BACK TO BACK ORDER

In the back-to-back scenario, we instruct our supplier to send us the goods, and then we ship them on to our customer.

This process is used for items that are not typically stocked nor manufactured. In an environment where lead times are often only a matter of 24 hours, the B2B process improves efficiency of the three steps below, by closely linking the Sales Order and the Purchase Order together.

1. Customer orders items (OM).
2. Purchase those items from the supplier (PO) and receive them into the warehouse.
3. Ship those items to the customer (OM).

FUNCTIONAL SETUPS

1. Create a B2B item.

Go to Inventory -> Items -> Master Items
Define the item as follows: b2b123, b2b test item
Enter item name and description.
From Tools -> Copy From, apply the Purchased Item template.

In the Order Management tab, check the Assemble to Order flag (ATO).
In the Purchasing tab, enter a value in the List Price field.
In the Work in Process tab, make sure the Build in WIP flag is checked.
In the General Planning tab, set the Make or Buy flag to Buy.
Save, and assign to Organization M1.

2. Assign the item to the price list.

Navigate to Oracle Pricing Manager responsibility -> Price List-> Price List Setup.
- Query up 'Corporate' Confirm it is active.
Click on add items to price list.
Give price list --- corporate
Items -- give our item number
Enter item status
Category set
Item category
Click on submit.

3. Make sure the following periods are open for this test flow.

Inventory Period
Inventory -> Accounting Close Cycle -> Inventory Accounting Periods
Select the organization (this testflow uses M1).

Purchasing Period
Purchasing -> Setup -> Financials -> Accounting -> Control Purchasing Periods

GL Period
Purchasing -> Setup -> Financials -> Account -> open and close periods(GL Period)

FLOW STEPS:

1) Responsibility : Order Management Super User, Vision Operations (USA)

1. order entry and booking:

Go to OM > Orders, Returns > Sales Orders.

Create a sales order with Order Type Mixed and enter the B2B item in the lines for any quantity.
Note down the Order Number.
Header level status -- entered,
Line level status-- entered

Book the sales order,
Header level status -- booked,
Line level status – Supply Eligible

2. progress order:

Place cursor on the line and go to Actions > Progress Order.
Select Create Supply Order - Eligible to progress the workflow of the line.

Line status

The line status will now show External Req Requested (flow_status_code EXTERNAL_REQ_REQUESTED).

(Note :

If you get line status as "Production Open"
go to Purchasing > Supply Base > Sourcing Rules, and end-date the sourcing rule "M-M1" which is saying "Make At" M1 with allocation of 100%.. After end-dating this sourcing rule, enter a new order line and it will progress to status "External Req Requested" as expected.)

3. Run the C.P "requisition import "

Go to Purchasing > Reports > Run and run the concurrent program Requisition Import with the Import Source parameter = CTO. Leave the other parameters as default. The concurrent program can also be run from OM > Orders,
Returns > Requisition Import.

Go to View > Requests and verify that the Requisition Import has completed successfully.

Line status

The line status of the sales order line will now show
External Req Open (flow_status_code EXTERNAL_REQ_OPEN).

checking tools in sales order

From the sales order line, go to Tools > Scheduling > Reservation Details > 'Supply' tab.
Verify that the order line is reserved against the requisition. Note down the requisition number seen in this window.

4. verify it in purchasing module through action history:

Go to Purchasing > Requisitions > Requisition Summary.

In the Find Requisitions window, enter requisition number found in the previous step and click on Find.
Verify that the status is Approved.

5. auto create PO

Go to Purchasing >Autocreate.
From Edit > Clear > Record, clear any query criteria

that may be defaulted.
Enter requisition number and click Find.
Check the checkbox to the left of the line, and click on Automatic.
Enter the Supplier and Supplier site
Create.
Supplier : Advanced Network Devices
Supplier Site : FRESNO

The Purchase Order form will automatically open with the PO that got created.
Click on the Approve button.
Click on the OK button in the Approval Documents window to approve the PO.
Note down the PO number, and verify that the status is Approved.

line status

The line status of the sales order line will now show
PO-Open (flow_status_code PO_OPEN).

checking tools in sales order

From the sales order line, go to Tools > Scheduling > Reservation Details > 'Supply' tab.
Verify that the order line is reserved against the PO.

6. Receipts:

Go to Purchasing > Receiving > Receipts.
Enter Purchase Order number and click on Find.
In the Receipts window, check the checkbox to the left of the line and enter :

Destination Type : Inventory
Subinventory : FGI

Save the receipt.

7. Transactions:

Go to Purchasing > Receiving > Receiving Transactions Summary.

Enter the Purchase Order number and click on Find.
Click on the Transactions button.

Verify a Receive and Delivery transaction. This means that the B2B item has been received into Inventory.

Line status:

The line status of the sales order line will now show
Awaiting Shipping (flow_status_code = AWAITING_SHIPPING).

checking tools in sales order

On the sales order line, Tools > Scheduling >
Reservation Details will now show that the item is reserved against Inventory in Subinventory = FGI.

The line can now be pick released, shipped and invoiced to the customer.

This completes the flow steps for B2B.

QUESTIONS:

1. **Link b/w PO and OM?**
2. **Explain B2B order flow?**