

Avanade Purchase Surcharges and Deductions

Ensuring accurate, transparent purchase pricing and improving vendor relationships



Avanade Purchase Surcharges and Deductions for Microsoft Dynamics 365 for Finance and Operations uses algorithms based on your parameters to automatically calculate accurate purchasing prices. The solution saves time and effort, and can help ease vendor negotiations.

Often, when companies purchase goods, the final price cannot be known until the calculation of surcharges and deductions based on inspections and quality assessments after delivery has taken place. Manual processes for this step can be lengthy and error-prone. When final purchase prices are too high, purchasers may pay too much. On the other hand, vendors may see their margins erode when the final pricing is too low.

Define your values and receive reliable purchase price calculations

Avanade Purchase Surcharges and Deductions enables purchasing managers to eliminate the labor of manually calculating landed costs. Instead, algorithms based on previously defined batch attributes for products run automatic, fast calculations. Purchase Surcharges and Deductions keeps price calculations updated and accurate when operational expenses and purchase costs change in the ERP system.

The batch attributes used in this automated process can be any relevant, combined characteristics of the materials and products in a purchasing transaction. These attributes typically fall within a certain range and are associated with a monetary value that informs the calculation, which increases or reduces the purchase price. You can set attributes based on trade agreements, industry quality standards, the practices of a regional subsidiary, or other parameters.

Better vendor relationships and greater purchasing intelligence

When you use Purchase Surcharges and Deductions, price adjustments are transparent, consistent, and trackable. Instead of relying on individual opinions, however expert, you can engage with your vendor based on an assessment of data evidence. You can thereby remove a source of possible contention from vendor interactions. You can also use the solution's pre-built reports to show vendors how adjustments were calculated. That could help them make quality, financial, or process adjustments in their operation.

You can display purchase transaction records across business entities with Purchase Surcharges and Deductions' purchase price calculations. If Microsoft Excel is your preferred tool, you can perform templated exports of batch attribute parameters in various formats from Excel to the solution. Purchase Surcharges and Deductions automatically registers batches of incoming receipts.

Purchase Surcharges and Deductions comes with a standard integration with Microsoft Power BI, which means you can perform advanced analytics and visualizations to understand and manage your purchasing costs. Through Microsoft PowerApps, you can deliver the solution's purchase price calculations to mobile devices for immediate visibility.

In your ERP environment, Purchase Surcharges and Deductions integrates with the inventory module of Microsoft Dynamics 365. To learn more or see a demo, contact us by visiting www.avanade.com/en/technologies/microsoft-dynamics-365.

Key Benefits

- Improve the accuracy and reduce the effort of performing purchase price calculations.
- Maintain complete tracking and full transparency for price determinations.
- Reflect actual business conditions and trade agreements in price calculations.
- Improve vendor relationships and negotiations by removing ambiguity and possible contention.

