

JD EDWARDS WORLD PROCUREMENT MANAGEMENT



Integrate and streamline all procurement processes.

Simplify supplier analysis and bidding.

Eliminate unnecessary transactions.

The Issue: Strategic Procurement

The role of buyer has changed dramatically— from dealmaker to strategic partnership manager. Companies that establish collaborative working relationships with their key suppliers have a tremendous cost and lead-time advantage over their competitors. Effective supplier management requires timely and accurate information to keep the purchase-to-delivery cycle short, orders easy to track, and contract compliance simple to verify. Without automated, integrated procurement systems, buyers can end up spending the majority of their time on nonstrategic processes, such as tracking order statuses, entering POs, and maintaining their own spreadsheets for analysis. As a result, they may miss opportunities for mutually beneficial supplier negotiations and process efficiencies.

The Solution: Integrated Procurement Management

Oracle's JD Edward's World Procurement Management facilitates supplier relationship management with integration of all purchasing activities— from replenishing strategic components to subcontracting outside services to buying spare parts and operating supplies. You gain end-to-end visibility of the procurement process and extensive flexibility to define procurement order types and workflows that fit your business requirements.

Automated Processes

For items that do not require a bid, automatic purchase order generation saves substantial time. All relevant information is available online to validate item status and make necessary changes to quantities, dates, or suppliers. When items must go out for bid, Procurement Management streamlines the process. You have the capability to:

- Combine requisitioned items on a single request for quote.
- View supplier performance ratings for rapid selection of those eligible to receive bid opportunities.
- Print quote requests for submission to preferred suppliers.
- Track status of open quotes and bids to a particular supplier, account, or buyer for targeted procurement decisions. Once suppliers have been chosen, you can improve transaction accuracy and accelerate orders through your organization with:
 - Designated approval routing and required action messages.
 - Consolidation of multiple items on an order to a single supplier.
 - Simultaneous creation of purchase and sales orders for each direct shipment.

- System counting and tracking of all changes made to purchase orders and purchase order lines.
- Rebate management to apply purchases automatically toward the appropriate rebate agreements.

Rapid Receipts Routing

The Procurement Management automated purchase order receipts routing controls the sequence of material handling. You establish the rules for the items you want inspected, how often to inspect them, and the tolerance limits for acceptance. You keep stock moving with:

- Online review of material inspection status for immediate resolution of quality issues.
- Automated monitoring of material routing for rapid correction of bottlenecks.
- Easy modification of inspection criteria to reflect changes in supplier partnership status and contract terms.

Supplier Analysis

With Procurement Management's bid-to-final payment audit trail, you can consolidate your partnerships to those suppliers who maintain the best performance over time. You have the capability to monitor trends for each supplier in the critical areas of delivery, quality, and price. The system tracks lead times, quantity early, and quantity late based on your definition of acceptable time variance for delivery. Quality analysis measures the percentage of received items that fall within your defined tolerances. Comprehensive price information compares inventory, order, receipt, and paid costs by item. You have the information you need to effectively:

- Verify compliance with contract terms.
- Identify existing and potential trouble spots.
- Provide information that helps your partners implement operational and service improvements.
- Tie performance to future contract negotiation.

Added Value Through Integration

Unnecessary transactions add additional work that wastes time and money. The premium you place on speed, flexibility, and accuracy provides compelling reasons to move beyond simply automating traditional procurement transactions to eliminating the need for certain transactions altogether. As you deepen partnerships with your strategic suppliers, why even bother to open a purchase order? Why even bother with an invoice?

Procurement Management is integrated with Requirements Planning, Inventory Management, Manufacturing Management, and Accounts Payable so that you can skip steps with the following capabilities:

- Pay on consumption. Delay payment for purchased items until the item is consumed in production.
- Kanban processing. Automatically trigger item replenishment and

acknowledgement of items received at the consuming location.

- Supplier release scheduling. Automatically translate your material requirements plans into electronically transmitted schedules that communicate to suppliers the expected demand for components over a specified period of time.
- Evaluated receipts settlement. Enter receipt information once, and the system automatically creates the vouchers, edits and calculates both taxes and discounts, and generates the appropriate journal entries.
- UCC-128 compliance. Easily scan serialized shipping container code labels to accelerate shipment verification and receipt routing of inbound loads.
- Receipts matching. Simultaneously update inventory and accounts payable, preventing duplicate receiving or payment.
- Landed cost management. Simultaneously apply landed cost to receipts, item unit sales cost, and general ledger accounts.

With full integration, you can view all demand factors, including sales orders, transfers, work orders, and forecasts. Warehouse Management optimizes space and labor in the putaway process. Ties to Manufacturing Management will help process parts availability, work orders, forecasting, planning, and product costing. You can monitor subcontract and job commitments and view the details on an account-by-account basis. And tight integration to Accounts Payable will accurately display the items still open for payment and help maintain your good credit position with key suppliers. With the automated, integrated JD Edwards World Procurement Management solution, you can save time and money by eliminating unnecessary processes and more effectively managing your supplier relationships.

Feature/Function Highlights

- Integrated requisition to PO management:
 - Requisitions/quotes/bid.
 - Blankets/direct shipments.
 - Inventory purchases.
 - Noninventory purchases.
- Order templates.
- Flexible order workflow.
- Buyer workbench.
- Online, automated approval routing.
- Flexible costing/pricing.
- Purchase rebates.
- Quote order management.
- Online supplier analysis.

- Supplier pricing and catalogs.
- UCC-128 compliance.
- Supplier part number cross-reference.
- User-defined receipts routing.
- User-defined quality tolerance rules.
- Variable unit-of-measure receiving.
- Landed cost management.
- Lot processing.
- Transfer order management.
- Drop-ship management.
- Supplier release scheduling.
- Kanban processing.
- Evaluated receipts settlements.
- Blanket order release.
- Budget checking.
- Substitutions/replacements.
- Change order management.
- Commitments/encumbrances.
- Subcontracts.
- Tax processing.
- Two- and three-way matching.
- EDI ANSI X.12 and EDIFACT.
- Web enabled.

Solution Integration

- JD Edwards World Warehouse Management
- JD Edwards World Inventory Management
- JD Edwards World Sales Order Management
- JD Edwards World Requirements Planning
- JD Edwards World Manufacturing
- JD Edwards World Advanced Pricing
- JD Edwards World General Accounting
- JD Edwards World Accounts Payable
- JD Edwards World Project Costing
- JD Edwards World Agreement Management

- JD Edwards World Advanced Cost Accounting
- JD Edwards World Quality Management
- JD Edwards World Capital Asset Management
- JD Edwards World Load and Delivery Management

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