SAP   **1363888 - SCM Consulting Solutions: Inventory Cockpit**

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Header Data

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Component	PP-MRP Material Requirements Planning
Other Components	PP-MP Master Planning
Priority	Recommendations / Additional Info
Category	Consulting

Symptom

You use the ERP system for inventory management and to determine the inventory-related key figure situation. For this, you need additional information about key figures, for example:
> Slow-moving items
> Dead stock
> Inventory turnover
> Range of coverage
> Consumption fluctuation
> Fluctuation of the incoming orders
> Inventory level
> Inventory value
> Safety stock amount
> Safety stock value
> and so on.

For these key figures, you require not only a snapshot, but also a transparent display of the development over long time periods in a central evaluation transaction. You do not want to set up the evaluation just for materials, rather also for material groups (according to MRP-relevant important criteria, for example, importance for the company and consumption fluctuation --> ABC/XYZ analysis). You should also be able to group the materials not only by importance but also by objects, for example, the responsible MRP controllers, the procurement type, the cross-plant material status and numerous additional assignments.

Flexible graphical evaluations of the inventory situation help to increase the transparency in inventory management. To access critical materials directly, you require hit lists of individual materials for the individual key figures both in a tabular form and a graphical form.

You may not want to determine these key figures based on the consumption update defined in Customizing in your system, rather, you may require a specific consumption update logic to determine these key figures. This is the case if specific material movements for the update defined in your system are not flagged as consumption-relevant (for example, stock transfer movements) but they are to be treated as consumption-relevant for a plant-based evaluation of the key figures (or vice versa).

Other Terms

Key figures, KPI, key performance indicator, SCORE, balanced scorecard, dead stock, dead stock analysis, dead stock determination, slow-moving items, slow-moving item analysis, slow-moving item determination, inventory turnover, variation coefficient, standard deviation, mean value, range of coverage, statistical range of coverage, stock days' supply, receipt days' supply, movement types, movement type, movement type Customizing, consumption relevancy, consumption relevancy indicator, consumption quantity, safety stock quantity, safety stock value, safety stock development, valuated stock, MRP available stock, blocked stock, inspection stock, project stock, plant stock, MVER, MSEG, MC44, MC46, MC50, MMBE, MIGO, ABC/XYZ analysis, ABC-XYZ analysis, ABC analysis, ABC key figures, XYZ analysis, XYZ key figures, material requirements planning, MRP, inventory controlling, inventory development, inventory evaluation, inventory level, inventory value

Reason and Prerequisites

You use the ERP system for inventory management and to determine the key figure situation with regard to inventories. You require a progression of specific MRP decisive control elements, for example > Slow-moving item
> Dead stock
> Inventory turnover
> Range of coverage
> Consumption fluctuation
> Fluctuation of the incoming orders
> Inventory level
> Inventory value
> Safety stock amount
> Safety stock value
> and so on.
in chronological order to improve the transparency of the inventory situation.

You should be able to carry out this evaluation for materials and material groups, bundled according to aggregation objects, for example, MRP controller, procurement type or material status in

aggregated form.

You may want to change the consumption relevancy of certain movement types specifically for the analysis without influencing SAP standard processes.

Solution

In the SCM Consulting Solutions, SAP Consulting provides a number of tools for improving supply chain planning. The ERP add-on tool "MRP monitor" is an integral part of SCM Consulting Solutions. You can use this add-on tool for a large number of functions (for further information, see Note 1333018). In addition, you can use this add-on tool to classify (ABC/XYZ classification) the materials according to the criteria that are important for materials planning.
The ERP add-on tool "Inventory cockpit" evaluates the progression of the following key figures over the course of comparison periods that can be specified by the customer based on the data of the MRP monitor:

> Slow-moving items
> Dead stock
> Inventory turnover
> Range of coverage
> Consumption fluctuation
> Fluctuation of the incoming orders
> Inventory level
> Inventory value
> Safety stock amount
> Safety stock value
> and so on.

These key figures can usually be determined for both the material and the material group. Material groups can be set up for both the importance of the materials for the company (ABC/XYZ classification) and for views such as MRP, procurement type and material status.

Flexible graphical evaluations of the inventory situation help to increase the transparency in inventory management. To access critical materials directly, hit lists of individual materials for the individual key figures are available both in a tabular form and a graphical form.

Due to a consumption relevancy determination of the movement types to be evaluated that is specifically valid only for the evaluation of the key figure development, company-specific view points can be considered directly in the analysis without the SAP standards being affected.

You can use this function to analyze key figure developments in chronological order for both materials and material groups, and therefore to tailor your inventory situation according to your specific requirements.

For details and contact persons relating to this offer, see the note administration in the attachments to this note, or visit http://www.sap.de/bestandsoptimierung.

Validity

This document is not restricted to a software component or software component version

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References

This document refers to:

SAP Notes

1832851	SCM CS: Purchasing monitor
1783924	SCM CS: Multisourcing mit Planungskalendern
1783469	SCM CS: Supplier preview
1761844	SCM CS: Nutzung des SCM CS-Materialstammreiters in der MD04
1752896	SCM CS: Zugang zu einem Testsystem von SAP Consulting
1750932	Fehlerhafte Bestands- und Verbrauchswerte (getrennte Bew.)
1750493	SCM Consulting Solutions: Auslieferungsprozess
1745268	SCM CS: Stocking Level Monitor
1731839	SCM CS: Navigationsprofile in mehreren Sprachen/Systemen
1705981	SCM CS: Übersicht SAP-Erweiterungen
1696863	SCM CS - Dispomonitor: Ausschl. Lagerorte in Werksanalyse
1653329	SCM Consulting Solutions: Kanban monitor
1653328	SCM consulting solutions: Master data monitor
1653327	SCM CS: Production logistics monitor
1649107	SCM CS: Cross-plant planning
1628996	SCM CS: Verkaufsorganisation & VTL-Status
1628463	SCM CS: Negative Bodensätze und Lagerhüter-Kennzahl
1628068	SCM CS: General functions
1626580	SCM CS: Differences w/regard to key figures for SAP standard
1560053	SCM Consulting Solutions: Discontinuation control monitor
1541340	SCM Consulting Solutions: Inbound monitor

1494735	Add-On: ERP SCM CIF Defaulter for master data
1493943	Inventory Optimization (Composite Note)
1492807	Addnl service stock optimization: Determining business case
1492806	Additional service stock optimization: Matl doc. aggregation
1476085	FAQ SCM Consulting Solutions
1418602	APO-AddOn Demand Planning Quantity Distribution
1366621	APO-Add-On: Missing Parts Infosystem
1366619	APO-Add-On: Masterdata Check Monitor
1363923	Consulting for backlog elimination
1363890	SCM Consulting Solutions: Safety stock simulation
1363889	SCM Consulting Solutions: Lot size simulation
1341755	SCM Consulting Solutions: Forecast monitor
1341712	SCM Consulting Solutions: Backlog monitor
1341710	SCM Consulting Solutions: Service Fill Monitor
1341705	SCM Consulting Solutions: MRP Exception Monitor
1341571	SCM Consulting Solutions: Replenishment lead time monitor
1333018	SCM consulting solutions: MRP monitor
1320440	Consulting information about optimizing stock
1319579	Add-on for simplified master data maint. of DP lifecycle
1315243	Consulting: MRP optimization
1308968	Change log for APO DP and APO SNP
1292209	Consulting: Forecast optimization
1143744	TM optimization consulting
847234	TP/VS optimization consulting
689101	PP/DS optimization consulting
579373	SNP & deployment optimization consulting

This document is referenced by:

SAP Notes (65)

1363889	SCM Consulting Solutions: Lot size simulation
1494735	Add-On: ERP SCM CIF Defaulter for master data
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1308968	Change log for APO DP and APO SNP
847234	TP/VS optimization consulting
1560053	SCM Consulting Solutions: Discontinuation control monitor
1962072	SCM CS: Optimierte Ausschussrechnung mit der MRP Extension Baugruppenausschussanpassung
1292209	Consulting: Forecast optimization
2070541	SCM CS: Holiday consideration
2070516	SCM CS: Forecast Analyzer
2070106	SCM CS: Forecast Analyzer
2070103	SCM CS: Material classification transfer to APO
2070098	SCM CS: Tooling equipment planning in APO
1363890	SCM Consulting Solutions: Safety stock simulation
579373	SNP & deployment optimization consulting
1957198	SCM CS - Dispomonitor: Make-to-Order-Kennzeichen (MTO) --> Definition und Konsequenzen für den Folgeprozess (Sollreichweiten)
2059000	SCM CS: Combined transport and procurement planning with the transportation planner
2057957	SCM CS - Erweiterte Änderungsbelegsauswertung mit dem ChangeLog-Monitor (ERP)
2043811	SCM CS MAM: Multilevel ATP missing parts information
2180070	SCM custom development solutions: Data deletion monitor
1752896	SCM CS: Zugang zu einem Testsystem von SAP Consulting
1418602	APO-AddOn Demand Planning Quantity Distribution
1750932	Fehlerhafte Bestands- und Verbrauchswerte (getrennte Bew.)
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1366619	APO-Add-On: Masterdata Check Monitor
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1341712	SCM Consulting Solutions: Backlog monitor
1341710	SCM Consulting Solutions: Service Fill Monitor
1341705	SCM Consulting Solutions: MRP Exception Monitor

Attachments

File Name	File Size (KB)	Mime Type
Inv_Con_Cock_Pres_EN_2011_1_v01.pdf	595	application/pdf