

# Module 11: MANUFACTURING

## 11.1 Module Overview

Manufacture module allows to define the activities required to fabricate a product in any Organization of the client. Any Business which is involved in manufacturing process needs to take care of the following things:

- Raw Materials that are needed to produce the Finished Goods. The raw materials are either procured from the supplier or it is by-product of some other manufacturing process in the same plant.
- Composition of Raw Material to produce Finished Goods
- Different Steps (Production Stages) involved in Manufacturing
- Resources Needed for Manufacturing (Machine as well as human)
- Track inventory at different stage of the process

### **Objectives:**

In this document, we intend to focus on manufacturing involving assembling of parts to create a finished good.

During a manufacturing process where customer places an order and manufacturing happens in the production unit and the item gets shipped to the customer

As part of this document, we will cover preparation of Bill of Materials (BOM, which will define the overall Composition of Raw Material), Steps in Manufacturing, Production of Finished Goods.

Let us use the case for preparation of manufacturing of 'Music Set'. For this example, assume that One Music Set Contains following Items:

- One Music Player
- Two Headsets
- One Adapter

Demonstration on how to set up material and process required for creating a finished good, how to take an order and produce finished goods and how the inventory is updated during this process.

## 11.2 Bill of Materials

POSibolt provides exhaustive set of functionality to manage simple as well as complex manufacturing processes. The steps listed in this section will allow you to be able to set-up manufacturing process where your prime responsibility is to assemble raw products to create finished product.

### Procedure : Creating Bill Of Materials

#### **Create All The Raw Materials As Products In POSibolt**

1. First create Music Player.
2. Enter the details as shown in the above fig and click on Save.
3. Now click on the tab ± Product Price to enter the prices in the Price Lists.
4. Click on Save.

Repeat all steps to create remaining Raw Material and verify that all the required raw materials are added to the system.

#### **Procure Raw Material And Check The Inventory**

Create Material Receipt for these raw materials to increase the stock in inventory

- Navigate to Purchase Module → Select Receive Goods
- Choose the Vendor, click on <sup>a</sup>Create PO<sup>o</sup>.
- In the bar ± code filed enter the product Music Player and update quantity with 10.
- Similarly, add the products Adapter and Head Set with quantity 10 and 20 respectively.
- Complete the Receive Goods.
- Check the inventory of these products from the Product Administration Panel.
- It will find that the warehouse has 10 Music Players, 20 Head Sets and 10 Adapters.

## 11.3 Configure Finished Goods

1. Configure finished good in the system and prepare its composition
2. Create @Music Set@ (finished good) as product in the system.
3. Create BOM
  - (i). Click on Advanced Setting tab.
  - (ii). Under Product Advanced Settings, you will find the BOM check ± box.  
This flag indicates that this product is made of raw materials. Select the check ± box.
4. Configure Product Components (raw materials) for the product.
5. Click on the Add button, as pointed by the arrow.
6. Search with the description of the product and it will display the search results. Choose the from the drop down.
7. Select the Component Type as Standard Part.
8. Enter the quantity, like in this example we need 2 Headset to complete the finished good.
9. Similarly, configure the remaining components and verify that you have components set up

## 11.4 Manufacturing Order

Create Manufacturing Order to manufacture 'Music Set'. As we want to produce 5 music sets, we need 5 Music Players, 10 Head Sets and 5 Adapters.

- From the Main Menu → Click on Manufacturing.
- Add the finished good, Music Set in our example
- Enter the bar code of the finished good. All the components saved for the finished good will be displayed.
- On the right hand side panel ,it shows

Fields	Description
Name	Name of the final good, that is Music Set.
Stock Qty	Is 0, as we have not produced the good.

Order Qty	Is 0, as no quantities have been ordered yet
Auto Back flush	If enabled you will the receive the finished product in the warehouse and automatically you issue the components required from the warehouse
Production Name	Enter any name for the production.
Qty to Produce	Enter the quantity of the finished good to be produced.
Date Promised	Is the date we commit to give the order to the warehouse.

- Click on **Complete**.
- Now we have the Manufacturing Order completed.

## 11.5 Update Inventory

If Back Flush is not enabled, then you will have to update the inventory manually.  
To do this:

- Go to Update Inventory
- Enter the name of the finished good
- All the components name will be displayed
- Under the Actual Quantity filed, enter the quantities of the components required to manufacture the main product.
- Then click on Update.

It will get the screen with the confirmation message.