



Njoo Tuinue viwango!

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Tailoring MS Dynamics 365 Business Central for Manufacturing Industries





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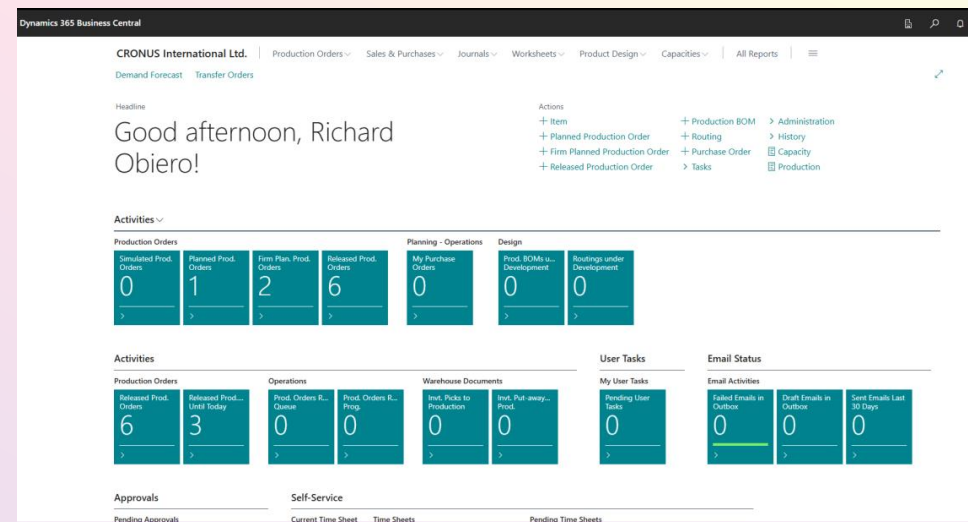
We shall discuss and engage on implementing Business central in Manufacturing industry especially in Africa more so east Africa.





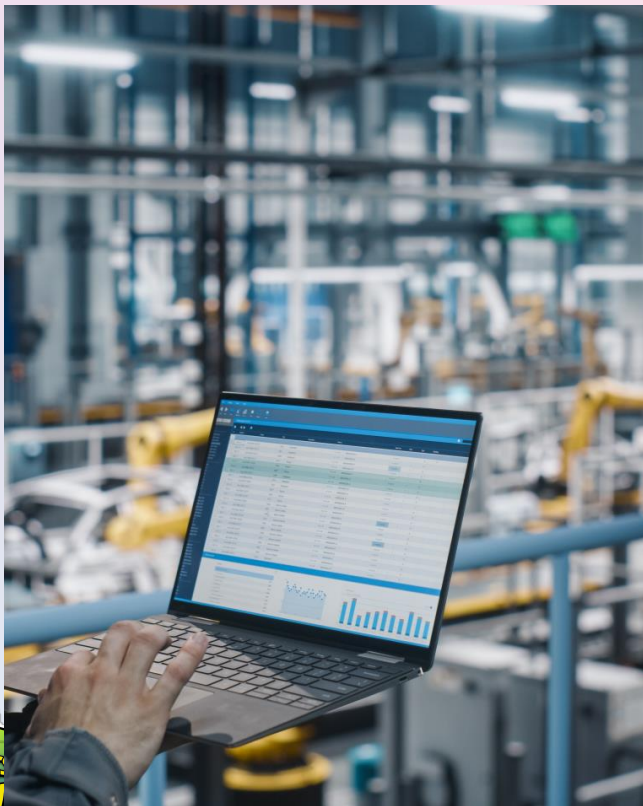
Agenda

- Manufacturing Industry in Kenya.
- BC –Business central Implementation Strategy.
- Manufacturing in Business central.
- Use case scenarios.
- Question and Answer.
- Conclusion.





Manufacturing Industry in Kenya



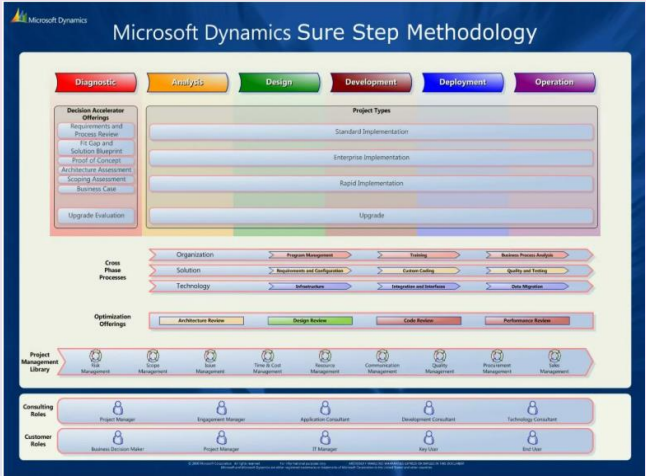
According to Kenya Manufacturing Association below are the key sectors in the manufacturing Industry;

- Agro-Processing
- Automotive.
- Building , Mining and Construction.
- Chemical and Allied.
- Energy, Electrical and Electronics.
- Food and Beverages.
- Leather and footwear.
- Metal and Allied.
- Plastics and rubbers.
- Textile and Apparels
- Timber.

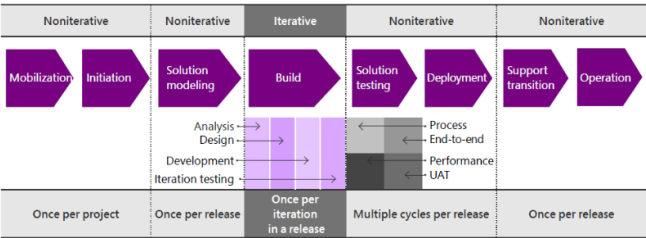




BC-Implementation Strategy



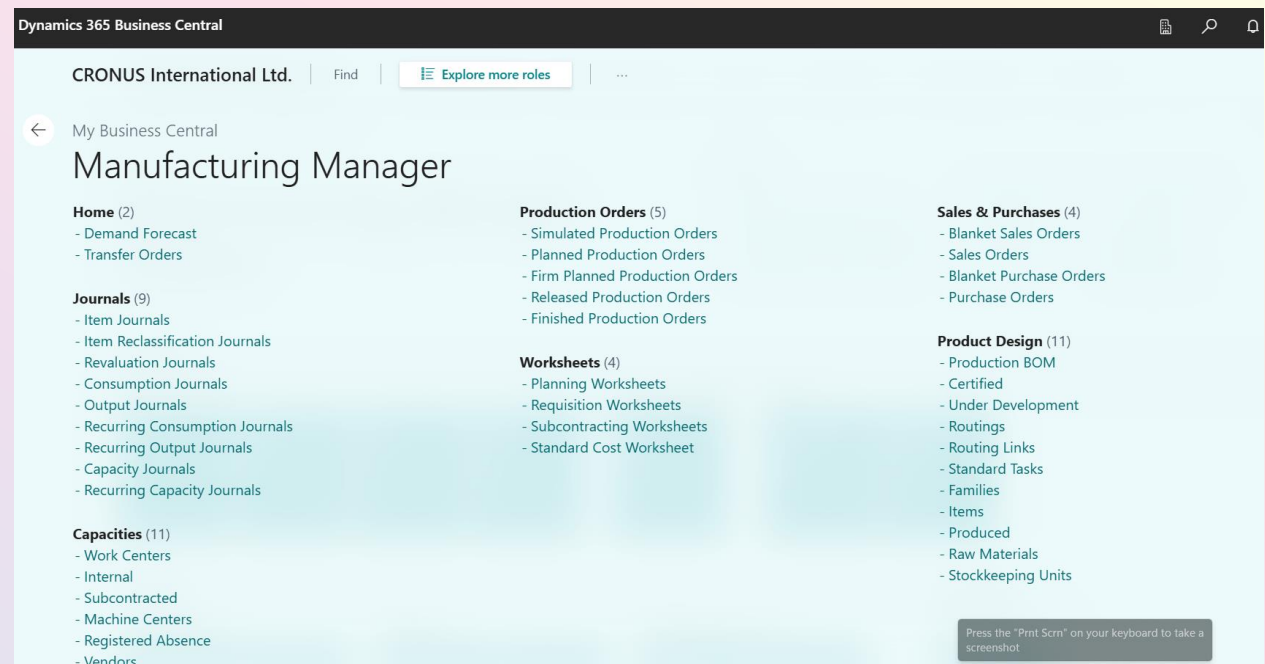
- Align on the Key concept for strategy;
 - Understand the vision and business drivers
 - Agree on key success metrics
 - Identify roles and responsibilities
 - Identify and allocate the right resources
 - Allocate budget and funds
 - Choose a methodology
 - Define the deployment and release management
 - Change management
- Project Management Approach - Adoption of sure step methodology
- Choose Implementation methodology;
 - Waterfall Approach
 - Agile framework
 - Scrum strategy
 - Rapid Approach
 - Hybrid approach - Recommended





Manufacturing in Business central

- Inventory & Warehouse Management.
- Production planning and Scheduling – MPS/MRP – Master Production Schedule/Material Requirements planning.
- Production floor – Machines, work centers calendars
- Supply chain management
- Financial management
- Quality control
- AI powered Insights with Copilot

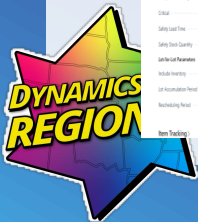




Inventory & Warehouse Management.

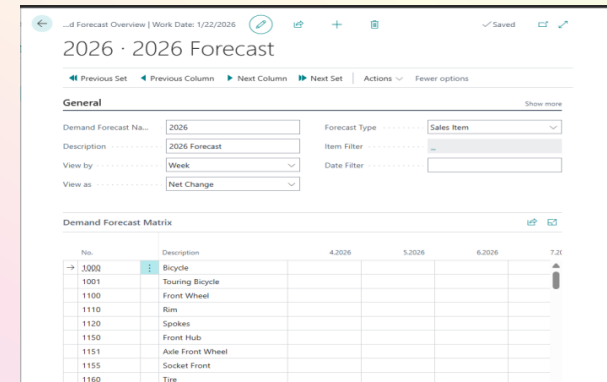
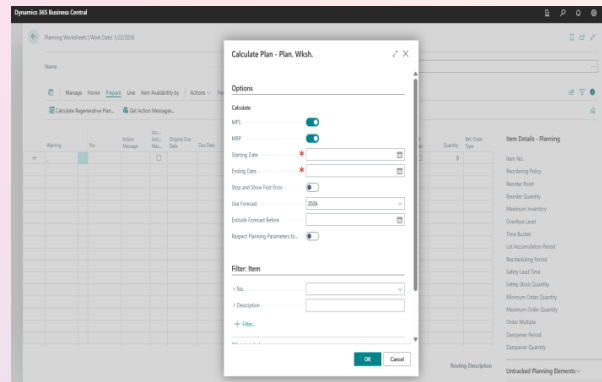
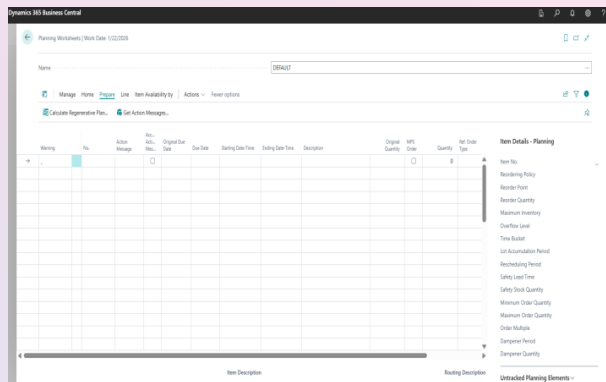
- Setups; Inventory setups – choice of costing method, Locations –utilization of locations advanced or simple, Inventory PG, Warehouse setup-advanced utilization of warehouse, warehouse employees etc.
- Item Master Management – especially the replenishment and planning tab.
- Replenishment tab – replenishment system, Lead time calculation, Routing, Production BOM, Flushing method
- Planning tab – Reordering policy, Dampener period and Qty, safety lead time and Qty. Lt for lot parameters, re-order point parameters, order modifier
- Rounding precision is key – be aware of overall rounding precisions set on the system , unit of purchase vs unit of consumption – control and align the rounding precisions to reduce system generated variances
- Std cost worksheet for standard cost roll up – periodically when new cost are set by the company
- Transfer orders – transfer routes

Location Code	Invt. Posting Group Code	Description	View All Accounts	Inventory Account	Inventory Account (Interim)	WIP Account
BLUE	FINISHED		<input type="checkbox"/>	2120	2121	2140
BLUE	RAW MAT		<input type="checkbox"/>	2130	2131	2140
BLUE	RESALE		<input type="checkbox"/>	2110	2111	2140





Production planning and Scheduling – MPS/MRP – Master Production Schedule/Material Requirements planning.



- Planning worksheet is the tool in NAV that runs the MPS – tells you when and how much to produce/MRP- tells you how much raw material to buy and when to place the order.
- This tool works with parameters set on the item cards named on previous slide.
- Other parameters to consider entails; Sales orders, Transfer order, Purchase order (key items is the order date, receipt date and shipment dates) – data ownership and accurate updates in Realtime is of high importance as it may lead to overstocking and late creation of orders.
- Forecast loading on BC can only be done on 3 tools – Sales orders, Demand upload, Transfer order – you can't forecast the same item using the three tools has to be one.





Production floor – Machines, work centers, calendars

- Structure and set up the shop floor in the system same way and efficiently like the way they have aligned the floor
- Machine centers – are the actual machines that are there on the actual floor set up posting tab-Cost, flushing method, Gen prod posting group, scheduling – capacity, queue time UOM and efficiency and routing set up – setup time, wait time, move time scrap% and warehouse – locations and bins
- Machines will drive your output
- Work centers – a collection of machines performing either same or a full sequential set of activities, key setup Scheduling tab - shop calendar others are like above

Machine Center Card: 110 - Mike Seamans

General

No. 110 Work Center No. 100 Parent: [blank] (This is nothing to show in this card)

Name: Mike Seamans Search Name: LARS SEAMANS Last Date Modified: [blank]

Posting

Direct Unit Cost: 0.00 Overhead Rate: 0.00 Flushing Method: Default

Indirect Cost %: 0 Unit Cost: 0.00 Gen. Prod. Posting Group: MANUFACT

Scheduling

Capacity: 1 Queue Time: 0

Efficiency: 100 Queue Time Unit of Measure Code: [blank]

Routing Setup

Setup Time: 0 First Scrap Quantity: 0 Minimum Phase Time: 0

Wait Time: 0 Scrap %: 0 Maximum Phase Time: 0

Move Time: 0 Second Scrap Quantity: 0 Current Capacity: 0

Warehouse

Location Code: [blank] To Production Bin Code: [blank] From Production Bin Code: [blank]

Open Shop Floor Bin Code: [blank]

Work Center Card: 100 - Assembly department

General

No. 100 Work Center Group Code: 1 Search Name: ASSEMBLY DEPARTMENT (This is nothing to show in this card)

Name: Assembly department Alternate Work Center: [blank] Last Date Modified: [blank]

Posting

Direct Unit Cost: 1.00 Unit Cost: 1.00 Project Code: [blank]

Indirect Cost %: 0 Unit Cost Calculation: Time Subcontractor No.: [blank]

Overhead Rate: 0.00 Specific Unit Cost: [blank] Flushing Method: Manual

Department Code: [blank] Gen. Prod. Posting Group: MANUFACT

Scheduling

Unit of Measure Code: MINUTES Efficiency: 100 Queue Time: 0

Capacity: 1 Consolidated Calendar: [blank] Queue Time Unit of Measure Code: [blank]

Shop Calendar Code: 1

Warehouse

Location Code: [blank] To Production Bin Code: [blank] From Production Bin Code: [blank]

Open Shop Floor Bin Code: [blank]

Capacities (11)

- Work Centers
- Internal
- Subcontracted
- Machine Centers
- Registered Absence
- Vendors
- Work Shifts
- Shop Calendars
- Work Center Groups
- Stop Codes
- Scrap Codes





Production floor – Production Design, Production orders, Assembly

- Production BOMs.
- Key here is to understand the production design all components and create the BOM and maintain versions
- Options – item BOMS or Flat BOMs
- Routing.
- Order that operation follow to make an item
- They are a key parameter for planning , scheduling and costing – it's where you know how long it take to make a part

Production Order 1000 - Bicycle

General

Item: 1000, Description: Bicycle, Quantity: 1, Unit of Measure: Each, Status: Confirmed, Last Date Modified: 1/1/2024

Components

Item	Qty	Description	Quantity	Unit of Measure	Status	Backorder Code
1000	1	Bicycle	1	Each	Confirmed	
1001	1	Frame	1	Each	Confirmed	
1002	1	Wheels	1	Each	Confirmed	
1003	1	Handlebars	1	Each	Confirmed	
1004	1	Seat	1	Each	Confirmed	
1005	1	Pedals	1	Each	Confirmed	
1006	1	Chain	1	Each	Confirmed	
1007	1	Brakes	1	Each	Confirmed	
1008	1	Shifters	1	Each	Confirmed	
1009	1	Spacers	1	Each	Confirmed	
1010	1	Tools	1	Each	Confirmed	

Production Order 1000 - Bicycle

General

Item: 1000, Description: Bicycle, Quantity: 1, Unit of Measure: Each, Status: Confirmed, Last Date Modified: 1/1/2024

Components

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1006	1	Chain	1	Each	Confirmed	
1007	1	Brakes	1	Each	Confirmed	
1008	1	Shifters	1	Each	Confirmed	
1009	1	Spacers	1	Each	Confirmed	
1010	1	Tools	1	Each	Confirmed	

Production Order 1000 - Loudspeaker 100W Oakwood Deluxe

General

Item: 1000, Description: Loudspeaker 100W Oakwood Deluxe, Quantity: 1, Unit of Measure: Each, Status: Confirmed, Last Date Modified: 1/1/2024

Components

Item	Qty	Description	Quantity	Unit of Measure	Status	Backorder Code
1000	1	Loudspeaker 100W Oakwood Deluxe	1	Each	Confirmed	
1001	1	Speaker Cabinet	1	Each	Confirmed	
1002	1	Speaker Driver	1	Each	Confirmed	
1003	1	Speaker Grille	1	Each	Confirmed	
1004	1	Speaker Mount	1	Each	Confirmed	
1005	1	Speaker Wire	1	Each	Confirmed	
1006	1	Speaker Connector	1	Each	Confirmed	
1007	1	Speaker Plug	1	Each	Confirmed	
1008	1	Speaker Strap	1	Each	Confirmed	
1009	1	Speaker Bag	1	Each	Confirmed	
1010	1	Speaker Case	1	Each	Confirmed	

Production Journal - Production Order 1000 Loudspeaker 100W Oakwood Deluxe

General

Item: 1000, Description: Loudspeaker 100W Oakwood Deluxe, Quantity: 1, Unit of Measure: Each, Status: Confirmed, Last Date Modified: 1/1/2024

Components

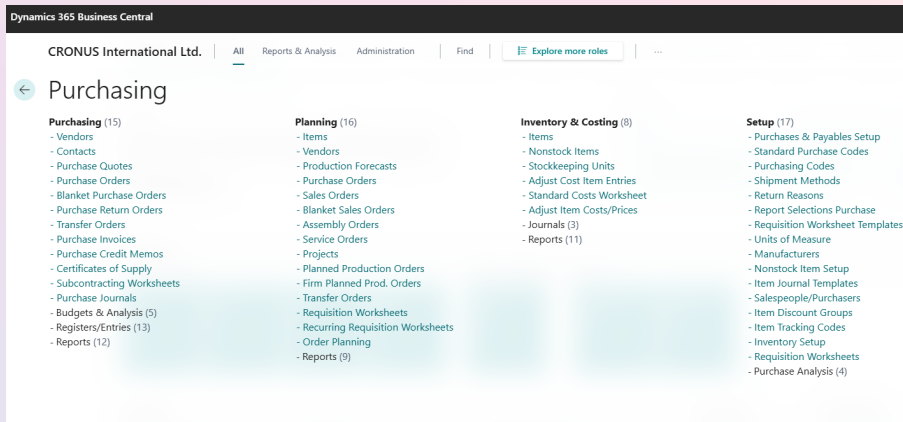
Item	Qty	Description	Quantity	Unit of Measure	Status	Backorder Code
1000	1	Loudspeaker 100W Oakwood Deluxe	1	Each	Confirmed	
1001	1	Speaker Cabinet	1	Each	Confirmed	
1002	1	Speaker Driver	1	Each	Confirmed	
1003	1	Speaker Grille	1	Each	Confirmed	
1004	1	Speaker Mount	1	Each	Confirmed	
1005	1	Speaker Wire	1	Each	Confirmed	
1006	1	Speaker Connector	1	Each	Confirmed	
1007	1	Speaker Plug	1	Each	Confirmed	
1008	1	Speaker Strap	1	Each	Confirmed	
1009	1	Speaker Bag	1	Each	Confirmed	
1010	1	Speaker Case	1	Each	Confirmed	

- Production order/ Production journal
- Where production happens – item & qty to produce are set, consumption of components, output posting , run time, capacities, stop time reasons and codes, Shift output – compared to shift target
- This be married with the production plan; Planned P.order, Firm planned, released
- Orders be finished when the shift ends – if std cost adjust cost set to run immediately to settle cost completely
- Assembly order.
- Easiest way for companies that do no do full manufacturing and put different parts together to form different packages that customers do order, and they can sell





Supply chain management



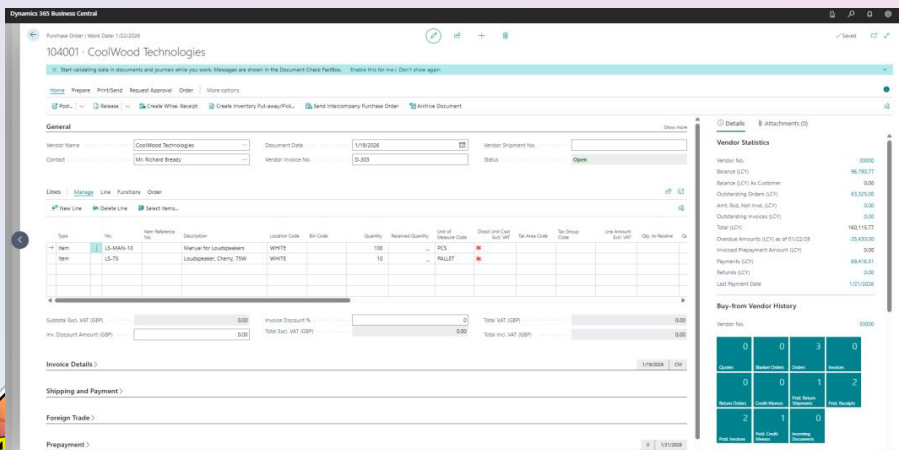
- Correct order time and quantity – how to achieve with MRP – to void over stocking and late delivery while navigating liquidity

- Vendors
- Purchase quotes
- Purchase Orders
- Purchase return Orders
- Transfer Orders
- Purchase Invoices
- Purchase Credit memos

- For PO/Transfer order - Key fields are the dates – Order dates, Receipt date, Shipment date –Its impact on MRP.

- Customization to introduce Procure to pay process is a game change in sealing loopholes and reducing transaction processing time

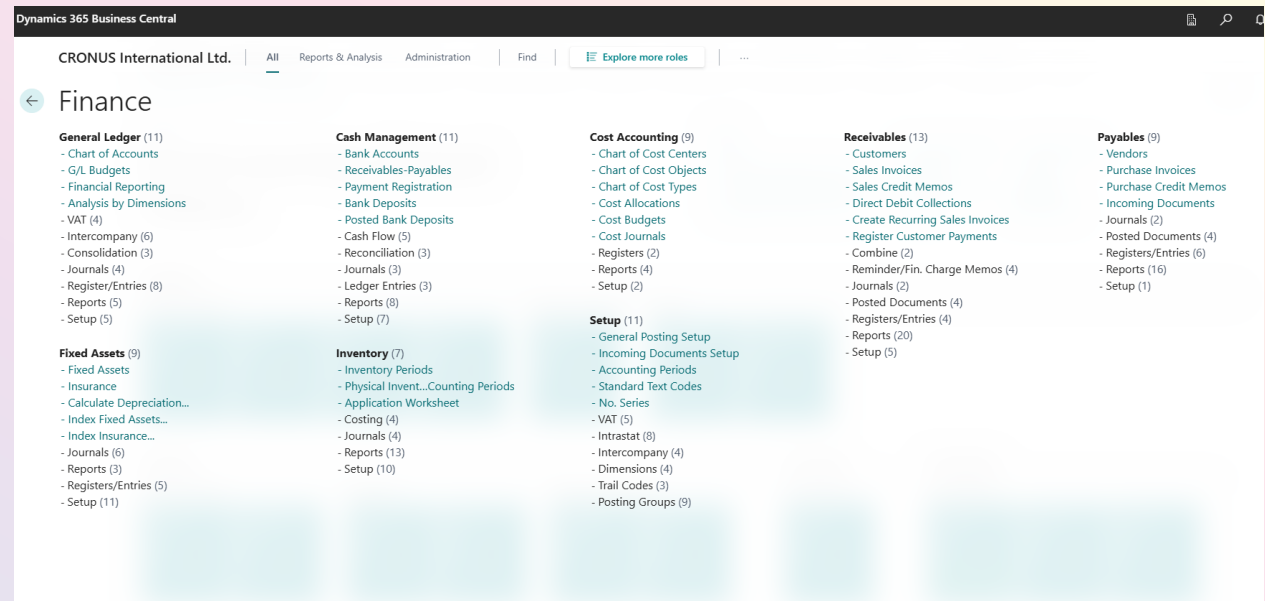
- Correct setting of Payment terms – the power and use of it





Financial management

- Cash sheet planning – this is best achieved with regular and standardized running of -MPS.MRP –MRP issues you what to buy in what quantity from whom and when and with standard cost the cash need becomes apparent
- Leverage incoming documents to process invoice as they arrive from the suppliers and reduce invoice creation time by users and user errors and lateness
- The power of prepayment function on Purchase order
- Importance of choice of default currency and additional reporting currency to control Forex losses
- Automating daily FX rates updates
- Integrating payment JVs with Payment bank accounts
- Automating bank reconciliation with integration of statement pulling from banks





Quality control

- Sampling of raw material, built parts , finished goods, returned sold goods
- Even sampling from the lines are a recurrent event in manufacturing hence the combination of item journals , location setup and job queues can automate recurrent test and random QC checks
- Serial and batch tracking also is of key so to track batch health





AI powered Insights with Copilot

- Creation of intelligent reports;
 - Insights on consumption period and patterns to improve on safety stock and reorder points or levels
 - Insights on machine breakdown and efficiency
 - Recognize pattern and season when cash is highly needed for future planning
 - Efficient forecast checks based on actual sales pattern and not just what sales team say
 - Use copilot to summarize data that is outdated that require updating as they will impact MPS MRP
- Automating data uploads like forecast and purchase invoices from suppliers in the system onto incoming documents from emails saving time

Copilot for Microsoft 365: AI empowers to improve productivity and revolutionize your way of working!





Interactions and questions from the Audience

Question and Answer



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Contact ;

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Be on the look out for an event just for
deep dive on Inventory, Warehouse,
Manufacturing modules - soon

