Order Management

Confidently Commit to Customer Demand by Better Understanding Supply and Demand

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

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

glovia.com Order Management provides lasting benefits to manufacturers, including:

- Accurate initial order promising and re-promising
- Reduced excess inventory levels
- Improved customer service levels
- Increased visibility into supply availability
- Increased on-time delivery performance
- Lowered transportation costs
- Improved responsiveness and compressed cycle-times

A Promise is a Promise

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

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

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

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

Order Management provides companies with complete visibility into their operations, helping them make the right supply and production decisions while reducing inventories and improving customer service. The module tightly links demand with production and supply by planning Sales Quote and Orders against both available and potential inventories. Order Management also increases visibility into supply by accounting for suppliers’ availability.

glovia.com Order Management provides online, graphical visibility into:

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

Flexible Inventory Allocation

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

- First In, First Out (FIFO): allocates projected inventory forward to delivery date, typically used for low-cost, short lead time items.
- Last In, First Out (LIFO): allocates projected inventory backwards from delivery date, typically used for long lead time items.
- Hikiate: allocates projected inventory backward from delivery date and then forward, providing more plan stability when order cancellations or changes are common.
- Time-horizon Based: allocates projected inventory based on two time horizons, such as 10 day forward and 40 day limited backwards allocation, provides short-term stability and flexibility for rush and last minute orders as well as increased plan stability for items not required in the first time horizon.

Automatically Manage Sales Quotes and Orders

Order Management is seamlessly integrated with glovia.com Sales Orders, Sales Quotes and Customer Self-Service, enabling manufacturers to handle all their orders and quotes, no matter how they are entered — via glovia.com screens, a web browser or XML documents.

Order Management is also integrated with glovia.com Configurator so sales quotes and orders can be created with an attached configuration. This enables manufacturers to identify the projected delivery date based on the availability of the components defined in the configuration.

Order Management is also integrated with glovia.com Factory Planning and Supply Chain Planning solutions. The module can also be integrated with other ERP, advanced planning and supply chain planning systems, providing manufacturers with increased visibility while allowing them to leverage their existing technology investments.

Reduce Transportation Cost with Delivery Planning

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