressource Standardkosten 1' through 'Ressource Standardkosten 10', all with a value of '0,00'. Below the table is a 'Total Std Resource Cost' row. At the bottom left, there are radio buttons for 'Active' (selected), 'Inactive', and 'Advanced'. To the right of these are 'From' and 'To' date fields and a 'Remarks' field. At the bottom of the window are 'Add' and 'Cancel' buttons.

Resource Std Cost	Default Std Cost
Ressource Standardkosten 1	0,00
Ressource Standardkosten 2	0,00
Ressource Standardkosten 3	0,00
Ressource Standardkosten 4	0,00
Ressource Standardkosten 5	0,00
Ressource Standardkosten 6	0,00
Ressource Standardkosten 7	0,00
Ressource Standardkosten 8	0,00
Ressource Standardkosten 9	0,00
Ressource Standardkosten 10	0,00
Total Std Resource Cost	




2. Define the fields in the header area and on the tabs as described below and choose *Add*.

General Area (Header)

In the general area, define the following fields:

i Note

Fields that are self-explanatory are not described in the table below.

Field/Checkbox	Activity/Description	Comments
<i>Resource No.</i>	Define a number (code) for the resource. The value of this field must be unique; other resources or items cannot have the same code.	
<i>Bar Code</i>	Enter a bar code for the resource. You can only enter one bar code per resource.	
<i>Resource Type</i>	<p>From the dropdown list, select one of the following resource types:</p> <ul style="list-style-type: none"> • <i>Machine</i> • <i>Labor</i> • <i>Other</i> <p>The default value is defined by the selected resource group.</p>	
<i>Resource Group</i>	<p>Select the group to which you want to assign the resource.</p> <p> Note</p> <p>The resource draws default values from the resource group as described in <i>Defining Resource Groups</i>. You can update them at the resource level in this window.</p>	
<i>Unit of Measure Text</i>	Enter a unit of measure for expressing resource capacity. For example, machine cycle, hour, or minute.	
<i>Time per Resource Units</i>	<p>Enter the time per resource units in the <hours:minutes:seconds> format. This field is related to the <i>Res. Units per Time Period</i> field.</p> <p> Note</p> <p>Resource capacity is always expressed in quantity of units of measure; capacity time in this field is used to translate the capacity quantity into capacity time for reporting purposes only.</p>	<p> Example</p> <p>You have a machine that works in cycles. Each cycle takes 15.</p> <p>In <i>Time per Resource Units</i> enter 00:15:00, and in <i>Res. Units per Time Period</i> enter 1 (1 cycle in 15 minutes).</p> <p>Alternatively, you can define <i>Time per Resource Unit</i> as 01:00:00, and <i>Res. Units per Time Period</i> as 4.</p>
<i>Res. Units per Time Period</i>	Enter the number of resource units to which the <i>Time per Resource Units</i> field relates. The default value is <i>1</i> .	

Field/Checkbox	Activity/Description	Comments
		<p>i Note</p> <p>These definitions are used to calculate the <i>Run Time</i> value for resources included in a production order. You can leave these fields blank.</p>

General Tab

On the *General* tab, view or define the following fields:

i Note

Fields that are self-explanatory are not described in the table below.

Field/Checkbox	Activity/Description
<i>Issue Method</i>	<p>Select one of the following issue methods:</p> <ul style="list-style-type: none"> <i>Backflush</i> - Upon receiving finished items on a production order, the resource capacity is automatically consumed, that is, the issue to production is then automatically issued. <i>Manual</i> - Receipt of finished items on a production order does not impact the capacity of the resource. Resource consumption (issue to production) must be issued manually. <p>The default option is <i>Backflush</i>.</p>
<i>Resource Allocation</i>	<p>From the dropdown list, choose one of the following options:</p> <ul style="list-style-type: none"> <i>On Due Date</i> - All the capacity of the resource is allocated to the due date of the production order regardless of the quantity of the <i>Internal</i> and <i>Available</i> capacities on that day. <i>Automatic</i> - The capacity of the resource is allocated automatically regarding the <i>Internal</i>, but regardless of the <i>Available</i> capacities on that day. For more details on automatic resource allocation, see Production Order Window. <p>The default value is <i>On Due Date</i>. This field is later copied to the production order.</p>
<i>Resource Std. Cost</i>	<p>The field names and default values of each cost component are defined by the selected resource group. To change the values for this resource, enter them in the <i>Default Std. Cost</i> column.</p> <p>Consumption of resources on a production order automatically adds these separate resource costs to separate WIP and expense accrual accounts.</p>
<i>Active</i>	Enter the range of dates to determine a validity period for the resource.
<i>Inactive</i>	Enter the range of dates to indicate the period for which you freeze the resource.

Field/Checkbox	Activity/Description
<i>Advanced</i>	Enter the range of dates to determine the following: <ul style="list-style-type: none"> <i>Active Range</i> - a validity period for the resource <i>Inactive Range</i> - the period for which you freeze the resource

Capacity Data Tab

On the *Capacity Data* tab, you can view resource capacity for a desired period per warehouse.

- Upon opening the window, the *From* date is always the current system date and the *To* date is defined by the default capacity period defined in the *Resources* tab of the *General Settings* window. Use the arrow buttons to shift between capacity periods.

To view the capacity data for a different date range, enter the desired date range in the *Capacity Period* field and click anywhere in the table.

Note

The capacity period is restricted to a maximum of one year.

- View or define the following fields in the warehouse table:

Field/Checkbox	Description/Activity
<i>Whse Code</i>	To define an additional warehouse for the resource, select one from the choose from list in this field.
<i>Locked</i>	Selecting this checkbox locks the warehouse for the resource and prevents you from adding the resource from this warehouse to production orders.

Field/Checkbox	Description/Activity
	<p>i Note</p> <p>The setting of this field has no impact on the ability to enter or update capacity data.</p>
<i>Internal</i>	The capacity that you set for a resource available in your warehouses or production areas. The capacity applies to the period specified on this tab. For more information, see 4.1 <i>Setting Internal Resource Capacity</i> .
<i>Committed</i>	The capacity that has not yet been issued and that is assigned to production orders of either <i>Planned</i> or <i>Released</i> status, and which has been allocated within the capacity period defined on this tab.
<i>Consumed</i>	The sum of the issued resource capacity on production orders and which is allocated within the capacity period specified on this tab.
<i>Available</i>	<p>This capacity is defined per warehouse within the specified capacity period as follows:</p> <p><i>Internal Capacity - Committed Capacity - Consumed Capacity</i></p>
<i>Set Default Whse</i>	To set a default warehouse at the resource level, select the desired row and choose this button.

i Note

Capacity data in the warehouse table are rounded according to the settings in SAP Business One *Main Menu* → *Administration* → *System Initialization* → *General Settings* → *Display* tab → *Quantities* field.

i Note

To delete a row, right-click in the row and choose *Delete Row*. You can only delete a row which has zero capacity set from today into the future.

Planning Data Tab

On the *Planning Data* tab, you can plan daily internal capacity which you can later set as default values in the *Resources - Set Daily Internal Capacity* window.

1. For every day in the table, enter up to four daily capacity factors in numbers that determine the overall daily capacity of the resource. The total daily standard capacity is automatically calculated in the *Daily Capacity* field by multiplying the factors. Instead of entering daily factors, you can enter the daily capacity directly in the *Daily Capacity* field.

Resource Master Data

Resource No. Resource01 Bar Code

Description

Foreign Name

Resource Type

Resource Group

Unit of Measure Text

Time per Resource Units Res. Units per Time Period

General Capacity Data Planning Data Fixed Assets Properties Attachments Remarks

Standard Daily Capacity	Daily Capacity Factors				Daily Capacity	Remarks
	1	2	3	4		
Monday	2.500	2.500	3.000		18.750	
Tuesday	2.000	3.000	2.000		12.000	
Wednesday	4.000	3.000	3.000		36.000	
Thursday	2.000	3.000	4.000	2.000	48.000	
Friday		3.000	5.000	2.000	30.000	
Saturday						
Sunday						

OK Cancel

Example

The resource is a wood cutting machine and the unit of measure is machine hour. You have three wood cutting machines which can be operated eight hours a day. In the *Daily Capacity Factors* fields, enter numbers 3 and 8. In the *Daily Capacity* field, the total daily capacity of 24 hours is displayed.

- You can enter comments and remarks in the *Remarks* field.

Fixed Assets

Depending on the resource type you have defined, you can associate it with fixed assets or employees.

If the resource type is *Machine*, on the *Fixed Assets* tab, you can associate fixed assets with the resource.

To do so, in the *Fixed Asset Item No* field, select a fixed asset from the choose from list. The remaining fields are then filled with the values from the relevant fields in the *Asset Master Data* window.

1 Note

- This tab is available only if the [Enable Fixed Assets](#) checkbox is selected, as described in *Enabling Fixed Assets Functionality*.
- One resource can be associated with multiple fixed assets, but one fixed asset can be associated with one resource only.

To delete a row, proceed as follows:

1. Select the desired row.
2. In the menu bar, choose [Data](#) → [Remove](#).
3. A message appears informing you about the removal process. Choose [Yes](#).

Employees Tab

To associate the resource to an employee, in the [Employee No.](#) field, from the choose from list, select an employee. The remaining fields are then filled with the values from the relevant fields in the employee master data record.

1 Note

- This tab is visible only if the resource type is [Employee](#).
- One employee can be associated with multiple resources.

To delete a row, proceed as follows:

1. Select the desired row.
2. In the menu bar, choose [Data](#) → [Remove](#).
3. A message appears informing you about the removal process. Choose [Yes](#).

Properties Tab

On the [Properties](#) tab, you can assign properties to the resource.

Remarks Tab

On the [Remarks](#) tab, you can add text or an image to further describe the resource.

Attachments Tab

On the [Attachments](#) tab, you can add files related to the resource. Document formats include Word, Excel, .bmp files and other file extensions.

3.2 Updating Master Data Records

Procedure

1. From the SAP Business One [Main Menu](#), choose [Resources](#) → [Resource Master Data](#).
2. In the [Resource No.](#) field, enter the complete or partial resource number and choose [Find](#).
3. Modify the necessary fields and choose [Update](#).
4. Choose [Update](#) to save the changes.

3.3 Deleting Master Data Records



Caution

You can remove a resource only if all of the following apply:

- It is not assigned to a document or a draft document.
- It is not assigned to any open sales, purchasing or production documents.
- The internal capacity of the resource for the current system date and later is zero.

Procedure

1. From the SAP Business One [Main Menu](#), choose [Resources](#) → [Resource Master Data](#).
2. In the [Resource No.](#) field, enter the complete or partial resource number and choose [Find](#).
3. In the SAP Business One menu bar, choose [Data](#) → [Remove](#).
A system message appears informing you that this process is irreversible.
4. Choose [Yes](#).

4 Working with Resource Capacity

4.1 Setting Internal Resource Capacity

You need to set the internal resource capacity for resources, so that the exact available capacity can be used as a measure against resource requirements in open production orders. Use the following options:

- To set or update daily internal capacity in a batch for a selected range of resources within a period of time, use the [Resources - Set Daily Internal Capacities](#) window, as described in section 4.1.1 Setting Internal Resource Capacities in a Batch (Set Daily Internal Capacities Window).
- To set or update internal capacity manually for one or more resources for specific days, use the [Resource Capacity](#) window, as described in section 4.1.2 Setting Daily Internal Resource Capacity for Specific Days Manually (Resource Capacity Window).

You can also use this window to view all types of capacities per a period of time ([Internal](#), [Committed](#), [Consumed](#), or [Available](#)).

4.1.1 Setting Internal Resource Capacities in a Batch (Set Daily Internal Capacities Window)

Procedure

1. From the SAP Business One [Main Menu](#), choose [Resources](#) → [Set Daily Internal Capacities](#).

Note

You can access this window from the [Resource Capacity](#) window by choosing the [Set Daily Internal Capacities](#) button. In this case, all the selection criteria fields inherit the values from the [Resource Capacity](#) window.

2. The [Capacity Period](#) fields are defined by the initial settings for the default capacity period.
Upon opening the window, the [From](#) date is always the current system date. The [To](#) date is defined by the default capacity period. Use the arrow buttons to shift between capacity periods. To define a different capacity period, enter the desired date range in the [Capacity Period](#) field and click outside the fields.
3. Define the range of the remaining selection criteria in the header area:
 - o [Warehouse Code](#)
 - o [Resource No.](#)
 - o [Resource Group](#)
 - o [Resource Type](#)
 - o [Resource Properties](#)

Note

If you leave any of the fields above blank, the system selects all data from the category.

4. In the *Set Daily Capacity Basis Using* field, select one of the following options:

1 Note

Depending on this selection, different fields in the window are enabled.

- *Data from Planning Data Tab of Resource Master Data* - Sets the internal capacity for the selected range of resources using the values specified on the *Planning Data* tab of the relevant resource master data record.
 1. In the table area, in the *Update Data For* column, select the checkboxes for the days for which you want to update the internal capacity.
 2. To modify the data from the *Planning Data* tab, in the *Increase/Decrease Data from Planning Data Tab By* field, select one of the following:
 - *Fixed Capacity* - Enter the amount of resource units, positive or negative, by which you want to increase or decrease the data.
 - *Percentage* - Enter the percentage, positive or negative, by which you want to increase or decrease the data.

- *Manual Data as Entered Below for Each Weekday* - Sets the internal capacity for the selection of resources according to the data entered manually in this window.
 1. In the table area, in the *Update Data For* column, select the checkboxes for the days for which you want to update internal capacity.
 2. In the *Daily Capacity Factors* fields, enter up to four daily capacity factors in numbers that determine the overall daily capacity of the resource. The total daily standard capacity is automatically calculated in the *Daily Capacity* field by multiplying the factors. Instead of entering daily factors, you can enter the daily capacity directly in the *Daily Capacity* field.
5. In the *Additional Comment* field, you can enter text which will be accessible from the *Resource Capacity* window. In the mentioned window, the data associated with this comment are displayed in blue.
 6. If you do not want the capacity data to be applied to holiday days, select the *Do Not Update Holiday Days* checkbox.

Resources - Set Daily Internal Capacities

Capacity Period: From 07/08/14 To 08/01/14

Warehouse Code: From 02 To 02

Resource No.: From Resource01 To

Resource Group: From To

Resource Type: From To

Resource Properties Ignore

Set Daily Capacity Basis Using: Manual Data as Entered Below for Each Weekday

Update Data for	1	2	3	4	Daily Capacity
<input checked="" type="checkbox"/> Monday	2	3			6
<input checked="" type="checkbox"/> Tuesday	2	2	4		16
<input checked="" type="checkbox"/> Wednesday	4	2	2		16
<input checked="" type="checkbox"/> Thursday	2	6			12
<input checked="" type="checkbox"/> Friday	3	5			15
<input type="checkbox"/> Saturday					
<input type="checkbox"/> Sunday					

Additional Comment: One sewing machine is out of order

Do Not Update Holiday Days: ☒

Update Cancel

7. Choose [Update](#).

i Note

- To view capacity for a resource that you have defined here, use the [Resource Capacity](#) window. There you can update resource capacity for specific days manually.
- When you access this window from the [Main Menu](#), the [Capacity Period From...To](#) values appear according to the rules defined in the [General Settings](#) window, and the remaining criteria are inherited from the last execution view.

4.1.2 Setting Daily Internal Resource Capacity for Specific Days Manually (Resource Capacity Window)

Procedure

1. From the SAP Business One [Main Menu](#), choose [Resources](#) → [Resource Capacity](#).

The [Resource Capacity](#) window appears.

i Note

If you access this window from the [Resource Master Data](#) window, the selection criteria from the [Resource Capacity](#) window are copied to the [Resource Capacity](#) window and internal resource capacity data for [All Warehouses](#) is displayed.

Resource Capacity

Capacity Type: Internal

Capacity Period: From 07/08/14 To 08/01/14

Warehouse Code: From To

Resource No.: From Resource01 To Resource01

Resource Group: From To

Resource Type: From To

Resource Properties: Ignore Refresh

#	Resource No.	Resource Desc...	Whse	Total	07/08	07/09	07/10	07/11	07/12	07/13	07/14
1	Resource01		01								
2	Resource01		02								
Total											

OK Cancel Set Daily Internal Capacities

2. In the *Capacity Type* field, select *Internal*.
3. The *Period Capacity From* and *To* fields are determined by the defined default capacity period. To shift between capacity periods, use the arrow buttons. To change the capacity period, enter the desired date range and choose *Refresh*.

i Note

The defined capacity period cannot be longer than one year.

4. Define the range of the remaining selection criteria in the general area, then choose *Refresh*:
 - o *Warehouse Code*
 - o *Resource No.*
 - o *Resource Group*
 - o *Resource Type*
 - o *Resource Properties*
 - o *Resource Properties Status*

i Note

- o If you leave any of the fields above blank, the system selects all data from the category.
- o If there is already any internal capacity defined for this period, it is displayed in the table area.

To view data for each day in the table, scroll over the date fields, as displayed below:

Resource Capacity

Capacity Type: Internal + 0.000 % -

Capacity Period: From 07/08/14 To 08/01/14

Warehouse Code: From To

Resource No.: From Resource01 To Resource01

Resource Group: From Resources To

Resource Type:

Resource Properties: Ignore Refresh

#	Resource No.	Resource Desc...	Whse	Total	07/08	07/09	07/10	07/11	07/12	07/13	07/14	07/15	07...
1	Resource01		01	120	25	10	25	30					
2	Resource01		02	120	25	10	25	30					
Total				240	50	20	50	60					20

Update Cancel Set Daily Internal Capacities

- In the desired date field, enter capacity for a resource. You can enter decimal values, too. You can repeat this for as many dates and resources as you need.

i Note

Dates related to holiday days are displayed in red.

To decrease or increase values by 5%, press **CTRL** and select the desired rows in the table, then choose the [Decrease/Increase Percentage](#) buttons or enter a desired percentage value in the field (positive or negative).

- To enter a comment, double-click a desired cell in the table and choose [Edit Comment](#). Enter the comment and choose **OK**.

Fields with comments added from the [Resource Capacity](#) window are displayed in red.

Fields with comments added from the [Resources - Set Daily Internal Capacity](#) window are displayed in blue. You can edit those comments in this window, as well. In that case, the fields are no longer displayed in blue, but in red.

- The following internal capacity totals related to the selection criteria are displayed in the table:
 - At the bottom of each column - displays the total internal capacity of the displayed items per date.
 - In the [Total](#) column - for each item, displays the total internal capacity for the defined capacity period.
 At the bottom of the [Total](#) column, the value of the summed totals is displayed.
- To save the data, choose [Update](#).

i Note

If you access this window from the [Main Menu](#), all selection criteria are inherited from the last execution view except the [Capacity Period From... To](#) field, which appears according to the definitions in the [General Settings](#) window. Choose [Refresh](#) to display the capacity data in the table.


4.1.2.1 Accessing Resource Capacity Window from Resource Master Data

If you access the *Resource Capacity* window from the *Capacity Data* tab of the *Resource Master Data* window, the selection criteria from the *Capacity Data* tab are copied to the *Resource Capacity* window. To access the *Resource Capacity* window from *Resource Master Data*, proceed as follows:

On the *Capacity Data* tab, right-click anywhere in the window and choose *Internal Resource Capacity*.

The *Resource Capacity* window opens with the following selection criteria copied from the *Capacity Data* tab: *All Warehouses*, *Capacity Period*, and *Resource No.*

4.1.2.2 Accessing Resource Capacity Window from Production Order Window

You can access the *Resource Capacity* window from the *Production Order* window. To do so, in the resource line, click  (Link Arrow) in the *Available* column. The *Resource Capacity* window opens with the following criteria:

- *Capacity Type*: All
- *Capacity Period*: Not defined
- *Warehouse Code*: Copied from the resource line of the production order

4.2 Viewing Resource Capacity

To view data for all capacity types for a resource within a desired capacity period, use the *Capacity Data* tab in the *Resource Master Data* window.

To view daily data for all capacity types for a selected range of resources within a desired capacity period, use the *Resource Capacity* window as described below.

4.2.1 Viewing Resource Capacity from Resource Capacity Window

Note

If you access this window from the *Main Menu*, all selection criteria are inherited from the last execution view except the *Capacity Period From... To* field, which appears according to the definitions in the *General Settings* window. Choose *Refresh* to display the capacity data in the table.

Procedure

1. From the SAP Business One *Main Menu*, choose *Resources* → *Resource Capacity*.

2. From the dropdown list in the *Capacity Type* field, select the desired option:
 - o *Internal* - If you select this, you can also update the capacity data as described in Setting Daily Internal Resource Capacity for Specific Days Manually (Resource Capacity Window).
 - o *Committed*
 - o *Consumed*
 - o *Available*
 - o *All* - If you select this, all four capacity types are displayed simultaneously. In the collapsed view, only the *Available* capacity is visible. In the expanded view all four capacity types are visible.

3. The *Period Capacity From* and *To* fields are determined by the defined default capacity period. Upon opening the window, the *From* date is the current system date. To shift between capacity periods, use the arrow buttons. To change the capacity period, enter the desired date range and choose *Refresh*.
4. Define the range of the remaining selection criteria in the header area:
 - o *Warehouse Code*
 - o *Resource No.*
 - o *Resource Group*
 - o *Resource Type*
 - o *Resource Properties*

Note

If you leave any of the fields above blank, the system selects all data from the category.
Choose *Refresh*.

The capacity data for the defined selection criteria are displayed in the table area.

5. To view data for each day in the table, scroll to the right over the date columns.

Note

For [Internal](#) resource capacity type, the following applies:

- Capacity data with comments added from the [Resource Capacity](#) window are displayed in blue.
- Capacity data with comments added from the [Resources - Set Daily Internal Resource Capacity](#) window are displayed in red.

To view the comments, hover over the field.

6. To view cumulative quantities of the selected capacity type, select the [Show Cumulative Capacity from Today](#) checkbox. The capacity quantities accumulate with each day starting from the current system date, regardless of the [Capacity Period](#) you are viewing. Data for days prior to the current system date are in this case blank.

Note

If you are viewing the [Internal](#) capacity type, the fields in the table are read-only; you cannot update the internal capacity if the [Show Cumulative Capacity from Today](#) checkbox is selected.

Example 1 - Show Cumulative Capacity from Today

- You are viewing [Available](#) capacity for a resource for a period of 5 days. The [From](#) date is the current system date, July 12. The following information is displayed in the table when the [Show Cumulative Capacity from Today](#) checkbox is deselected.

Capacity Type	July 12	July 13	July 14	July 15	July 16
Available	5	5	7	5	6

- You are viewing [Available](#) capacity for the same resource, for the same period. However, now the [Show Cumulative Capacity from Today](#) checkbox is selected.

Capacity Type	July 12	July 13	July 14	July 15	July 16
Available	5	10 (5+5)	17 (5 + 5 + 7)	22 (5 + 5 + 7 + 5)	28 (5 + 5 + 7 + 5 + 6)

Example 2 - Show Cumulative Capacity from Today

You are viewing [Available](#) capacity for a resource for a period of 7 days. The [From](#) date is July 10, the current date is the current system date, July 12. The following information is displayed in the table when the [Show Cumulative Capacity from Today](#) checkbox is selected.

Capacity Type	July 10	July 11	July 12	July 13	July 14	July 15	July 16
Available			5	10 (5+5)	17 (5 + 5 + 7)	22 (5 + 5 + 7 + 5)	28 (5 + 5 + 7 + 5 + 6)



Example 3 - Show Cumulative Capacity from Today

You are viewing *Available* capacity for a resource for a period of 3 days. The *From* date is July 14, the current date is the current system date, July 12. The following information is displayed in the table when the *Show Cumulative Capacity from Today* checkbox is selected.

Capacity Type	July 14	July 15	July 16
<i>Available</i>	17 (5 + 5 + 7)	22 (5 + 5 + 7 + 5)	28 (5 + 5 + 7 + 5 + 6)

7. If you are viewing *All* capacity types in collapsed view, the quantities in resource rows display the *Available* capacity type. Choose the *Expand All* button, to switch to the expanded view and display all capacity type rows.
 - o In the *Internal* capacity type row, if you have defined internal capacities for the defined period, the relevant quantities are displayed. You can update the internal capacity for any of the dates displayed, and view or add comments.
 - o In the *Committed* and *Consumed* capacity type rows, the cells which contain values appear as push buttons. Click them to see the relevant source documents related to the committed or the consumed quantity of the resource.

The screenshot shows the 'Resource Capacity' window with the following details:

- Capacity Type:** All
- Capacity Period:** From 04.09.14 To 30.09.14
- Warehouse Code:** From 02 To 02
- Resource No.:** From Res01 To Res01
- Resource Group:** From To
- Resource Type:**
- Resource Properties:** Ignore
- Refresh** button

#	Resource No.	Resource Desc...	Whse	Type	Total	04.09	05.09	06.09	07.09	08.09	0.
1	▼ Res01		02	Available	2'690	90	100	100	100	100	
2				Internal	2'700	100	100	100	100	100	
3				Committed							
4				Consumed	-10	-10					
Total					2'690	90					

☐ Show Cumulative Capacity from Today

OK **Cancel** **Collapse All** **Expand All**

Resource Capacity Quantity Details

Resource Number: Res01
 Description: Res01
 Date: 04.09.14
 Warehouse: 02

Source	Type	Quantity
1	Issue for Production	10
		10

OK

5 Enhancements to Item Master Data


A new *Production Data* tab with a number of fields has been added to the *Item Master Data* window to help streamline BOM and resource management.

To use the enhancements, from the SAP Business One *Main Menu*, choose *Inventory* → *Item Master Data* → *Production* tab.

The screenshot shows the 'Item Master Data' window with the 'Production Data' tab selected. The 'BOM Type' is set to 'Production'. Below it, 'No. of Item Components' is '1', 'No. of Resource Components' is '1', and 'Production Std Cost' is '20,00 EUR'. The 'Include in Production Std Cost Rollup' checkbox is checked. The 'Phantom Item' checkbox is also visible but unchecked.

View or define the following:

Field/Checkbox	Description/Activity
<i>Phantom Item</i>	<p>Note</p> <p>This checkbox has been moved from the <i>General</i> tab to the <i>Production Data</i> tab.</p> <p>Defines the item as a phantom; a phantom item is an item type in BOM that has an engineering or structure function only. Phantom items do not represent a physical component or a subassembly, thus they are defined as non-inventory items.</p>
<i>Issue Method</i>	<p>Note</p> <p>This checkbox has been moved from the <i>General</i> tab to the <i>Production Data</i> tab.</p> <p>Select one of the following issue methods:</p>

Field/Checkbox	Description/Activity
	<ul style="list-style-type: none"> • <i>Backflush</i> - after you report the completion of the parent item, the components are automatically issued to the production order. • <i>Manual</i> - the components are manually issued to the production order, regardless of the issue of the product. <p>1 Note</p> <p>You cannot use the <i>Backflush</i> method for items managed by serials or batches.</p>
<i>BOM Type</i>	<p>This field indicates if the item is associated with a BOM as a parent item. The field is blank if the item is not associated with any BOM. Otherwise, the following values are possible:</p> <ul style="list-style-type: none"> • <i>Assembly</i> - The item is associated with an assembly BOM. • <i>Sales</i> - The item is associated with a sales BOM. • <i>Production</i> - The item is associated with a production order. <p>To open the related BOM, click  (<i>Link Arrow</i>).</p>
<i>No. of Item Components</i>	Displays the number of item components that are currently included in this item's BOM.
<i>No. of Resource Components</i>	Shows the number of resource components that are currently included in this item's BOM.
<i>Production Std Cost</i>	Enter the estimated standard cost for this item. You can update this field irrespective of whether it is a parent or child item and irrespective of whether the item exists on any BOM or not.
<i>Include in Production Std Cost Roll Up</i>	Select this checkbox to include the item in the std cost roll up routine. Through this routine, the Production Std Cost field is updated with the total of the production standard cost and resource standard cost values from all of its item and resource components.

6 Enhancements to Bill of Materials Handling

The following major changes have been introduced to BOM handling:

- In the *Bill of Materials* window, apart from child components, you can now add resource components and textual information, as well.
- You can update, replace, or delete all three types of components in BOMs in a batch.

6.1 Bill of Materials Window

1. From the SAP Business One *Main Menu*, choose *Production* → *Bill of Materials*.

Bill of Materials

Product No. 4780

Product Description

BOM Type Production

Production Std Cost 20,00 EUR

Planned Average Production Size 5,00




#	Type	No.	Description	Quantity	Additional Qu...	UoM N...	Warehouse	Issue Method	Production Std...	Total Production...	Price List	Unit Price	Total	Comments	Distr. Rule	WIP Account
1	Item	Child01		2	1		01	Backflush	12,00 EUR	26,40 EUR	Price List 01	7,00 EUR	7,00 EUR			
2	Resource	res01		1			01	Backflush	7,00 EUR	7,00 EUR	Price List 01					
3	Item															
										33,40 EUR						



OK Cancel

Product Price


2. View or define the fields in the *Bill of Materials* window that have been updated or added :

Field	Description/Activity
<i>Production Std Cost (header)</i>	Displays the production standard cost of the parent item as defined on the <i>Production Data</i> tab of its item master data record.
<i>Planned Average Production Size</i>	Specify the number of the parent items that you process in one run. The field is related to the <i>Additional Quantity</i> field. Additional quantity affects the total production standard cost based on the planned average production size. This field is not mandatory.
<i>Type</i>	From the dropdown menu, select one of the following options: <ul style="list-style-type: none">• <i>Item</i> - Select this to define an item component.• <i>Resource</i> - Select this to define a resource component.• <i>Text</i> - Select this to enter text. With this option, all the remaining fields in the line are disabled.

Field	Description/Activity
<i>No.</i>	From the choose from list, select an item for the <i>Item</i> type line, or a resource for the <i>Resource</i> type line. Values from relevant fields in the item master data or resource master data records are copied into the remaining fields in the line.
<i>Quantity</i>	<p>Enter the quantity of the item or resource component.</p> <p> Note</p> <p>For resource components, the value cannot be negative.</p>
<i>Additional Quantity</i>	<p>Enter additional quantity for an item or a resource component. The value from this field is then copied into the <i>Additional Quantity</i> field in the production order document. The quantity is added to the total planned quantity of items and resources and the total planned time in the production order, regardless of the quantity of the parent item produced.</p> <p> Example</p> <p><i>Planned Qty</i> of the parent (in the production order header) = 2 <i>Base Qty</i> of the resource = 4 <i>Additional Qty</i> of the resource = 1 <i>Planned Qty</i> of the resource = 2*4+1</p> <p> Note</p> <ul style="list-style-type: none"> ○ The system allows items or resources with a Manual issue method to have the <i>Base Qty</i> of zero and the <i>Additional Quantity</i> of a number greater than zero. ○ With resources and items with a Backflush issue method, the entire additional quantity is consumed upon the completion of the first parent item. For example, if in one production order you plan to produce 10 parent items, the additional quantity is consumed upon the completion of the first parent item. ○ The <i>Additional Quantity</i> for by-product lines is always zero.
<i>Production Std Cost (row)</i>	<p>For items, this field displays the production standard cost as defined on the <i>Production Data</i> tab of its item master data record.</p> <p>For resources, the field displays the total of all underlying resource standard costs as defined on the <i>General</i> tab of the relevant resource master data record.</p>
<i>Total Production Std Cost</i>	Displays the total production cost for each item and resource component. At the bottom of the column, the total production standard cost for the parent item is displayed.
<i>WIP Account</i>	<p>This account is used to post the value of resource and item components that are in the process of production.</p> <p>In the choose from list, select an account from the list of accounts. When the BOM is used in a production order, the value from this field is copied into the WIP <i>Account</i> field of the production order and is later used in the <i>Account Code</i> field in the issue from production document.</p>

Field	Description/Activity
	However, if this field is left blank for item or resource component lines, the Account Code field in the issue for production document defaults to the WIP Account associated through the document settings options. For more information, see section 7.6 Document Settings and WIP Account.
Up/Down Arrows	You can change the presentation sequence of the component lines. To do so, select the desired component line and click  or  to move it up or down.

Note

Some fields are not displayed by default. To define which fields should be displayed, click  ([Form Settings](#)) in the toolbar.

Note

A resource can be a component of a phantom item.

6.2 Managing Bill of Material Components

Using the component management functionality, you can replace, add or delete components of all types from BOMs in a batch.

Note

If an error occurs during the execution of replacing, adding, or deleting components, none of the selected BOMs are updated.

6.2.1 Changing BOM Components

You can replace component lines of a BOM with different components or update the existing ones, for example, the quantity, issue method, and so on.

Procedure

1. From the SAP Business One *Main Menu*, choose *Production* → *Bill of Materials - Component Management*. The *Bill of Materials - Component Management* window appears.

Bill of Materials - Component Management - Selection Criteria

Management Task: **Change BOM Lines**

Select BOMs

BOM Product No.	From	Item1	To	Item1
BOM Item Group	From		To	
BOM Type				
BOM Warehouse No.	From		To	
BOM Distr. Rule	From		To	
BOM Project	From		To	

Select BOM Lines

Resource	From	Resource01	To	Resource01
----------	------	------------	----	------------

Specify Properties for BOM Lines to Be Changed

<input type="checkbox"/> Replacement BOM Component	
No. of Replacement Components per Existing Components	1.000
<input type="checkbox"/> Change Additional Quantity	0.000
<input type="checkbox"/> Change Warehouse	
<input type="checkbox"/> Change Issue Method	
<input type="checkbox"/> Change WIP Account	

OK Cancel

2. From the *Management Task* dropdown list, select *Change BOM Lines*.
3. In the *Select BOMs* section, define the range of selection criteria for BOMs in which you want to replace or change components.
4. In the *Select BOM Lines* section, select one of the following:
 - o *Item* - In the *From* and *To* fields, define the range of the item components in the selected BOMs you want to change or replace.
 - o *Resource* - In the *From* and *To* fields, define the range of the resource components in the selected BOMs you want to change or replace.
 - o *Text* - Enter at least part of the text which you want to replace. In the *Replacement Text* field enter the new

Bill of Materials - Component Management - Selection Criteria

Management Task: **Change BOM Lines**

Select BOMs

BOM Product No.	From	Item1	To	Item1
BOM Item Group	From		To	
BOM Type				
BOM Warehouse No.	From		To	
BOM Distr. Rule	From		To	
BOM Project	From		To	

Select BOM Lines

Text

Replacement Text

new

OK Cancel

text and move to Step 6, as the fields relevant to items and resources in the BOMs are not available in the window.

5. In the *Specify Properties for BOM Lines to Be Changed* section, proceed as follows:
 - If you want to replace the selected components with a different one, select the *Replacement BOM Component* checkbox. In the choose from list, define the replacement component and define the number of replacement components per existing components.

You defined a range of BOMs in which you want to replace every Resource A and every Resource B with two units of Resource C. In each BOM, the system will replace every unit of Resource A with two units of Resource C. It will also replace every unit of Resource B with two units of Resource C.

6. Choose *OK*.

[illegible]

Each parameter displays a column with the existing value and a column with the replacement value.

6.2.2 Adding BOM Components

Procedure

1. From the SAP Business One *Main Menu*, choose *Production* → *Bill of Materials - Component Management*. The *Bill of Materials - Component Management* window appears.

Bill of Materials - Component Management - Selection Criteria

Management Task: Add BOM Lines

Select BOMs

BOM Product No.	From	Item1	To	Item1
BOM Item Group	From		To	
BOM Type	From		To	
BOM Warehouse No.	From		To	
BOM Distr. Rule	From		To	
BOM Project	From		To	

Select BOM Lines to Add

Resource	From	Resource01	To	Resource01
----------	------	------------	----	------------

BOM Line Details to Be Added

Quantity	1.000
Additional Quantity	0.000
Warehouse	
Issue Method	
WIP Account	

OK Cancel

2. From the *Management Task* dropdown list, select *Add BOM Components*.
3. In the *Select BOMs* section, define the range of selection criteria for BOMs to which you want to add a component.
4. In the *Select BOM Lines to Add* section, select one of the following:
 - o *Item* - In the *From* and *To* fields, define the range of the item components you want to add to the selected BOMs.
 - o *Resource* - In the *From* and *To* fields, define the range of the resource components you want to add to the selected BOMs.
 - o *Text* - Enter text in the *Text to Be Added* section and move to Step 6, as the fields relevant to items and resources in the BOMs are not available in the window.
5. In the *BOM Line Details to Be Added* section, define the following fields:
 - o *Quantity*
 - o *Additional Quantity*
 - o *Warehouse*
 - o *Issue Method*
 - o *WIP Account*

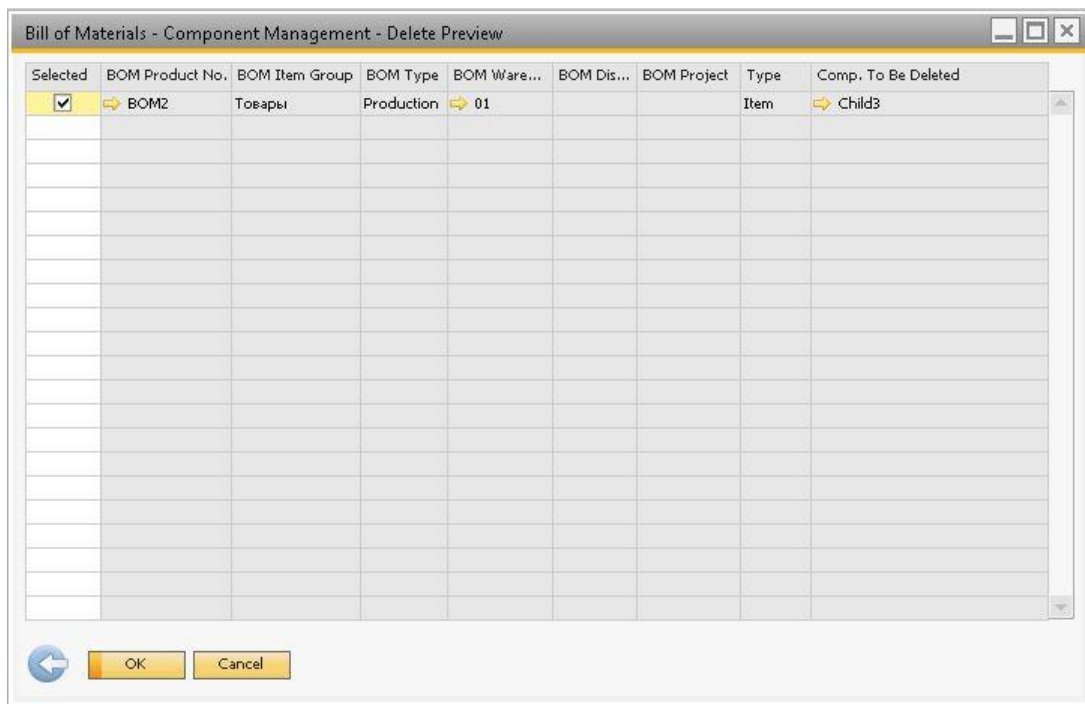
6.2.3 Deleting BOM Components

Procedure

1. From the SAP Business One *Main Menu*, choose *Production* → *Component Management* → *Bill of Materials - Component Management*. The *Bill of Materials - Component Management* window appears.

The screenshot shows a dialog box titled "Bill of Materials - Component Management - Selection Criteria". At the top, there is a "Management Task" dropdown menu currently set to "Delete BOM Lines". Below this, the dialog is divided into two main sections. The first section, "Select BOMs", contains six rows of selection criteria: "BOM Product No.", "BOM Item Group", "BOM Type", "BOM Warehouse No.", "BOM Distr. Rule", and "BOM Project". Each row has a "From" and a "To" input field. The "BOM Product No." fields are populated with "Item1". The second section, "Select BOM Lines to Be Deleted", has a dropdown menu set to "Resource" and "From" and "To" fields both containing "Resource01". At the bottom of the dialog are "OK" and "Cancel" buttons.

2. From the *Management Task* dropdown list, select *Delete BOM Components*.
3. In the *Select BOMs* section, define the range of selection criteria for BOMs from which you want to delete components.
4. In the *Select BOM Lines to Be Deleted* field, select one of the following:
 - o *Item* - In the *From* and *To* fields, define the range of the item components you want to delete from the selected BOMs.
 - o *Resource* - In the *From* and *To* fields, define the range of the resource components you want to delete from the selected BOMs.
 - o *Text* - Enter at least part of the text line you want to delete.
5. Choose *OK*. The window *Bill of Materials - Component Management - Delete Preview* appears.



- The **Selected** checkbox is selected for each BOM in which the system is about to delete the component line. If you do not want to delete the component in a BOM, deselect this checkbox.
- To execute the task, choose **OK**.

7 Enhancements to Production Orders

The following major enhancements have been made to production orders:

- Information about resources as well as textual information has been added.
- When reporting completion of a production order, the system creates an issue for production for any item or resource components with the Backflush issue method.
- Upon closing a production order, any difference for non-standard cost parent items posted to the WIP Variance account is posted to the Inventory account of the parent item.
- By-product item components are handled more easily.


7.1 Production Order Window



Procedure

1. From the SAP Business One *Main Menu*, choose *Production* → *Production Order*.

View or update the following fields on the *Components* tab:

i Note



- Fields that are self-explanatory are not described in the table below.
- Some of the fields are not visible by default. Use  (*Form Settings*) in the toolbar to define which fields you want displayed.

Field	Description/Activity
<i>Start Date (header)</i>	Displays the start date of the production. By default, this date is the same as <i>Order Date</i> . You can change it manually, which may affect <i>Due Date</i> .
<i>Due Date</i>	By default, this date displays the planned completion date and is calculated based on <i>Start Date</i> and the lead time of the parent item. You can change this date manually.
<i>Type</i>	<p>You can select one of the following options:</p> <ul style="list-style-type: none"> • <i>Item</i> - This is the default option. The remaining fields for the <i>Item</i> option are populated by default from the BOM window associated with the parent item or from the <i>Item Master Data</i> window. • <i>Resource</i> - When this option is selected, you can select a desired resource from the choose from list in the <i>No.</i> field. The remaining fields for the <i>Resource</i> option are populated by default from the BOM window associated with the parent item or from the <i>Resource Master Data</i> window. • <i>Text</i> - Select this option to add text in the line; the remaining fields merge into one. The text is added automatically from the corresponding line in the <i>Bill of Materials</i> window associated with the parent item, or you can define it manually in this window.
<i>No.</i> and <i>Description</i>	These fields were originally <i>Item No.</i> and <i>Item Description</i> .
<i>Base Qty</i>	<p>Quantity of the components necessary to produce the bill of materials for one parent product. The value is copied from the <i>Bill of Materials</i> window. You can update this field if necessary.</p> <p> Note</p> <p>The <i>Base Qty</i> value of a resource component cannot be less than zero.</p>
<i>Additional Qty</i>	<p>The value is copied from the <i>Additional Qty</i> field in the <i>Bill of Materials</i> window; however, you can change it manually in the production order.</p> <p> Note</p> <ul style="list-style-type: none"> ○ Only components of the <i>Manual</i> issue method can have zero <i>Base Qty</i> and the <i>Additional Quantity</i> larger than zero. ○ The additional quantity for by-products is always zero.
<i>Planned Qty</i>	<p>For each component line, the value of this field is calculated according to the following formula:</p> $(\text{Planned Quantity of the parent} * \text{Base Qty of the component}) + \text{Additional Qty of the component}$
<i>Available</i>	For resources, this field displays the total resource availability for the warehouse populated on the production order line. Click  (<i>Link Arrow</i>) to update the internal capacity of the resource for the mentioned warehouse in the <i>Resource Capacity</i> window. After you update the internal capacity and return to the production order, the value of this field is refreshed.
<i>Start Date</i>	Displays the date when the component is needed in the production process at the earliest.

Field	Description/Activity
	By default, this date is copied from the <i>Start Date</i> field on the header. You can change it manually, however, the date cannot be earlier than the start date on the header.
<i>End Date</i>	<p>Displays the latest date by which the component needs to be used in the production process.</p> <p>By default, this date is the same as <i>Due Date</i> on the header of the production order. You can change it manually, however, it cannot be later than the due date on the header. MRP, ATP and resource capacity reports take into consideration the date ranges defined for each component separately.</p>
<i>WIP Account</i>	<p>If the production order lines are populated with components from a BOM, the account defined in the <i>WIP Account</i> field of the BOM for the relevant component populates this field. If the <i>WIP Account</i> field for the relevant component is blank in the BOM, this account is blank, too.</p> <p>You can manually update the account in this field before the production order closure. The value of this field is then copied into the <i>Account Code</i> field of the issue for production.</p> <p>If you leave this field blank, the related WIP Account applies according to the definitions in the <i>Document Settings</i> window. For more information, see section 7.6 Document Settings and WIP Account.</p>
<i>Resource Allocation</i>	<p>The value of this field is taken from the relevant <i>Resource Master Data</i> window. If needed, you can update it manually.</p> <p>The following options are available:</p> <ul style="list-style-type: none"> • <i>On Due Date</i> - The capacity of the resource is allocated to the due date of the production order. This means that the value of the resource capacity in the <i>Open Qty</i> field is counted as <i>Committed</i> capacity on the due date of the production order. • <i>Automatic</i> - The capacity of the resource is allocated to the due date when it is assigned to the production order; however, if the <i>Open Qty</i> is greater than the <i>Internal</i> capacity for the due date, the system allocates only as much capacity as there is <i>Internal</i> capacity defined for the due date and continues to allocate the remaining capacity to the day before the due date. The process continues backwards for each day until it reaches the current system date and allocates all the remaining <i>Open Qty</i> to the current system date regardless of how much <i>Internal</i> capacity is defined for that day. <p>Note</p> <p>With automatic resource allocation, the system takes into account the <i>Internal</i> capacity, not the <i>Available</i> one. This means that if there are more production orders with the same due date, the resource allocation is run against the <i>Internal</i> capacity for each production separately; it does not take into account whether there are already production orders which might have consumed the <i>Internal</i> capacity for that day.</p> <p>Note</p> <p>The triggers for running the resource allocation process are the following:</p> <ul style="list-style-type: none"> ○ Adding the production order

Field	Description/Activity
	<ul style="list-style-type: none"> Updating the <i>Planned Qty</i>, <i>Resource Allocation</i>, and <i>Warehouse</i> on a resource line (only for the resource in question). Updating the <i>Due Date</i> field triggers the resource allocation process for all resources in the production order. <p>Updating the internal capacity does not trigger resource allocation, hence, if you have updated the internal capacity and want the system to run the resource allocation process to update the allocated amounts, you need to update the production order as described above.</p>
<i>Run Time</i>	<p>Displays the quantity of the resource included in the production order expressed in time. The <i>Run Time</i> is calculated according to the following formula:</p> $\text{Base Qty of the resource} * \text{Planned Qty of the parent item} * (\text{Time per Resource Unit} / \text{Resource Units per Time})$
<i>Additional Time</i>	<p>Displays the additional quantity of the resource needed to complete the production order, expressed in time. <i>Additional Time</i> is calculated according to the following formula:</p> $\text{Additional Qty} * \text{Time per Resource Units} / \text{Resource Units per Time}$
<i>Total Time</i>	Displays the total of the <i>Run Time</i> and <i>Additional Time</i> .
<i>Up</i> and <i>Down</i> arrows	Use the <i>Up</i> and <i>Down</i> arrows to raise or lower a selected component line similarly as in the <i>Bill of Materials</i> window.

2. View or update the following fields on the *Summary* tab:

Field	Description/Activity
<i>Actual Item Component Cost</i>	<p>Total value of all item components (not including non-inventory components) issued for the production order.</p> <p> Note</p> <p>Any item component which has been returned through the return components functionality in the <i>Receipt from Production</i> window reduces the <i>Actual Item Component Cost</i> value by its cost.</p>
<i>Actual Resource Component Cost</i>	<p>Records the cost of all resource components which have been issued for production.</p> <p> Note</p> <p>Any resource component which has been returned through the return components functionality in the <i>Receipt from Production</i> window reduces the <i>Actual Resource Component Cost</i> value by its cost.</p>
<i>Actual Additional Cost</i>	The cost of all non-inventory item components which have been issued for production.
<i>Actual Product Cost</i>	The cost of all received parent items, including any rejected items but excluding the received by-products.

Field	Description/Activity
<i>Actual By-Product Cost</i>	Records the cost of all by-product items which have been received from production, including any rejected by-products. Click ➡ (<i>Link Arrow</i>) to open the <i>Inventory Posting List</i> window and view the relevant cost breakdown for the posted by-products.
<i>Total Variance</i>	Displays the sum of costs of all parent items and by-products reduced by the sum of resource costs and the additional costs. The following formula applies: $(\text{Parent Cost} + \text{By-Product Cost}) - (\text{Item Cost} + \text{Resource Cost} + \text{Additional Cost})$
<i>Total Run Time, Total Additional Time, Total Time</i>	Display the corresponding fields on the <i>Components</i> tab for the resource with the longest <i>Total Time</i> .

The screenshot shows the 'Production Order' window with the 'Components' tab selected. The 'Costs' section is highlighted with a red box, containing fields for 'Actual Item Component Cost', 'Actual Resource Component Cost', 'Actual Additional Cost', 'Actual Product Cost', 'Actual By-Product Cost', and 'Total Variance'. The 'Quantities' section shows 'Planned Quantity' (3), 'Completed Quantity', and 'Rejected Quantity'. The 'Planned Times' section is also highlighted with a red box, showing 'Total Run Time' (0:03:00), 'Total Additional Time' (0:00:30), and 'Total Time' (0:03:30). The 'Dates' section shows 'Due Date' (07/10/14) and 'Actual Closing Date'. The 'Journal Remark' field contains 'Production Order - Item1'.

1 Note

Parent items associated with sales or assembly BOMs cannot be used as a production order component.

7.2 By-Product Handling in Production Orders and Production Processes

By-product item components are inventory item components entered with a negative quantity in the *Bill of Materials* and *Production Order* windows. The following enhancements have been made in relation to by-products:

- The Manual issue method for by-products is now enabled in addition to the Backflush issue method, and by-products are then displayed in receipts from production. The ability to receive by-products with the Manual issue method enables you to manage them with the Serial/Batches valuation method.
- Upon receiving a by-product in the receipt from production, you can define its cost in the *Unit Price* field.
- By-products can be rejected in the receipt from production document; rejection of a by-product has no impact on the posting behind nor on the *Rejected Quantity* field on the *Summary* tab of the *Production Order* window.

Note

Non-inventory items and resources cannot be by-products.

7.3 Change of Valuation Method of Item Included in Open Production Order

An item's valuation method cannot be changed if the item is a parent item included in an open production order.

7.4 Disassembly Production Order

Resources cannot be included in a disassembly production order. When a BOM automatically populates a disassembly production order, the resource lines are omitted. You cannot change [Production Order Type](#) to [Disassembly](#) as long as the production order contains resource components.

7.5 User-Defined Fields (UDF) Handling

If a UDF field with the same name and same type exists in both the [Bill of Materials](#) window component table and on the [Production Order](#) window table, then on entry of the parent item into a production order, the values of the UDF fields from the [Bill of Materials](#) window are copied into the corresponding UDF fields in the [Production Order](#) window.

By setting a UDF field in the [Bill of Materials](#) window to hold a link to a file, you cause that link to be copied into the corresponding UDF field in the [Production Order](#) window. This feature is important as a means of handling attachments such as manufacturing plans or other documents.

7.6 Document Settings and WIP Account

You can decide whether you want the costs of components in the production order to be posted to the WIP account of the parent item or to the WIP account defined for the each component.

To do so, from the SAP Business One [Main Menu](#), choose [Administration](#) → [System Initialization](#) → [Document Settings](#).

In the *Document Settings* window for the production order document, in the *Use for Components Transactions* section, choose one of the following options:

- *Component WIP Accounts* - Uses the component WIP accounts throughout the production process. For example, if a parent item consists of a child item Item01 and a resource Res01, the default accounts are used as displayed below.

Component	Default WIP Account	Comment
Item01	<p>Depending on the definition in the <i>Set G/L Accounts By</i> field on the <i>Inventory</i> tab of the <i>Item Master Data</i> window of the component item, the WIP Inventory account defined at the warehouse, item group, or item level is used.</p> <p>i Note</p> <p>If advanced G/L account determination rules are defined</p>	<p>If you define a different account in the <i>WIP Account</i> field of the <i>Production Order</i> window for this item component, then the defined account is used as the WIP account. (The value from the <i>WIP Account</i> field of the <i>Bill of Materials</i> window is copied into the production order; however, if no account is defined in the bill of materials, then the <i>WIP Account</i> field in the production order is left blank.)</p>

Component	Default WIP Account	Comment
	for the warehouse, item group, or the item component in question, other WIP Inventory accounts may be used.	
Res01	The Resource WIP account defined on the <i>Resources</i> tab of the <i>G/L Account Determination</i> window applies, unless an advanced G/L account rule requires a different Resource WIP account.	If you define a different account in the <i>WIP Account</i> field of the <i>Production Order</i> window for this resource component, then the defined account is used as the WIP account. (The value from the <i>WIP Account</i> field of the <i>Bill of Materials</i> window is copied into the production order; however, if no account is defined in the bill of materials, then the <i>WIP Account</i> field in the production order is left blank.)

- Parent Item WIP Accounts** - Uses the parent WIP account as the WIP account for the journal entries of the component transactions (both for item and resource components) throughout the production process. The parent item is defined in the bill of materials that was selected in the production order.
 For example, if a parent item consists of a child item Item01 and a resource Res01, the default accounts are used as displayed below.

Component	Default WIP Account	Comment
Item01	Depending on the definition in <i>the Set G/L Accounts By</i> field on the <i>Inventory</i> tab of the <i>Item Master Data</i> window of the parent item, the WIP Inventory account defined at the warehouse, item group, or item level is used.	If you define a different account in the <i>WIP Account</i> field of the <i>Production Order</i> window for this item or resource component, then the defined account is used as the WIP account. (The value from the <i>WIP Account</i> field of the <i>Bill of Materials</i> window is copied into the production order; however, if no account is defined in the bill of materials, then the <i>WIP Account</i> field in the production order is left blank.)
Res01	<p>Note</p> <p>If advanced G/L account determination rules are defined for the warehouse, item group, or the parent item in question, other WIP Inventory accounts may be used.</p>	

7.7 Closing Production Order and Handling Components Cost

Upon the closing of the production order, a journal entry is created automatically in which all WIP accounts used during the production process are zeroed down; the value from the WIP accounts is transferred to the WIP Inventory Variance account of the parent item.

i Note

If an interim WIP consolidation mapping is defined for a WIP account, the WIP account is zeroed down and the value is transferred to the defined interim WIP account. This process may continue if further interim WIP accounts are defined. The last interim WIP account in the chain of interim WIP account mapping is then zeroed down and the value is transferred to the WIP Variance account of the parent item. For more information on the interim WIP consolidation mapping, see section 10 Interim WIP Consolidation Account Mapping.

Before posting the journal entry behind the production closure, a check is made to verify if the total component cost equals the total cost of the received parent items and its by-products. If there is a difference, it is transferred from the WIP Inventory Variance account of the parent item back to the Inventory account of the parent item. However, this applies only if the following two conditions are met:

- The parent item is managed by a validation method other than Standard.
- The parent item's quantity in the inventory is greater than zero; it has not been sold out before the production order closure.

8 Enhancements to Issue for Production

The following enhancements have been made to the *Issue for Production* window:

- Apart from the item component lines, the issue for production now includes resource component lines copied from production orders.
- In addition to postings related to items, when adding an issue for production, the posting of resource expenses is credited from the resource expense accounts as defined in the *G/L Determination Accounts* window or the advanced G/L account determination rules and debited to the resource related WIP account.

8.1 Issue for Production Window

Procedure

1. From the SAP Business One *Main Menu*, choose *Production* → *Issue for Production*.

2. View the following fields:

Field	Activity/Description
<i>Type</i>	<p>For each item or resource component, the value of this field, as well as of the remaining fields, is copied from the <i>Production Order</i> window. The remaining fields are also inherited from the production order; however, for resources the following fields are blank and not editable:</p> <ul style="list-style-type: none"> • <i>Vendor Catalog No.</i> • <i>Bin Location Allocation</i> • <i>In Stock</i> • <i>Committed</i>

Field	Activity/Description
	<ul style="list-style-type: none"> • Ordered • Minimum Inventory Level - Displays zero. • Available • Inventory UoM - Displays Yes. • UoM Code • Items per Unit • UoM Group
Account Code	<p>For both resource and item components, the value from the WIP Account field of the production order is copied into this field unless no WIP account is defined in the production order. In such a case, it is defined according to the definitions in the Document Settings window. For more information, see section 7.6 Document Settings and WIP Account.</p> <p>i Note</p> <p>If you update the Whse field in the Issue for Production window, this field is updated accordingly.</p>
Item Cost	This field displays the total standard cost value posted in respect of the resource after the issue for production document is added.
Distribution Rule, Project Code	For each component, the values of these fields are taken from the relevant fields of the Production Order window.

8.2 Posting Behind Issue for Production

When you add an issue for production, in addition to posting expenses for items, in the same journal entry you also post resource expenses. The resource expenses are transferred from the resource expense account to the related resource WIP account. The total value posted for each resource unit equals [Total Std Resource Cost](#) as defined in the [Resource Master Data](#) window. The actual posting itself is split across up to ten resource expense accounts as defined by the advanced G/L account determination rules or the G/L account determination and the WIP account that is defined in the [Account Code](#) field of the [Issue for Production](#) window.

Example

- o An ExampleResource has a Total Std Resource Cost of 100 per unit which is split between Resource Std Cost 1 = 60 and Resource Std Cost 2 = 40.

Resource No.	Total Std Resource Cost	Std Cost Expense 1	Std Cost Expense 2
ExampleResource	100	60	40

- o The journal entry in respect of the resource component consumption of 10 resource units is as displayed in the table below.

Account	Debit	Credit
Std Cost Expense 1		600
Std Cost Expense 2		400
WIP Account	1000	

This posting is added to the posting of any other item and resource component within a single journal entry created upon adding the issue for production. The total value that is posted to all the resource WIP accounts is added cumulatively to the *Actual Resource Component Cost* field on the *Summary* tab of the production order whenever an issue for production is added.

9 Enhancements to Receipt from Production

The following major enhancements have been introduced to the receipt from production document:

- By-products are now visible in this document.
- Item component consumption for components with the Backflush issue method is no longer posted in the same journal entry behind the receipt from production. That posting is now made in a separate journal entry linked to an automatically created issue from production.
- You can return resources in the receipt from production in the same way as you can return items.

Procedure

1. From the SAP Business One *Main Menu*, choose *Production* → *Receipt from Production*.

2. View or update the following fields:

Field	Activity/Description
<i>By-Product</i>	<p>In addition to displaying the parent item, the receipt from production now displays the by-products as well. If an item is a by-product, the checkbox for this field is selected.</p> <p>Note</p> <ul style="list-style-type: none"> ○ You cannot delete by-products with the Backflush issue method, only those with the Manual issue method. ○ Backflush by-products have their quantity set to read-only and it is proportional to the quantity of the parent produced, but you can update the quantity for by-products with Manual issue method.
<i>Unit Price</i>	<p>Displays the current cost of the by-product. You can update this field manually, unless the by-product has the Standard valuation method. The value in this field is used for posting the inventory value of the by-product in the journal entry behind the receipt from production.</p>

Field	Activity/Description
Quantity	<ul style="list-style-type: none"> For by-products with the Backflush issue method, you cannot update this field. However, if you update the quantity of the parent item, the value in this field updates proportionally. For by-products with the Manual issue method, you can update this field manually. Updating the parent item's quantity does not affect this field.
Item Cost	<p>After adding the receipt from production, this field displays the following:</p> <ul style="list-style-type: none"> For by-products, the cost of the by-product which has been posted in the journal entry behind the receipt from production. For parent items, the cost of the parent item which has been posted in the journal entry behind the receipt from production.

Note

When returning item or resource components, the [Account Code](#) field is by default populated with the value of the [WIP Account](#) field in the corresponding production order. If that field is blank, then the system applies the appropriate WIP account according to the definitions in the [Document Settings](#) window.

9.1 Backflush Components Handling and Impact of Additional Quantity

The following applies when processing Backflush components:

- Backflush components are always automatically consumed in proportion to the quantity of the parent item which is currently being received in the receipt from production.
- The consumption of Backflush components which are to be processed together with a receipt from production of the parent item is recorded in a separate journal entry linked to an issue from production document. The [Remarks](#) field of this issue for production reads that the document has been automatically generated to handle Backflush components related to a specific receipt from production.
- If [Additional Qty](#) has been specified for a Backflush component, it is automatically consumed on the first receipt of the parent item from the production order in addition to the regular proportional receipt of components.

10 Interim WIP Consolidation Account Mapping

This functionality enables businesses to automatically identify sub-assembly costs on closing a production order without the need to use nested BOMs and separate production orders for subcomponents.

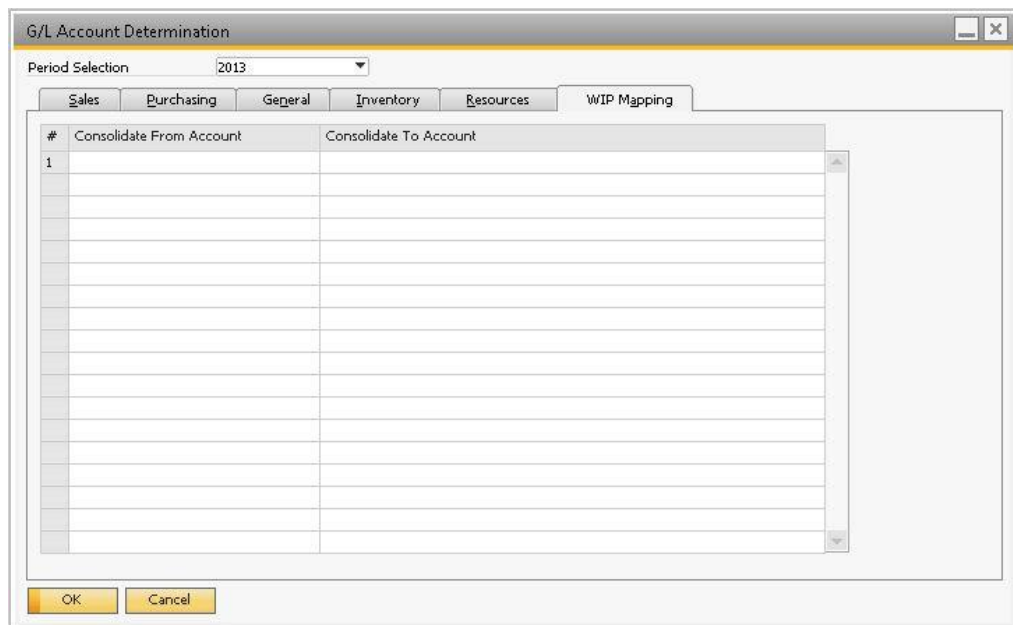
Example

You produce bicycles and you want to identify the cost of bicycle parts at various stages of the production order. A bicycle wheel is made up of a number of components whose costs add up to the cost of the wheel. In addition to identifying the overall cost of the bicycle, you need to identify the cost of the wheel which would normally not be identified. Using the combination of WIP account settings and the interim WIP consolidation matrix, you can track the cost of the sub-assemblies through the chart of accounts.

This functionality provides mapping for multiple WIP accounts such that upon the closing of a production order, the WIP account postings for sub-assembly components are all zeroed down and transferred to a single sub-assembly interim WIP account. For example, to contain the total wheel cost, and then the sub-assembly, interim WIP accounts are zeroed down and their values are transferred to the WIP Inventory Variance account. If there is any difference between the value posted to the WIP Inventory Variance account and the value of the received parent items and its by-products, it is posted back to the Inventory account of the parent item according to the enhancements regarding the production order closing. The mapping matrix allows multiple levels of mapping.

Procedure

1. From the SAP Business One *Main Menu*, choose *Administration* → *Setup* → *Production*.



#	Consolidate From Account	Consolidate To Account
1		

- In the *Consolidate From Account* (left-hand side) column, select a WIP account from which the value will be transferred. In the *Consolidate To Account* (right-hand side) column, select an interim WIP account to which you want to transfer the value.

1 Note

- If an account in the right-hand side column is also separately defined in the left-hand side column, then its value will be zeroed down and transferred to the account in the *Consolidate To Account* column.
 - You cannot define one account in the *Consolidate From Account* more than once.
 - Any WIP account or interim WIP account which is not included in the mapping matrix will have its value automatically transferred to the WIP Variance account of the parent item and subsequently to the relevant Inventory account.
- To save the settings, choose *Update*.

Example

- You define interim WIP consolidation mapping as displayed below.

G/L Account Determination

Period Selection: 2013

Sales Purchasing General Inventory Resources WIP Mapping

Consolidate From Account	Consolidate To Account
210102	210103

OK Cancel

- You open a production order as displayed below.

Production Order

Type: Special
Status: Planned
Product No.: BOM7
Product Description:
Planned Quantity: 1 UoM Name:
Warehouse: 02

No.: 27
Primary:
Order Date: 02.10.13
Due Date: 02.10.13
User: manager
Origin: Manual
Sales Order:
Customer:
Distr. Rule:
Project:

#	Type	No.	Base ...	Addition...	Planned...	Issued	Avail...	Wareho...	Issue Method	WIP Account	Distr. Rule
1	Item	Child1	1		1		89	01	Manual	210102	
2	Item	Child2	1		1		82	01	Manual	210102	
3	Resou	R001	1		1		13	01	Manual	210102	
4	Item										

Remarks:

OK Cancel

The Child1 and Child2 items use WIP account 210102, which is included in the WIP consolidation mapping matrix.

3. You issue all the components. In the journal entry created behind, the values for Child1 and Child2 are credited from the Inventory account and debited to the WIP account 210102. The value for R001 is credited from the relevant standard cost expense accounts and debited to the WIP account 210102.
4. You report the production order's completion. The journal entry created behind credits the WIP Inventory account (defined for the parent item) with the parent item cost and debits the Inventory account.
5. You close the production order. The journal entry created behind closing the production order does the following:
 - o Zeroes down the WIP account 210102 and transfers the value to the interim WIP account 210103 according to the WIP consolidation settings.
 - o Zeroes down the interim WIP account 210103 and transfers the amount to the WIP Variance account.

The screenshot shows the 'Journal Entry' window in SAP. The 'Series' is 'Primary', 'Number' is '102', 'Posting Date' is '02.10.13', 'Due Date' is '02.10.13', and 'Doc. Date' is '02.10.13'. The 'Remarks' are 'Production Order - BOM7'. The 'Origin' is 'PWW', 'Origin No.' is '27', 'Trans. No.' is '102', 'Template Type' is 'Template', 'Template' is 'Indicator', and 'Project' is 'Project'. The 'Trans. Code' is '27'. The 'Blanket Agreement' is 'Blanket Agreement'. The 'Expand Editing Mode' is checked. The table below shows the journal entry details:

#	G/L Acct/BP Code	G/L Acct/BP Name	Debit	Credit	Tax Group	Federal Tax ID	Tax Amount	Gross Value	Base Am...
1	210101	Полуфабрикаты собственного производства	12,00 руб						
2	400102	Выпуск продукции - отклонение стоимости		12,00 руб					
3	210102	WIP Interim 1		12,00 руб					
4	210103	WIP Interim 2	12,00 руб						
5	210103	WIP Interim 2		12,00 руб					
6	400102	Выпуск продукции - отклонение стоимости	12,00 руб						
			36,00 руб	36,00 руб					

The window also includes 'OK', 'Cancel', 'Display in FC', 'Display in SC', and 'Cancel Template' buttons.

- o If there is a difference between the value transferred to the WIP Variance account and the value of the received parent item and its by-product, it is posted to the Inventory of the parent item.



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Material Number

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