# TROUBLESHOOTER: RESERVATIONS, INVENTORY AND TRANSACTIONS

## Introduction

Reservations, inventory and transactions

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## STEPS

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| RESERVATIONS | |
|  | The reservations screen shows a combination of things that you can also see in On-hand inventory, Inventory transactions and Item availability. It is where you can see and change reservations that have happened to your item in the ‘Reservation’ column. |

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| NAVIGATION | |
|  | Sales order lines > Inventory > Parts > Reservation  Find this Reservation screen in the Inventory drop down from other transactions, pages. |

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| WHAT ARE RESERVATIONS? | |
|  | Parts reservations in NAXT work like restaurant. Think of a restaurant full of tables, some have ‘reserved’ signs on them, some don’t. The ones with ‘reserved’ signs relate to bookings made by other customers, and tell you that you cannot take that table. You can only sit at a table that does not have a ‘reserved’ sign on it. If all of the tables have reserved signs, then there are no ‘physical available’ tables.  Reservations mean that the same part cannot be sold by two or more people.    The difference with parts reservations is that the reserved sign will be on the part 24hours a day 7 days a week until the part is picked or the reservation is removed. So imagine you create your sales order in advance and your customer isn’t arriving until next week, it would mean no other customers could buy those parts from today for the whole week! An alternative would be to create a quote for the customer and firm it on the day.  Reservations are created by all kinds of transactions in NAXT ***when the stock is coming out***. Stock going out is allocated an **‘Issue’** status in the audit trail. |

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| WHEN DO RESERVATIONS HAPPEN? | |
|  | A reservation is made as soon as you put a part into a sales order, journal, transfer order, production order or any situation where the quantity is going to be ***coming out of stock****,* or being **‘issued’** and there is a ‘Physical available’ quantity of the item. Any situation when a ‘pick’ needs to happen.  On-hand inventory Before:    Item ‘ordered’ in a journal:    On-hand inventory After: |

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| HOLDING RESERVATIONS | |
|  | Be aware that if you put a part on a sales order or journal etc. and a reservation happens, and you do not intend to pick & pack or post those parts for months, it is the same as reserving a table at a restaurant months in advance and not allowing anyone to sit there. This applies to sales orders, journals or any other type of transaction where the parts will eventually be picked. That is why it is so important to go through your sales orders and not allow ‘old’ sales orders to sit there.  One example where carelessness led to a loss of sales is where a counting journal was created and not finished on a Friday night, and then when sales orders were raised the next day, the items could not be picked and sold because they were reserved, emergency airfreight was incurred. |

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| WHEN DO RESERVATIONS NOT HAPPEN | |
|  | When there is no ‘Available physical’ in the location / warehouse at the time you add the part(s) to your sales order or journal etc. no automatic reservation update will happen in the journal or sales order if the stock levels change in your warehouse later on.  This means if you create a sales order at the time when there was no stock in your warehouse and then do a manual transfer of parts into your warehouse, your sales order reservation will not automatically happen – you will need to go to the Inventory drop down at the top of the sales order lines > reservations and then add the quantity to be reserved into the ‘Reservation’ column. Alternatively remove the part from the lines and add it again and the reservation will happen.  The Backordered lines report (link) has been designed to inform you about situations where the stock is now available to be picked so you can monitor your sales orders and take action as soon as the stock on order has been receipted into your warehouse.  If stock is manually transferred after the part has been put into the sales order lines, a reservation won’t automatically happen. |

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| REMOVING RESERVATIONS | |
|  | Reservations should not normally be touched.  If the sales order is created at a warehouse that normally receives stock orders or large stock transfers, a reservation may have to be removed in order to receive the part by a quicker method. For example if a sea freight purchase order is created and then a part is required for an urgent machine down situation, the sales order taker may remove the reservation against the purchase order so that they can process an emergency backorder.  For transfers, see information here. <http://intra/files/trs-managing-reservations-docx-XwgkxV.docx> |

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| INVENTORY TRANSACTIONS | |
|  | In the Inventory transactions in the ***Issue*** status column relate to inventory going out, transactions in the ***Receipt*** column relate to inventory going in. Inventory transactions relate to the other screens we discuss like this: |
|  | The Inventory transactions will be filtered depending on where you view them from. If viewed from On-hand inventory, the warehouse filter (and location) may already be applied. If viewed from your sales order, only detail relating to that line in the sales order will be displayed. Transactions are sorted with the ‘in process’ ones at the top, and posted ones under that in date order with the latest dates at the bottom. Filter the financial date with “” to find in process transactions. |

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| NAVIGATION | |
|  | Sales order lines > Inventory > Transactions.  *It will show the transactions for the item you highlighted in your sales order lines.* |

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|  | Product information management > Manage inventory > Transactions |
|  | Inventory and warehouse management > Common > On-hand inventory > Product > Transactions  Transactions can be found in many other places. |

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| RECEIPT STATUS | |
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| ISSUE STATUS | |
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| ON-HAND INVENTORY | |
|  | The On-hand inventory summarizes the quantities in the Inventory transactions, grouping by the location and warehouse. |

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| NAVIGATION | |
|  | Inventory and warehouse management > Common > On-hand inventory  This screen can also be found from sales orders and other transactions. |

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| PHYSICAL INVENTORY | |
|  | Before the item is reserved, the physical item is still on the shelf and has not been picked. This is known as the **‘physical inventory’**. Items appear in here once a receipt is posted. A receipt can be done in the following area:   * Transfer order * Arrival journal * Parts credit in a sales order * Inventory adjustment journal to put items on hand. * Purchase order receipt   In all cases items go through the ‘registration’ process and are allocated a location and warehouse then are ‘posted’.  Even if there is physical inventory, you may not be able to sell the item(s) required if some or all of them are ‘physically reserved’. |

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| PHYSICAL RESERVED | |
|  | In the On-hand inventory screen, the **Physical reserved** quantity is the sum of the **Reserved physical** quantities in the ***Issue*** column in **Inventory transactions** screen.  This shows you how many of the **Physical inventory** quantity has already been spoken for by transaction(s). |
|  | The **Physical reserved** quantity can be seen in the Inventory transactions under **‘Issue’** column where the status is **‘Reserved physical’**.  Once picking has happened for the reserved quantity, the **physical inventory** and **physical reserved** quantities on On-hand inventory screen will be reduced by the same quantity.  Below is On-hand inventory showing item 1R1807 before my sales order for 1.The Physical reserved quantity is 0. |
|  | Here is my sales order for one of these items. |
|  | Here is On-hand inventory after showing **Physical reserved** has changed from 0 to 1. **Physical inventory** has not changed: |
|  | In the transactions the ***Issue*** status will be **‘Reserved physical’**. |

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| ORDERED IN TOTAL | |
|  | In the On-hand inventory screen, the **Ordered in total** quantity is the sum of the **Ordered** quantities in the ***Receipt*** column in the **Inventory transactions** screen. |
|  | You can look them up in Transactions and look at ‘Receipt’ status ‘Ordered’. In this case there are 2 transfer orders going into 19A, for 20 and 40 = **Ordered in total** of 60. |

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| ON ORDER | |
|  | In the On-hand inventory screen, the **On order** quantity is the sum of the **On order** quantities in the ***Issue*** column in the **Inventory transactions** screen.  The part 0054362 has a total of 8 On order. |
|  | Looking at the Inventory transactions, all of the transactions relate to customer requirements on a sales order, none of those items on order have a corresponding purchase order / transfer order. |

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| ORDERED RESERVED | |
|  | In the On-hand inventory screen, the **Ordered reserved** quantity is the sum of the **Reserved ordered** quantities in the ***Issue*** column in the **Inventory transactions** screen. |
|  | In this case there are 2 sales orders with issue status **Reserved ordered**, for quantities -1 and -6, total of that is shown in positive numbers in Ordered reserved column in the On-hand inventory screen. |

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| ON - HAND | |
|  | The On-hand screen shows details covering all aspects of reservations, inventory and transactions for the warehouse related to the transaction it was called from. |

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| NAVIGATION | |
|  | Sales order lines > Inventory > View > On-hand inventory |

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| ITEM AVAILABILITY | |
|  | The item availability screen summarizes the On-hand inventory screen.  The **Available physical** quantity is the **Physical inventory** quantity minus any **Physical reserved**. The **Available for reservation** is the previous figure added to the **Ordered in total** minus **Ordered reserved** quantities. |

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| NAVIGATION | |
|  | Sales order > Sales order lines > Inventory > Item availability    Product information management > Common > Released products > Manage inventory > Item availability    For more on Item availability see **PRT\_1.1(SOP)Identify Parts and Check Availability** |

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| REVISION HISTORY | |
| **Details of change** | **Date of change** |
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