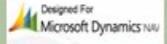# Average Stock Calculator

Designed For
Microsoft Dynamics NAV

BENEFITS

- Take the manual guess work out of demand planning

- Fully-integrated to Microsoft Dynamics NAV

- Calculate average demand and place orders based on historical average usage

- Know when to order, what to order, and how much to order based on historical demand and lead times

CALCULATE AVERAGE STOCK USAGE FOR BETTER DEMAND FORECASTING

As a purchasing manager you know how difficult it can be to predict future demand and place orders with your vendors correctly to make sure your customers get what they order in a timely manner. If you order too little, your company will be unable to fill orders and the company will lose valuable sales and potentially also customers. If you order too much, you end up with excess inventory that may be impossible to sell at a later stage meaning that your company will lose money on obsolete inventory.

The Average Stock Calculator add-on designed for Microsoft Dynamics NAV helps you make the right purchase decisions based on historical average use of items and stock keeping units. It takes the guess work out of demand-planning allowing you to focus on making better decisions regarding what to order based on historical usage. The system is using generally recognized principles for calculating average usage and demand and also allows you to flag unusual demand and exceptions to be excluded in future calculations.

FEATURES

The concept of the Average Stock Calculator is to allow the users to setup:
- What type of item transactions the system considers to calculate usage.
- How many months to look at to calculate average usage.
- How many months worth of usage to keep in stock.
  - ◊ Default setup at company level for all items.
  - ◊ Editable.
    - ♦ Per item
    - ♦ Per SKU
- The number of months/receipts to calculate for lead time.

Standard NAV fields of the Reorder Cycle and Lead time are also used in the calculations, as well as the additional planning fields for Order Multiple, Min and Max order qty, Safety Stock and Safety Lead Time. Based on the setup, the system calculates a Line Point (LP - when to reorder) and the Average Stock Level (ASL - how much to keep in stock on average).

Average Stock Calculator is designed to mimic standard NAV functionality of the Maximum Inventory, where Line Point and Reorder Point are interchangeable, and the Maximum Inventory and Average Stock Level are interchangeable, but the calculations of the Line Point and Average Stock Level are maintained by the system based on setups rather than manually entered by the user.

HOW IT WORKS

At the beginning of each month, the report to calculate average usage must be processed. This report will calculate the lead time and average usage for the prior month per item or SKU and populate the item or SKU card.
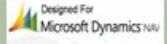
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The system will create Item Average Usage History lines that summarize per item/location/variant the actual and average usage for the month. The system will flag lines where the prior month usage is considered unusual usage for manual review. Users can view the past 6 months of usage, and select to accept the prior month usage as is, or enter a usage adjustment amount if needed.

Edit - Item Unusual Usage

Actions ▾

Accept

Process

General

Item No.	Posting Date	Location Code	Variant Code	Avg. Usage	Month	Month -1	Month -2	Month -3	Month -4	Month -5	Usage Adjustment	Reason Code	Accept Usage
SIMUBP-011	9/30/2010	BLUE		28.00	50.00	25.00	28.00	20.00	25.00	20.00			☐
SIMUBP-012	9/30/2010	BLUE		29.17	75.00	25.00	20.00		30.00	25.00			☐
SIMUBP-025	9/30/2010	BLUE		16.17	40.00	10.00	8.00	10.00	16.00	13.00			☐

** If adjustments to usage are made, the calculate usage should be run again to recalculate usage with the changes.

When the calculate plan is run, Average Usage is calculated and data is stored on all items/SKUs for review - no matter which ordering policy is selected. New logic is used to populate the suggested order lines based on the item reordering policy setups, as well as all of the standard fields such as safety stock, order multiple, min or max order quantity, etc. Fields are shown for on-screen review of item ordering information and calculations for supply and demand. There are warning flags and messages on suggested order lines in Req. Worksheet indicating

- Sales demand in the past, or if demand cannot be met by standard item lead time.
- Suggested PO will cause over-all surplus of an item due to lead-time/timing of open PO's.

Edit - Req. Worksheet - DEFAULT - Default Journal Batch

Actions ▾ | Related Information ▾ | Reports ▾

Calculate Plan Avg. Use | Dimensions | Inventory Availability | Inventory Purchase Orders
Carry Out Action Message | Item Tracking Lines | Status
Order Tracking | | Inventory - Availability Plan

Process | Report

Name: DEFAULT ▾

Warning	Overst... Warning	No.	Location Code	Quan...	U... of M...	Order Date	Due Date	Vend... No.	Reordering Policy	LP/RP	ASL/MAX	Total Proj. Avai...	Projected Available (calc.)	Gross Requir... (calc.)	Qty On Hand (calc.)	Schdedule Receipts (calc.)
	☑	SIMUBP-011	BLUE	27	P...	10/14/2010	10/19/2010	10000	Avg. Usage	10	28	38	1	0	1	0
Emergency	☐	SIMUBP-012	BLUE	17	P...	10/9/2010 ▾	10/14/2010	10000	Avg. Usage	11	29	0	-17	18	1	0
	☐	SIMUBP-012	BLUE	29	P...	10/14/2010	10/19/2010	10000	Avg. Usage	11	29	29	-17	18	1	0
	☐	SIMUBP-025	BLUE	15	P...	10/14/2010	10/19/2010	10000	Avg. Usage	6	16	16	1	0	1	0

Average Stock Calculator, cont.

VIEWING ACTUAL OR AVERAGE USAGE

- Forms are also available to review actual, or average usage, or per item/location/variant per month/quarter/year:

Other Products from SimCrest®

PRODUCT CONFIGURATOR

Benefits:
- Assists your sales Department in selecting the right configuration for your clients.
- A Production Configurator to help you manufacture a specific production BOM and routing, or Kitting.
- Support an indefinite number of levels in the questionnaire.
- Available with Web Enhancement Integration.

RECURRING INVOICING

Benefits:
- Takes the hassle out of remembering to invoice your customers.
- Automatically generates invoices to customers on a regular basis.
- Keeps track of expired or soon to expire agreements.
- Don't dispatch service personnel to customers with expired or non-paid agreement.
- Saves time.

AUTO EMAIL

Benefits:
- Never again will you have to print and mail documents.
- Print documents in HTML or PDF Format.
- Save on costly pre-printed documents, postage, and envelopes.
- Include logo's and other graphics in the printed documents.

CREDIT CARD MANAGEMENT

Benefits:
- Process Credit Cards directly in Dynamics™ NAV.
- Everything is handled in Dynamics™ NAV.
- No External Terminal is necessary.
- Payments can be automatically posted.
- The system handles separate authorization and capturing of funds.
- Will handle credit cards on all sales documents as well as stand-alone (no document).

PRINT-2-EXCEL®

Benefits:
- Print (export) any Dynamics™ NAV report or document to Excel®.
- As easy as clicking the Print button.
- No need for Dataports.
- Works for all Dynamics™ NAV reports and documents without modifications.

ROUTE PLANNING

Benefits:
- Operate Route Planner directly in the existing Microsoft Dynamics™ NAV.
- Create the most efficient delivery routes with just a few clicks.
- Plan routes for sales visits.
- Deliver more while saving time, miles, and fuel expenses.
- Deliver orders before a specific time.
- Increased delivery efficiency; Improved customer satisfaction.