

# Avanade Vendor Management User Guide

## Dynamics 365 for Finance and Operations



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**Document Information**

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<b>Document Title:</b>	user guide
File Name:	Avanade Vendor Management User Guide
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**Document Revision History**

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Version	Date	Changed By	Items Changed Since Previous Version
1.0	15/01/2018		

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# 1. Introduction

The 'Vendor management' module consists of functionalities like Quotation reminder / Delivery reminder / Confirmation reminder and the vendor evaluation which can be switched on or off via configuration keys. Reminders for proposal requests can be created with the quotation reminder. With the confirmation reminder, reminders for expected order confirmations can be created. The dunning counter is incremented by 1 on the order item. The dunning counter can be evaluated with the vendor rating. Reminder for expected order items can be created with the delivery reminder. The dunning counter is incremented by 1 on the order item. The dunning counter can be evaluated with the vendor rating.

With the vendor rating, the classification characteristics

- On-time delivery
- Delivery reliability
- Quantity deviation
- Price deviation
- Partial delivery
- Quality
- Delivery reminders
- Confirmation reminders

Order items with status "Received" and / or "Invoiced" can be valued over a freely selectable period in a periodic run using a freely configurable point system.

With a flag, individual order items can be excluded from the evaluation.

If purchase order items with the status "Received" are also included in the valuation run, no price variances are calculated for these items.

You can define evaluations for one vendor / vendor group or all vendors and for one article / article group or all articles per characteristic.

Any number of feature groups can be created and assigned to the client or a location. The valuation run can be carried out via the client or via individual / all locations.

For each valuation run, the calculated position values are calculated using a calculation method (Simple Average, Weighted Average Quantity or Weighted Average Value) as the sum per order item, purchase order, and vendor / location in the valuation history.

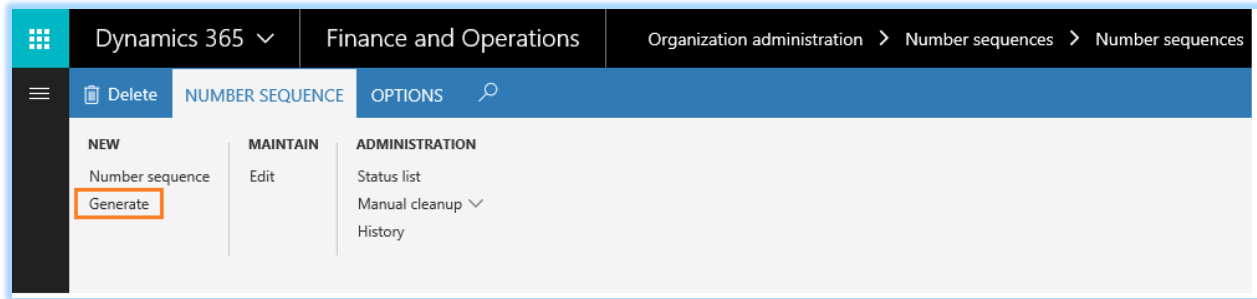
An ABC classification run can be made for each valuation run. The data from both calculation runs can be transferred to the vendor master.

## 2. Configuration and setup

### 2.1. Setup number sequence

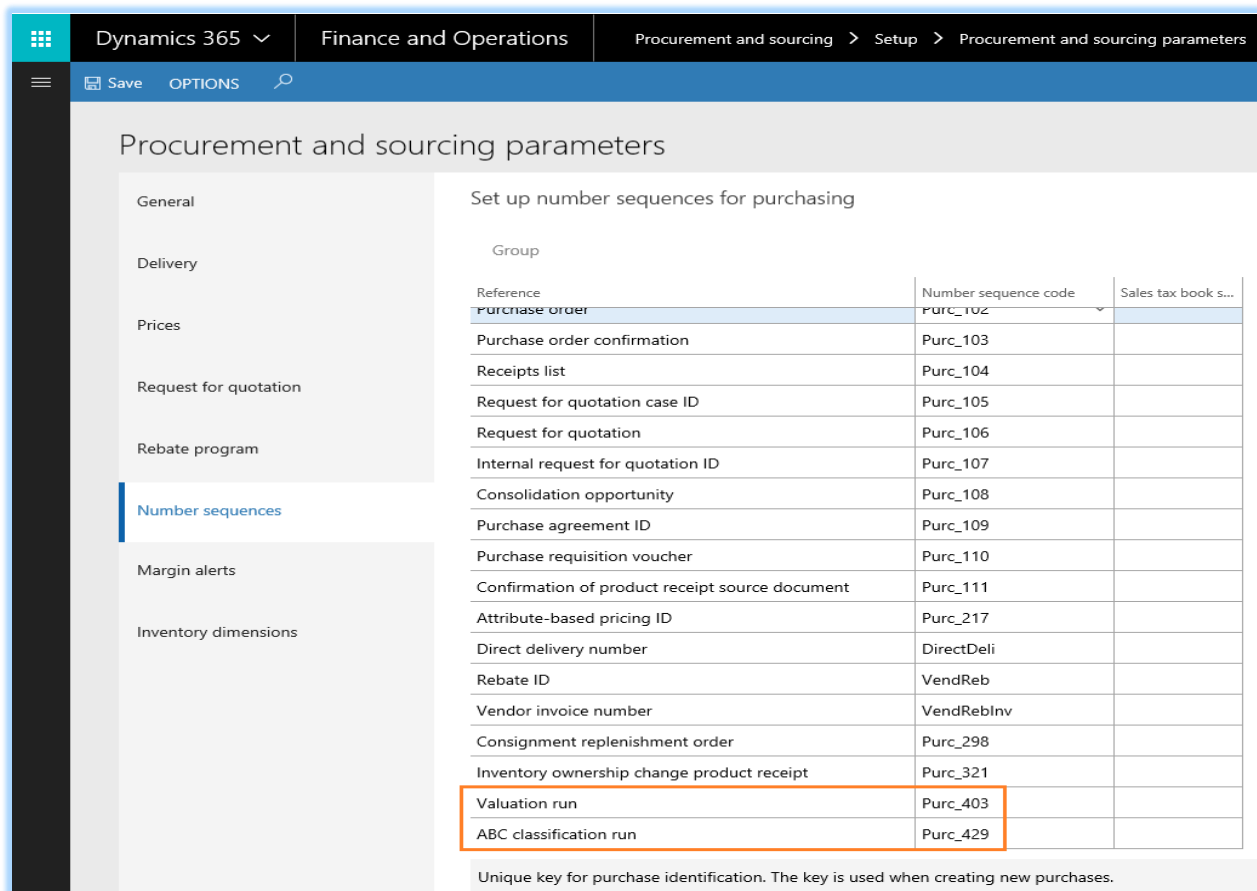
2 additional number sequences (evaluation number and ABC classification number) must be set up.

**Module: Organization Administration > Number Sequence > Number Sequence > Generate**



The two number sequences for the valuation run and ABC classification run numbers are created and can then be checked and, if necessary, changed under:

**Module: Procurement and Sourcing > Setup > Procurement and Sourcing Parameters > Number Sequences**



## 2.2. E-mail templates

Quotation reminders, confirmation reminders and delivery reminders can be sent by e-mail.

Setting which template should be dragged under

**Module: Procurement & Sourcing > Setup > Vendor Management > Parameters**

The screenshot shows the Dynamics 365 interface for 'Delivery management parameters'. The breadcrumb trail is 'Vendor management > Setup > Parameters'. The page title is 'Delivery management parameters'. The 'General' tab is active. The 'E-mail template setup' section is highlighted, showing three dropdown menus: 'Confirmation reminder' (Alert), 'Delivery reminders' (CnfmOrder), and 'Quotation reminder' (NewOrder). A 'NOTES' section on the right has a 'Show info' toggle set to 'Yes'.

Note: If this flag is set to Yes, then in the Journal for the Quality assessment information texts are entered.

## 2.3. Quotation reminder

To create offer reminders, you can define reminder time settings in calendar days and on statement text on the form.

If an offer request is sent, then the number of calendar days in the field Deadline Calculated on the shipping date and stored as a reminder date in the quote request header in the Vendor tab in the Reminder Date field.

## Module: Procurement and sourcing > Setup > Procurement Parameters > Request for Quotation

The screenshot shows the 'Request for quotation' setup page in Dynamics 365. The page is titled 'Procurement and sourcing parameters' and 'Request for quotation'. It contains several sections for configuring default values:

- REQUEST FOR QUOTATION TYPE:** Purchase type (Purchase order), Solicitation type (dropdown), and EXPIRATION DATE (Days offset: 30).
- Working days:** Yes (checked), Expiration Time (12:00:00 AM).
- DELIVERY:** Mode of delivery (10), Delivery terms (DDP).
- PAYMENT:** Terms of payment (Net45).
- REQUEST FOR QUOTATION TRADE AGREEMENT JOURNAL:** Default trade agreement journal (RFQ).
- LOCKING REQUESTS FOR QUOTATION:** Lock RFQs when they are sent (Yes).
- AMENDMENT:** Email template for notification of amend... (dropdown).
- CANCELLATION:** Email template for notification of cancel... (dropdown).
- QUOTATION REMINDER:** Deadline (5) - This field is highlighted with an orange box.

Reminder forms are created under

## Module: Procurement and sourcing > Setup > Forms > Form Notes

The screenshot shows the 'Form notes' page in Dynamics 365. The page is titled 'Form notes' and contains a list of form notes. The 'Quotation reminder' form note is highlighted with an orange box. The page also shows a search filter and a list of other form notes:

- Quotation reminder (en-us) - highlighted with an orange box.
- Sales order - quotation (en-us)
- Sales order - confirmation (en-us)

The main content area shows the details for the 'Quotation reminder' form note, including the form name and language (en-us).

## 2.4. Confirmation reminder

To be able to generate reminders for order confirmations, you must enter the date of the expected order confirmation receipt under Delivery in the Confirmation Due Date field in the order header.

So that the confirmation due date does not have to be entered with every order, a general confirmation period per vendor group or per vendor can be deposited. If a confirmation period is stored on the vendor group, this period is also applied to the vendors when a new vendor is created. If we enter an order, the

confirmation period is first searched for on the vendor and then on the vendor group and, if available, transferred to the order. If no confirmation period is found, the field in the order remains empty.

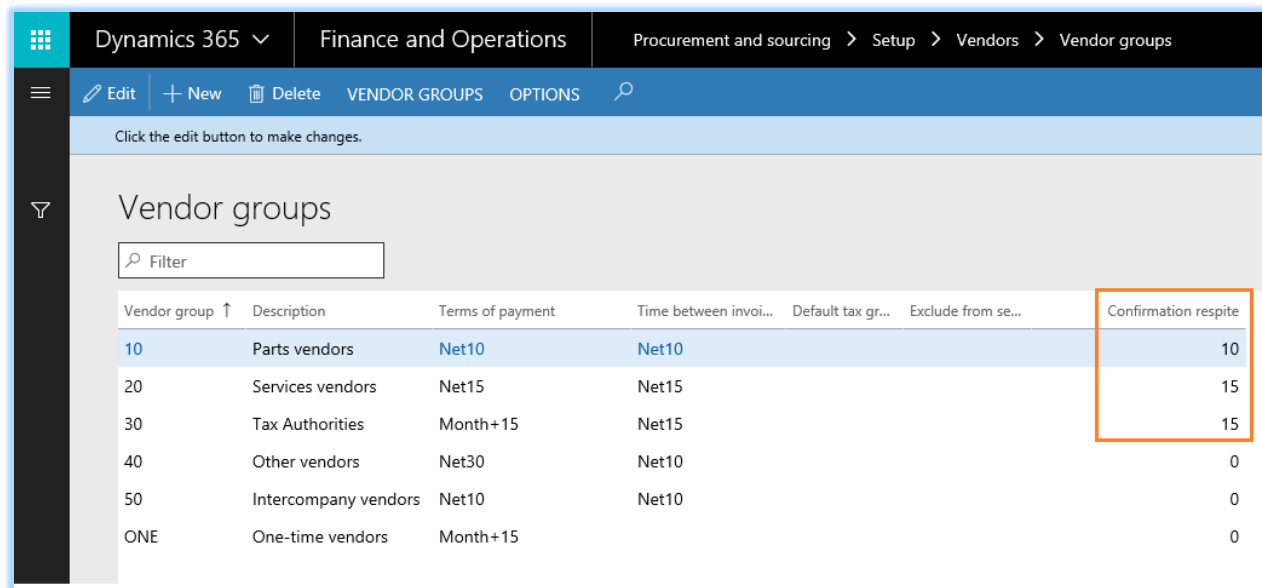
The calculation is based on the stored calendar. The calendar is searched for the following priority:

- Calendar that is assigned to the vendor under Procurement and Sourcing > Vendor > All Vendors Vendor Account > Purchase Order defaults > Purchase Calendar
- Calendar under Procurement and sourcing > Setup > Vendor Management > Allocation Calculation Attribute > Calendar
- Calendar under Vendor Management > Allocation Calculation Attribute > Calendar
- Calendar under Organization Administration > Setup > Organization > Legal entities under Foreign Trade and Logistics > Shipping Calendar

If no calendar is found, the number of days will be calculated.

Confirmation period on the vendor group under

**Module: Procurement and sourcing > Setup > Vendors > Vendor groups**



Vendor group ↑	Description	Terms of payment	Time between invoi...	Default tax gr...	Exclude from se...	Confirmation respite
10	Parts vendors	Net10	Net10			10
20	Services vendors	Net15	Net15			15
30	Tax Authorities	Month+15	Net15			15
40	Other vendors	Net30	Net10			0
50	Intercompany vendors	Net10	Net10			0
ONE	One-time vendors	Month+15				0



Confirmation period on the vendor under

**Module: Accounts Payable > All Vendors > Vendor Account > Purchase Order Defaults**

The screenshot displays the Dynamics 365 Finance and Operations interface for the 'Purchase Order Defaults' of a vendor named 'Ace Supplier'. The breadcrumb trail at the top indicates the path: Accounts payable > Vendors > All vendors. The interface is divided into several sections:

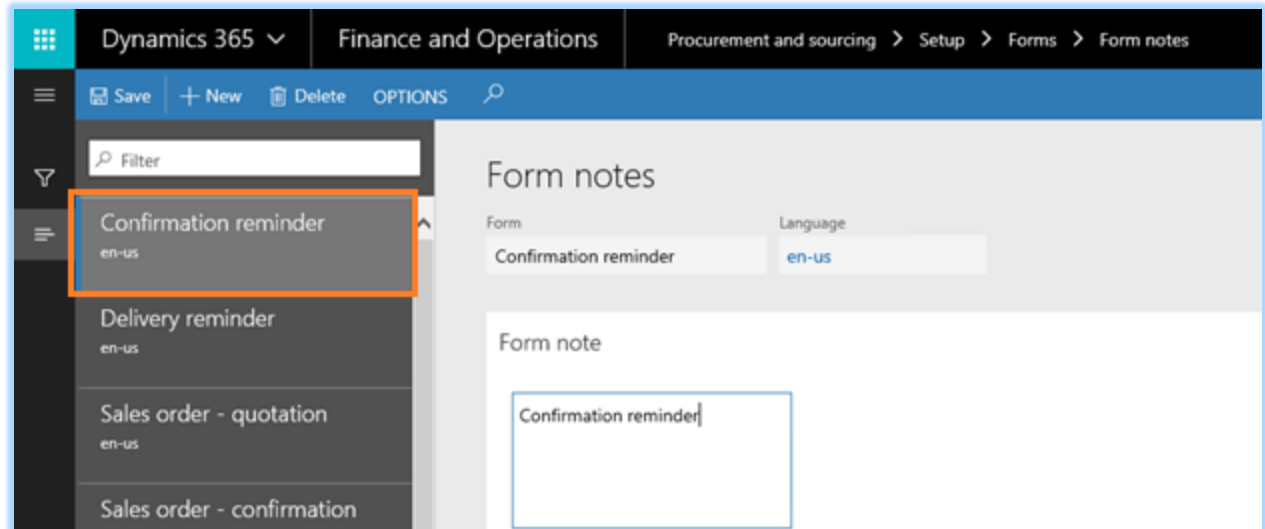
- NEW:** Includes links for Purchase order, Request for quotation, and Purchase requisition.
- RELATED INFORMATION:** Includes links for Purchase orders, Product receipt, Request for quotation journal, and Approved vendor list by vendor.
- AGREEMENTS:** Includes links for Trade agreements, Purchase agreements, and Purchase prices.

The main content area is titled 'ALL VENDORS' and 'Ace Supplier : Ace Supplier'. Below this, there is a section for 'Purchase order defaults' which is highlighted with an orange box. This section contains several fields and settings:

- PURCHASE ORDER:**
  - Charges group: [Empty field]
  - Site: 1
  - Warehouse: 11
  - Default inventory status ID: [Empty field]
  - Item - vendor group: [Empty field]
  - Purchase pool: [Empty field]
  - Our account number: [Empty field]
- Amount in transaction currency:** -795.00
- Purchase order prices/amount:** Yes (toggle switch is turned on)
- Purchase calendar:** [Empty field]
- DISCOUNT:**
  - Multiline discount: [Empty field]
  - Total discount group: [Empty field]
  - Price group: [Empty field]
  - Line discount group: [Empty field]
- SUPPLEMENTARY ITEM:**
  - Supplementary item group: [Empty field]
- CHANGE MANAGEMENT FOR PURCHASE ORDERS:**
  - Override settings: No (toggle switch is turned off)
  - Activate change management: No (toggle switch is turned off)
  - Allow override of settings per purcha...: No (toggle switch is turned off)
- CONFIRMATION RESPITE:** (This section is highlighted with an orange box)
  - Confirmation respite: 10

Forms for the confirmation reminder are created under:

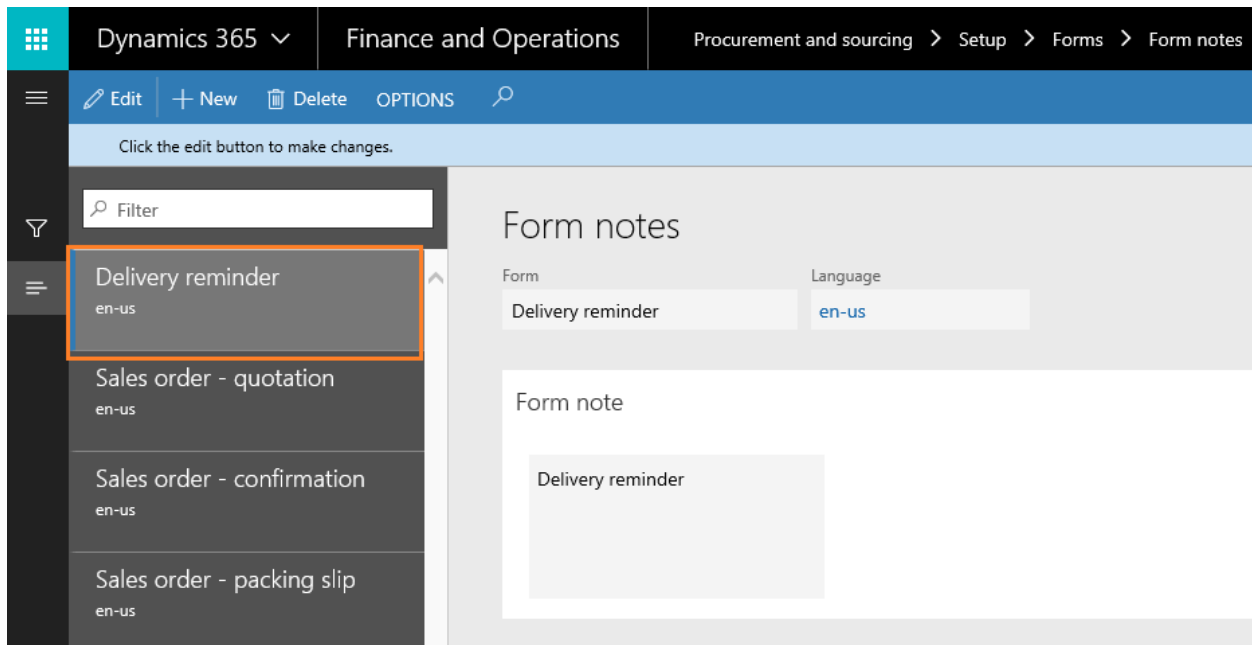
**Module: Procurement and sourcing > Setup > Forms > Form Notes**



## 2.5. Delivery reminder

Form notes for the remainder are created under:

**Module: Procurement and sourcing > Setup > Forms > Form Notes**



## 2.6. Quality management

If D365 for Operations quality orders are used, then settings must be made to enter the quality rating.

**Module: Warehouse Management > Setup > Inventory and Warehouse Management Parameters > Quality Management**

Dynamics 365 Finance and Operations Inventory management > Setup > Inventory and warehouse management parameters

Save OPTIONS

### Inventory and warehouse management parameters

General

Journals

Bills of materials

Locations

Inventory accounting

Transport

Quality management

Select to use quality management and set up an hourly rate

Report setup

**ATTRIBUTE MANAGEMENT**  
Update inventory batch attribute  
No

**QUALITY MANAGEMENT**  
Use quality management  
Yes   
Hourly rate  
20.00

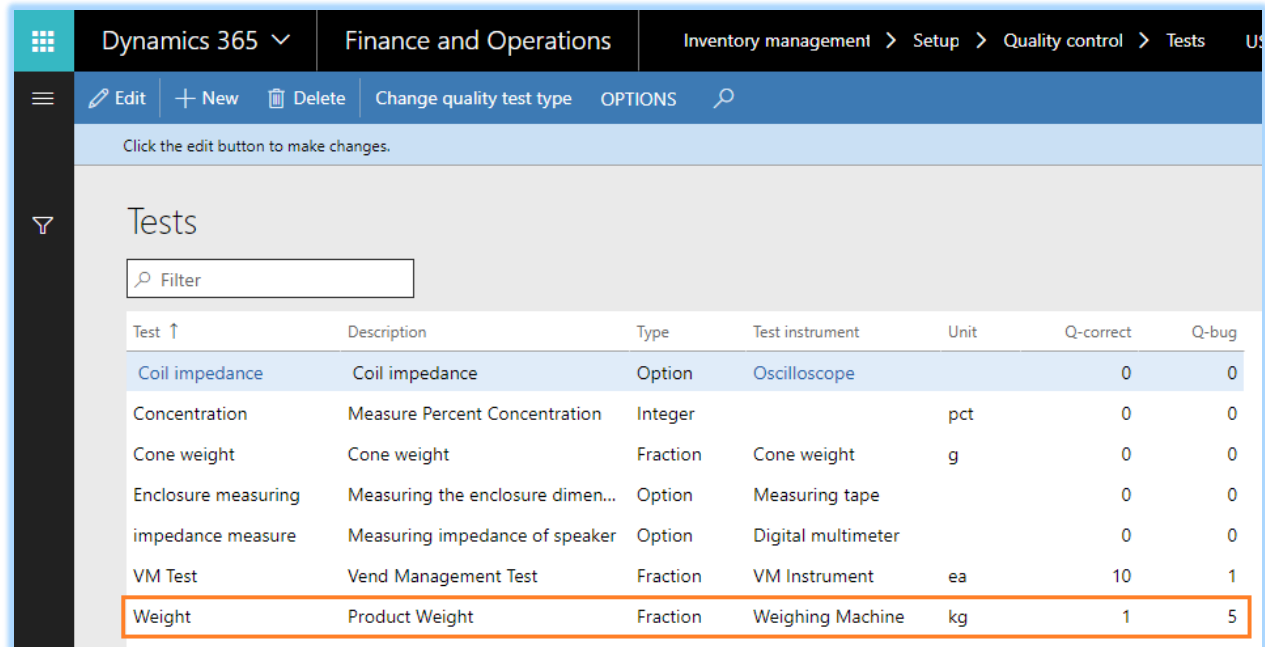
**VENDOR MANAGEMENT**  
Default value Successful  
1  
Default value Unsuccessful  
5

Use quality management: Must be set to Yes if quality inspection jobs are used. Default value successful and default failed: Enter the quality rating for integer or fraction tests.

## Tests

When a new test is created, the types of fraction and integer in the Q-correct and Q-bug columns are reallocated to the default values for the quality assessment from the bearing parameters, but can be changed as desired. For tests of the type option, additional test variables and results must be created.

**Module: Inventory Management > Setup > Quality Control > Tests**

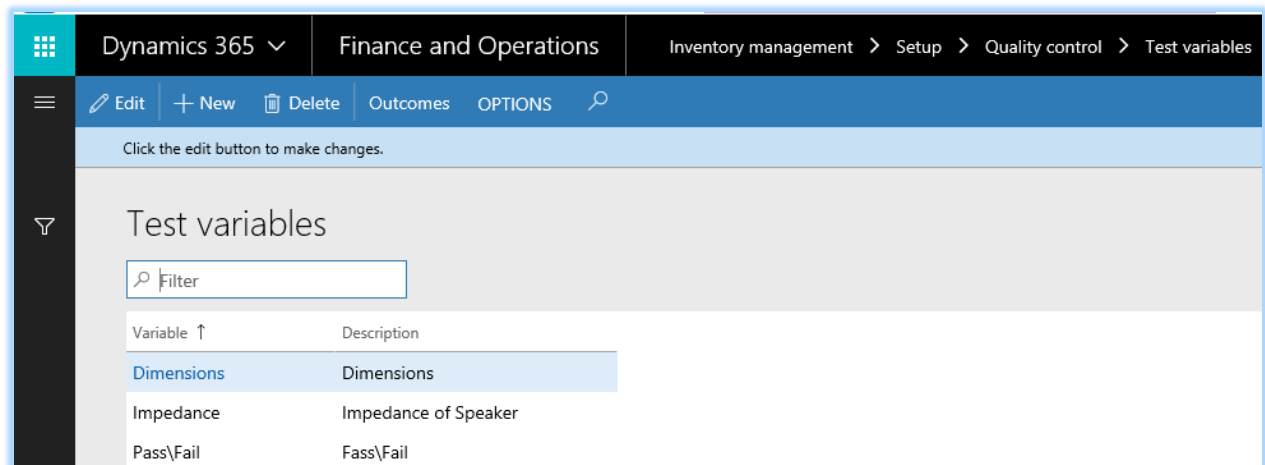


The screenshot shows the Dynamics 365 interface for the 'Tests' table. The table has columns for Test, Description, Type, Test instrument, Unit, Q-correct, and Q-bug. The 'Weight' test is highlighted with an orange border.

Test ↑	Description	Type	Test instrument	Unit	Q-correct	Q-bug
Coil impedance	Coil impedance	Option	Oscilloscope		0	0
Concentration	Measure Percent Concentration	Integer		pct	0	0
Cone weight	Cone weight	Fraction	Cone weight	g	0	0
Enclosure measuring impedance measure	Measuring the enclosure dimen...	Option	Measuring tape		0	0
VM Test	Vend Management Test	Fraction	VM Instrument	ea	10	1
Weight	Product Weight	Fraction	Weighing Machine	kg	1	5

## Test Variables

**Module: Inventory Management > Setup > Quality Control > Test Variables**



The screenshot shows the Dynamics 365 interface for the 'Test variables' table. The table has columns for Variable and Description. The 'Dimensions' variable is highlighted.

Variable ↑	Description
Dimensions	Dimensions
Impedance	Impedance of Speaker
Pass\Fail	Fass\Fail

Test variables / result in each result, a value for the quality assessment must be entered in the Q value column.

Dynamics 365 Finance and Operations Inventory manager > Setup > Quality cont > Test variables

Save + New Delete OPTIONS

VM RESULT : VM TEST RESULT  
Test variable outcomes

Filter

Outcome	Description	Outcome status	Variable ↑	Q value
Fail	Fail	Fail	VM Result	10
Pass	Pass	Pass	VM Result	2

### Test groups

In test groups, tests are summarized and then assigned via quality assignments to an article code (article / quality group or all articles) and an account code (vendor / vendor group / or all vendors).

Module: Warehouse Management > Setup > Quality Control > Test Groups.

Dynamics 365 Finance and Operations Inventory management > Setup > Quality control > Test groups USMF

Edit + New Delete OPTIONS

Click the edit button to make changes.

Test groups

Overview General

Test group ↑	Description	Acceptable qual...	Item sampling	Destructive test	Q-Avgfactor
Weight TG	Weight test group	100.00	1 pcs		1.00

Overview General Test

+ Add Remove

Sequence number	Test	Effective	Expiration	Q-Avgfactor	Q-correct	Q-bug
1	Product weight	2/1/2018 09:10:01 AM	Never	1.00	1	10
2	Cone weight	2/1/2018 12:00:00 AM	Never	1.00	100	70
3	Product Size	2/1/2018 12:00:00 AM	Never	1.00	45	15

In the upper window, the field Q weighting factor shows the average of the individual tests in the lower

window. This value is calculated and must always be 1. The individual tests are added in the lower window. A factor can be entered in the Q weighting factor field. In the columns Q-Correct and Q-Bug, the values for the quality assessment can be changed if the test is of the integer or fraction type. With the type option these values cannot be changed.

## 2.7. Setups for vendor evaluation

With the vendor evaluation, the characteristics of on-time delivery, delivery reliability, quantity deviation, price deviation, partial delivery, quality, delivery reminders and confirmation reminders of Purchase order items with status Received and / or Invoiced are valued over a freely selectable period per client or location in a periodic run using a freely configurable point system.

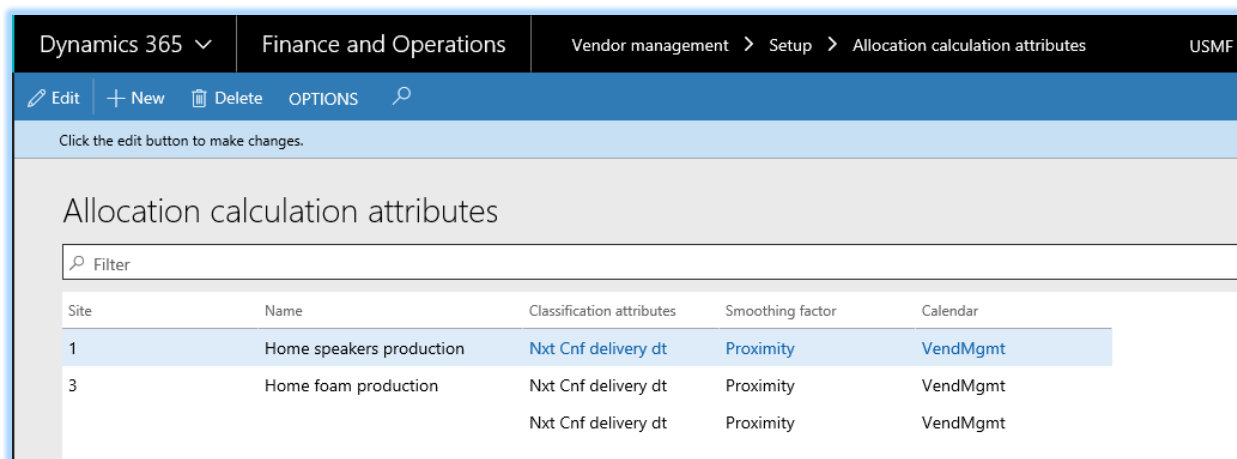
For all classification characteristics, evaluations can be created depending on a vendor, a vendor rating group or for all vendors and an article, an article group or for all articles. There may be different ratings per location or a rating for the client (all locations) are created.

To be able to carry out evaluations by vendors, the following settings must first be created

### 2.7.1. Allocation calculation attributes

Classification attributes, smoothing factors, and calendars must be assigned to the tenant and / or locations. If the sites are activated in the system, a general record for the tenant and a record per site can be created. During the periodic evaluation, the Flag per Site indicator can be used to control whether the valuation should be carried out according to the evaluation criteria per site or per client Under:

**Module: Procurement and Sourcing > Setup > Vendor Management > Allocation Calculation Attributes**



Site	Name	Classification attributes	Smoothing factor	Calendar
1	Home speakers production	Nxt Cnf delivery dt	Proximity	VendMgmt
3	Home foam production	Nxt Cnf delivery dt	Proximity	VendMgmt

Location: If no entry is made, the following criteria apply for the current client.

If the locations are activated in the system, then a location may be selected and the following criteria are drawn if the periodic valuation run is performed by locations becomes.

Name: Automatically filled in when selecting a location.

Classification Characteristics: Selection from the created classification feature group

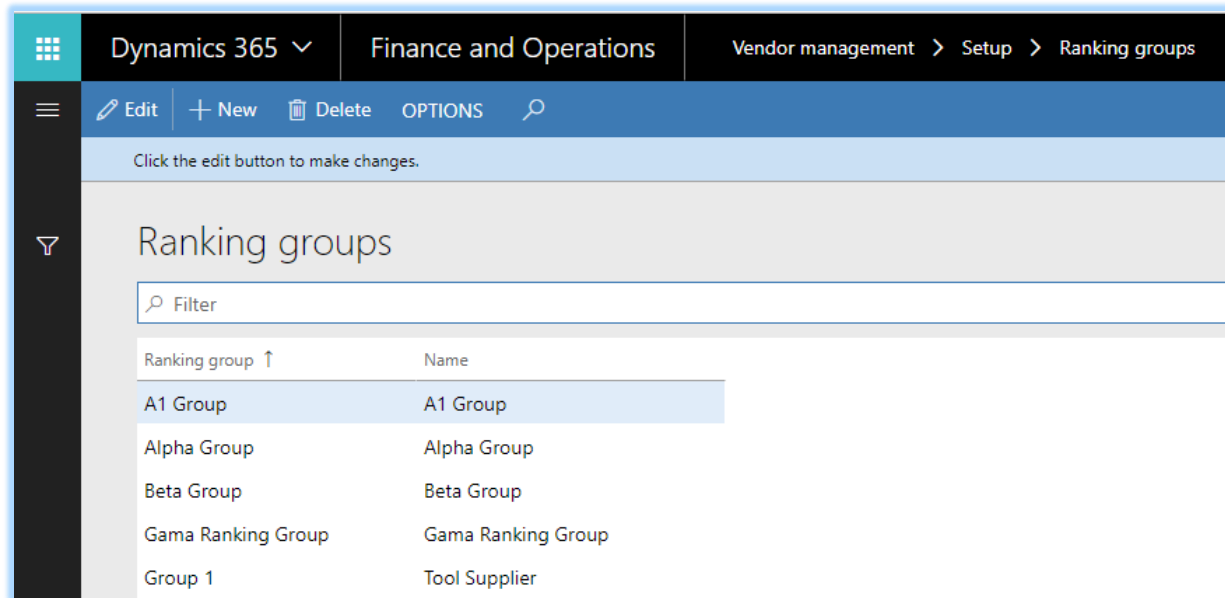
Smoothing factor: Selection from the created smoothing factor groups

Calendar: Selection from the created calendar groups.

## 2.7.2. Ranking groups

Similar vendors can be divided into evaluation groups. Assessment criteria can be created for individual vendors, a rating group or for all vendors Under:

**Module: Procurement and Sourcing > Setup > Vendor Management > Ranking Groups**



Ranking group ↑	Name
A1 Group	A1 Group
Alpha Group	Alpha Group
Beta Group	Beta Group
Gama Ranking Group	Gama Ranking Group
Group 1	Tool Supplier

Ranking groups are assigned to the vendor under:

**Module: Procurement and Sourcing > All Vendors> Vendor Account > Purchase Order Defaults**

The screenshot displays the 'Purchase order defaults' configuration page for vendor '1001: Acme Office Supplies'. The page is organized into several sections:

- PURCHASE ORDER:** Includes 'Charges group' (01), 'Site' (2), 'Warehouse', and 'Default inventory status ID'.
- Item - vendor group:** A dropdown menu.
- Purchase pool:** A dropdown menu.
- Our account number:** A text input field.
- Amount in transaction currency:** -49,573.19
- Purchase order prices/amount:** Includes a 'Yes' toggle (checked) and a 'Purchase calendar' dropdown.
- DISCOUNT:** Includes 'Multiline discount' and 'Total discount group' dropdowns.
- Price group:** A dropdown menu.
- Line discount group:** A dropdown menu.
- SUPPLEMENTARY ITEM:** Includes 'Supplementary item group' dropdown.
- CHANGE MANAGEMENT FOR PURCHASE ORDERS:** Includes an 'Override settings' toggle (unchecked).
- VENDOR RANKING:** Includes 'Ranking group' dropdown, currently set to 'Group 1'.
- Activate change management:** A 'No' toggle (checked).
- Allow override of settings per purcha...:** A 'No' toggle (checked).
- CONFIRMATION RESPITE:** Includes 'Confirmation respite' dropdown, currently set to '1'.

### 2.7.3. Calendar

The calendar is used for the calculation of the confirmation period in orders and for the evaluation of deadline and delivery reliability.

It is always searched for a calendar in the following order:

- Calendar assigned to the vendor under Vendor Accounts> Common> All Vendors> under default values for order
- Calendar under Procurement> Settings> Vendor Management> Assignment> Evaluation criteria> Location
- Calendar under Vendor Management> Assignment of Evaluation Criteria> Location empty
- Calendar under Organization Management> Setup > Calendars > Calendars

Legal persons under foreign trade and logistics box delivery calendar  
If no calendar is found, the number of days will be calculated.



Calendar Assignment:

**Module:** Procurement and Sourcing > Setup > Vendor Management > Calendar

Calendar ↑	Name	Calendar	Working days
VendMgmt	Vendor Mangement	Vendor Cal	✓

Calendar: Any identifier

Name: Name for the calendar

Calendar: Selection of a calendar (Under Organization Administration> Settings> Calendar> Calendar)

Calculated working days: If the flag is set, then only the open Days calculated

## 2.7.4. Smoothing factors

Hence the importance of the classification features for the calculation of the ABC classification can be held, a smoothing factor is determined per classification feature.

The average of all smoothing factors must be 1 so that the sum of the weighting points is not corrupted.

If a characteristic is not to be included in the ABC classification, factor 0 must be entered and the Active for ABC classification field must be deactivated.

The smoothing factors are defined in groups and can then be assigned to the client or a location under Procurement> Settings> Vendor Management> Allocation Calculation Attribute.

## Module: Procurement and Sourcing > Setup > Vendor Management > Smoothing Factors

The screenshot shows the Dynamics 365 interface for configuring Smoothing factors. The breadcrumb path is: Dynamics 365 > Finance and Operations > Vendor management > Setup > Smoothing factors. The main title is 'Smoothing factors'. A table lists the factors and their configurations:

Smoothing factor	Name
Proximity	Proximity

Below the table, the configuration for the 'Proximity' factor is shown:

Factor delivery date reliability	1.00	Activ for ABC classification	Yes	<input checked="" type="checkbox"/>
Factor delivery reliability	0.00	Activ for ABC classification	No	<input type="checkbox"/>
Factor quantity variance	0.50	Activ for ABC classification	Yes	<input checked="" type="checkbox"/>
Factor price variance	0.00	Activ for ABC classification	No	<input type="checkbox"/>
Factor part delivery	0.00	Activ for ABC classification	No	<input type="checkbox"/>
Factor quality ranking	1.50	Activ for ABC classification	Yes	<input checked="" type="checkbox"/>
Factor Delivery reminder	0.00	Activ for ABC classification	No	<input type="checkbox"/>
Factor confirmation reminder	1.00	Activ for ABC classification	Yes	<input checked="" type="checkbox"/>

At the bottom, the 'Average' section shows:

Average of factors	1.00
--------------------	------

### 2.7.5. Classification attributes

The classification attributes are defined in groups and can then be found under Procurement> Settings> Vendor Management to the tenant or a location.

A group of classification features can be copied to a new group using the Copy function. In the classification characteristics the ratings per vendor, vendor group or all vendors and per article, article group or all articles can be deposited.

The following priority always applies:

1. Vendor / article
2. Vendor / article group
3. Vendor / all articles

4. Vendor Evaluation Group / Article
5. Vendor evaluation group / article group
6. Vendor rating group / all articles
7. All vendors / articles
8. All vendors / article group
9. All vendors / all articles

**Module: Procurement and Sourcing > Setup > Vendor Management > Classification Attribute**

The screenshot displays the 'Classification attributes' page in Dynamics 365 Finance and Operations. The page is divided into two main sections: 'General parameters' on the left and 'Set up classification attributes' on the right.

**General parameters:**

- ABC classification
- Delivery date reliability
- Delivery reliability
- Quantity variance
- Price variance
- Part-delivery
- Quality ranking
- Delivery reminder
- Confirmation reminder

**Set up classification attributes:**

Buttons: + Add line, Remove, Copy

Classification attributes	Part-delivery
✓ Classification attributes ↑	Part-delivery
✓ Nxt Cnf delivery dt	Next
Posting 1st PD	First
✓ Posting last PD	Last

## General parameters

Set up classification attributes

+ Add line    🗑 Remove    Copy

✓	Classification attributes ↑	Part-delivery
✓	Nxt Cnf delivery dt	Next ↓
	Posting 1st PD	First
	Posting last PD	Last

Classification attributes: Any name for the group.

Partial delivery: The partial delivery is used as the criterion for the determination of the analysis period of the order item

Partial deliveries and as a criterion for the evaluation of Deadline and delivery reliability used.

Possible choice:

- First: it will be the posting date of the first partial delivery of Order item valuated.
- Last: it will be the posting date of the last partial delivery of Order item valuated.
- The next is the posting date of the partial delivery, which is valid on next to the delivery date or confirmed delivery date.
- The furthest is the posting date of the partial delivery farthest from the confirmed delivery date or confirmed delivery date.
- copy: A group of classification features can be copied to a new group.

New vendor ranking create ?

---

Parameters ^


Concomitant classification characteristics


Nxt Cnf delivery dt

New vendor ranking

## ABC classification

Set up ABC classification

+ Add line     Remove

✓	Category	From number of points	To number of points
✓	C 	0	60
	B	60	80
	A	80	100

Attention the smaller value must always be in the column "Number of points".

The ABC classification rates the vendor for all classification attributes. The points of the individual classification features per feature are additionally weighted with a smoothing factor from the table Smoothing factors. The calculated sum of all classification attributes is divided by the number of attributes. For order items with the status "Received", the classification characteristic "Price variance" is not included in the calculation. In the ABC analysis, it can now be stated that an A-vendor e.g. between 80 and 100, a B vendor between 60 and 80, and a C vendor between 0 and 60.

## Delivery Date Reliability

On-time delivery compares the posting date of the goods receipt with the delivery date in the purchase order items.

The screenshot shows the 'Classification attributes' page in Dynamics 365 Finance and Operations. The 'Delivery date reliability' tab is active, displaying a table for setting up delivery date reliability. The table includes columns for Account code, Account selection, Valid for, Item relation, No of points, From days, and To days. A 'SETTING' section at the bottom shows the 'Calculation principle' set to 'Weighted average - value'.

✓	Account code	Account selection	Valid for	Item relation	No of points	From days	To days
	Table	Bravo Supplier	Table	Item 02	100	0	0
	Table	Fine Supplier	Table	Item 04	31	-5	5
	Table	Fine Supplier	Table	Item 04	51	-2	2
✓	Table	Fine Supplier	Table	Item 04	100	0	0
✓	Table	Fresh Supplier	Table	Item 05	44	-2	2
	Table	Fresh Supplier	Table	Item 05	55	-5	5
	Table	Fresh Supplier	Table	Item 05	100	0	0
	Table	Lee Supplier	Table	Item 04	33	-7	7
	Table	Lee Supplier	Table	Item 04	55	-3	3
	Table	Lee Supplier	Table	Item 04	100	0	0
	Table	Magic Supplier	Table	Item 05	38	-5	5
	Table	Magic Supplier	Table	Item 05	58	-3	3
	Table	Magic Supplier	Table	Item 05	100	0	0
	Table	Team Supplier	Table	Item 05	34	-3	3
	Group	Alpha Group	All		25	-5	5
	Group	Beta Group	Group	Audio	50	-2	2
	All		All		100	0	0

**SETTING**

Calculation principle  
 Weighted average - value

Attention, the smaller value must always be in the column Deviation -% ".  
 (e.g., -10 is less than -5)

Account Code Variable for Table, Group or All

Account selection: individual vendor, evaluation group, all vendors.

Valid for: Variable for table, group or all

Article relation: single article, article group, all articles

Calculation:

Field Posting date from the product receipt or the invoice date - Delivery date field from the purchase order item.

The deviation in days (according to the calendar settings) is scored with points. The General Parameters tab indicates which product access is used for the partial evaluation. In the Valuation principle field, you can set how the totals value for the purchase order and the vendor should be determined.

Possible choices Simple Average, Weighted Average Quantity or Weighted Average Value.

## Delivery reliability

Delivery Liability compares the posting date of the goods receipt with the confirmed delivery date in the purchase order item.

The screenshot shows the 'Classification attributes' page in Dynamics 365 Finance and Operations. The 'Delivery reliability' tab is selected in the left-hand navigation pane. The main area is titled 'Set up delivery reliability' and contains a table with the following data:

✓	Account code	Account selection	Valid for	Item relation	No of points	From days	To days
	Table	Fresh Supplier	Table	Item 05	57	-3	3
	Table	Fresh Supplier	Table	Item 05	100	0	0
	Table	Joy supplier	Table	Item 03	33	-7	7
	Table	Joy supplier	Table	Item 03	55	-3	3
	Table	Joy supplier	Table	Item 03	100	0	0
	Table	Lot supplier	Table	Item 03	23	-10	10
	Table	Lot supplier	Table	Item 03	53	-5	5
	Table	Lot supplier	Table	Item 03	100	0	0
	Table	Team Supplier	Table	Item 04	22	-7	7
	Table	Team Supplier	Table	Item 04	55	-3	3
	Table	Team Supplier	Table	Item 04	100	0	0
	Table	Tez supplier	Table	Item 04	20	-6	6
	Table	Tez supplier	Table	Item 04	40	-4	4
	Table	Tez supplier	Table	Item 04	100	0	0
	Group	Alpha Group	Group	Audio	28	-7	7
	Group	Alpha Group	All		38	-3	3
	All		All		98	0	0

Below the table, there is a 'SETTING' section with a 'Calculation principle' dropdown menu set to 'Weighted average - value'.

Attention, the smaller value must always be in the column Deviation -% ".

(e.g., -10 is less than -5)

Account Code: Variable for Table, Group or All

Account selection: individual vendor, evaluation group, all vendors

Valid for: Variable for table, group or all

Article relation: single article, article group, all articles

If the Confirmed field in the purchase order item is empty, the Delivery date field from the purchase order item is used.

Calculation:

Field Posting date from product receipt or invoice date - Field Confirmed / Delivery Date from Order Item.

The deviation in days (according to the calendar settings) is scored with points. The General Parameters tab specifies which goods receipt is to be used for the valuation in partial deliveries.

In the Valuation principle field, you can set how the totals value for the purchase order and the vendor should be determined. Possible choices Simple Average, Weighted Average Quantity or Weighted Average Value.

## Quantity variance

The quantity variance compares the total quantity delivered with the quantity ordered. The deviation is calculated in percent.

The screenshot shows the 'Classification attributes' page in Dynamics 365 Finance and Operations. The 'Quantity variance' section is active, displaying a table for setting up quantity variance. The table has columns for Account code, Account selection, Valid for, Item relation, No of points, From difference..., and To difference - %. Below the table is a 'SETTING' section with a 'Calculation principle' dropdown set to 'Weighted average - value'.

Account code	Account selection	Valid for	Item relation	No of points	From difference...	To difference - %
Table	Ace Supplier	Table	Item 01	60	1	3
Table	Ace Supplier	Table	Item 01	100	0	0
Table	Bravo Supplier	Table	Item 02	25	31	100
Table	Bravo Supplier	Table	Item 02	50	10	30
Table	Bravo Supplier	Table	Item 02	100	0	0
Table	Lee Supplier	Table	Item 04	0	0	0
Table	Lee Supplier	Table	Item 04	25	-10	10
Table	Lee Supplier	Table	Item 04	45	-5	5
Table	Tez supplier	Table	Item 04	25	-10	10
Table	Tez supplier	Table	Item 04	50	-5	5
Table	Tez supplier	Table	Item 04	100	0	0
Table	Top Supplier	Table	Item 03	26	-20	20
Table	Top Supplier	Table	Item 03	36	-10	10
Table	Top Supplier	Table	Item 03	96	0	0
Group	Group 1	Table	Item 04	65	-2	2
Group	Group 1	Group	Audio	35	-5	5
All		All		100	0	0

SETTING  
Calculation principle: Weighted average - value

Attention, the smaller value must always be in the column Deviation -% ". (e.g., -10 is less than -5)

Account Code: Variable for Table, Group or All

Account selection: individual vendor, evaluation group, all vendors

Valid for: Variable for table, group or all to be defined.

Article relation: single article, article group, all articles

Calculation:

$(\text{Delivery quantity} - \text{order quantity}) / \text{order quantity} * 100$

In the Valuation principle field, you can set how the totals value for the purchase order and the vendor should be determined.

Possible choices Simple Average, Weighted Average Quantity or Weighted Average Value.



## Price variance

The price variance is only calculated for purchase order items with the status Invoiced. The price variance compares the invoiced price with the net order price. Supplements are not calculated.

Classification attributes

Set up price variance

+ Add line Remove

Account code	Account selection	Valid for	Item relation	No of points	From difference...	To difference - %
Table	Ace Supplier	Table	Item 01	30	11	20
Table	Ace Supplier	Table	Item 01	60	5	10
Table	Ace Supplier	Table	Item 01	100	0	0
Table	Bravo Supplier	Table	Item 02	20	51	100
Table	Bravo Supplier	Table	Item 02	40	1	50
Table	Bravo Supplier	Table	Item 02	100	0	0
Table	Fresh Supplier	Table	Item 05	33	-10	10
Table	Fresh Supplier	Table	Item 05	55	-5	5
Table	Fresh Supplier	Table	Item 05	100	0	0
Table	Team Supplier	Table	Item 04	26	7	10
Table	Team Supplier	Table	Item 04	46	3	6
Table	Team Supplier	Table	Item 04	100	0	0
Group	A1 Group	Group	Audio	95	-3	3
All		All		85	-5	5

SETTING

Calculation principle

Weighted average - value

Attention, the smaller value must always be in the column Deviation -% ".  
(e.g., -10 is less than -5)

Account Code: Variable for Table, Group or All

Account selection: individual vendor, evaluation group, all vendors

Valid for: Variable for table, group or all

Article relation: single article, article group, all articles

The deviation is calculated as a percentage and scored with points.

Calculation:

Sum (quantity \* invoice price / unit)

----- x 100 - 100

Sum (quantity \* order price / unit - (position and invoice discounts))

In the Valuation principle field, you can set how the totals value for the purchase order and the vendor should be determined. Possible choices Simple Average, Weighted Average Quantity or Weighted Average Value.

## Part deliveries

Partial deliveries calculate the number of deliveries per order item.

The screenshot shows the 'Classification attributes' page in Dynamics 365 Finance and Operations. The 'Part-delivery' section is active, displaying a table for 'Set up part delivery'. The table has columns for Account code, Account selection, Valid for, Item relation, No of points, From number of..., and To number of d... The 'All' row is selected.

Account code	Account selection	Valid for	Item relation	No of points	From number of...	To number of d...
Table	Ace Supplier	Table	Item 01	30	4	6
Table	Ace Supplier	Table	Item 01	60	1	3
Table	Ace Supplier	Table	Item 01	100	0	0
Table	Bravo Supplier	Table	Item 02	20	4	6
Table	Bravo Supplier	Table	Item 02	30	2	3
Table	Bravo Supplier	Table	Item 02	100	0	1
Table	Top Supplier	Table	Item 03	25	4	5
Group	Beta Group	Group	Audio	45	2	3
<input checked="" type="checkbox"/> All		All		90	0	0

Below the table, there is a 'SETTING' section with a 'Calculation principle' dropdown menu set to 'Simple average'.

Attention, the smaller value must always be in the column "From Number of Partial Deliveries".

Account Code: Variable for Table, Group or All

Account selection: individual vendor, evaluation group, all vendors

Valid for: Variable for table, group or all

Article relation: single article, article group, all articles

Calculation:

Number of deliveries per order item.

In the Valuation principle field, you can set how the totals value for the purchase order and the vendor should be determined.

Possible choices Simple Average, Weighted Average Quantity or Weighted Average Value.

## Quality ranking

The quality assessment can be recorded when the product receipt / invoice is posted or under Vendor Rating> Observations> Quality Score or via the quality inspection order.

The screenshot shows the 'Classification attributes' setup page in Dynamics 365. The main section is 'Set up quantity ranking', which contains a table with columns: Account code, Account selection, Valid for, Item relation, No of points, From, and To. The table lists various configurations for different suppliers and item relations. Below the table, there are two dropdown menus for 'Calculation principle' and 'Calculation principle item', both set to 'Simple average'.

Account code	Account selection	Valid for	Item relation	No of points	From	To
Table	Ace Supplier	Table	Item 01	30	2.01	5.00
Table	Ace Supplier	Table	Item 01	60	0.01	2.00
Table	Ace Supplier	Table	Item 01	100	0.00	0.00
Table	Bravo Supplier	Table	Item 02	25	1.01	3.00
Table	Bravo Supplier	Table	Item 02	50	0.01	1.00
Table	Bravo Supplier	Table	Item 02	100	0.00	0.00
Table	Test 105	Table	Item 01	25	2.01	5.00
Group	Alpha Group	Group	Audio	50	0.01	2.00
All		All		100	0.00	0.00

SETTING

Calculation principle: Simple average  
Calculation principle item: Simple average

Attention, the smaller value must always be in the "From" column.

Account Code: Variable for Table, Group or All

Account selection: individual vendor, evaluation group, all vendors

Valid for: Variable for table, group or all

Article relation: single article, article group, all articles

In the Valuation principle field, you can set how the totals value for the purchase order and the vendor should be determined.

Possible choices Simple Average, Weighted Average Quantity or Weighted Average Value.

In the Valuation principle partial deliveries field, you can set how the totals value for the purchase order item should be determined for partial deliveries.

Possible choices Simple Average or Weighted Average Quantity

## Delivery reminders

The number of delivery reminders will be calculated.

The screenshot shows the Dynamics 365 Finance and Operations interface for 'Classification attributes'. The main area is titled 'Set up delivery reminder' and contains a table with columns: Account code, Account selection, Valid for, Item relation, No of points, from count LFM..., and To count LFMAH. The table lists various suppliers and their associated items with their respective point values. A 'Group' row is also present for 'Beta Group' with an 'Audio' item relation. Below the table, there is a 'SETTING' section with a 'Calculation principle' dropdown menu set to 'Simple average'.

Account code	Account selection	Valid for	Item relation	No of points	from count LFM...	To count LFMAH
Table	Ace Supplier	Table	Item 01	35	4	6
Table	Ace Supplier	Table	Item 01	60	1	3
Table	Ace Supplier	Table	Item 01	100	0	0
Table	Bravo Supplier	Table	Item 02	10	6	10
Table	Bravo Supplier	Table	Item 02	25	1	5
Table	Bravo Supplier	Table	Item 02	100	0	0
Table	Fresh Supplier	Table	Item 04	34	4	10
Table	Fresh Supplier	Table	Item 04	64	1	3
Table	Fresh Supplier	Table	Item 04	100	0	0
Table	Joy supplier	Table	Item 05	35	6	10
Group	Beta Group	Group	Audio	55	1	5
All		All		100	0	0

SETTING  
Calculation principle  
Simple average

Attention, the smaller value must always be in the "From" column.

Account Code: Variable for Table, Group or All

Account selection: individual vendor, evaluation group, all vendors

Valid for: Variable for table, group or all

Article relation: single article, article group, all articles

Calculation:

Total dunning levels of the order items within the evaluation period

In the Valuation principle field, you can set how the totals value for the purchase order and the vendor should be determined.

Possible choices Simple Average, Weighted Average Quantity or Weighted Average Value.

## Confirmation reminders

The number of delivery reminders will be calculated.

Classification attributes

Set up confirmation reminder

+ Add line Remove

✓	Account code	Account selection	Valid for	Item relation	No of points	from confirm-POS	To count confir...
	Table	Ace Supplier	Table	Item 01	30	4	10
	Table	Ace Supplier	Table	Item 01	60	1	3
	Table	Ace Supplier	Table	Item 01	100	0	0
	Table	Bravo Supplier	Table	Item 02	25	4	10
	Table	Bravo Supplier	Table	Item 02	50	1	3
	Table	Bravo Supplier	Table	Item 02	100	0	0
	Table	Joy supplier	Table	Item 01	32	4	10
	Group	Beta Group	Group	Audio	62	1	3
✓	All		All		98	0	0

SETTING

Calculation principle  
Simple average

Attention, the smaller value must always be in the "From" column.

Account Code: Variable for Table, Group or All

Account selection: individual vendor, evaluation group, all vendors

Valid for: Variable for table, group or all

Article relation: single article, article group, all articles

Calculation:

Total dunning levels of the order items within the evaluation period

In the Valuation principle field, you can set how the totals value for the purchase order and the vendor should be determined.

Possible choices Simple Average, Weighted Average Quantity or Weighted Average Value.

## 2.7.6. Calculation examples for the valuation principle

Example: Ordered: 10 pcs Unit Price / Order Item: 10 - Fr Points: 100  
 10 pieces Unit price / order item: 100 - Fr. Points: 80  
 100 pcs. Unit price / order item: 10 - Fr. Points: 90

### Simple average

$$\frac{(100 \text{ points} \times 1) + (80 \text{ points} \times 1) + (90 \text{ points} \times 1)}{1 + 1 + 1 \text{ (number of positions)}} = 90 \text{ points}$$

### Weighted average Quantity

$$\frac{(100 \text{ points} \times 10 \text{ pieces}) + (80 \text{ points} \times 10 \text{ pieces}) + (90 \text{ points} \times 100 \text{ pieces})}{10 \text{ pieces} + 10 \text{ pieces} + 100 \text{ pieces}} = 90 \text{ pts}$$

### Weighted average value

$$\frac{\{100 \text{ points} \times (10 \times 10)\} + \{80 \text{ points} \times (100 \times 10)\} + \{90 \text{ points} \times (10 \times 100)\}}{\text{Unit price } (10 + 100 + 10)} = 82.5 \text{ pts} = 83 \text{ pts}$$

### 3. Quality management process

The quality order process can be viewed and tracked in below way:

- Via the entry journal under Vendor Management > Journals > Quality ranking but only if no quality inspection order has been posted.

#### 3.1. Quality ranking

In this form, you can view the valuations for purchase order items to which no quality inspection order has been assigned and for which the delivery note or invoice has been posted. In addition, texts can be entered and displayed if under

**Module: Procurement and Sourcing > Vendor Management > Parameters > Notes** the flag Show Info is set.

**Module: Vendor management > Journals > Quality Ranking**

Purchase order	Vendor name	Vendor account	Invoice account
00000055	Fabrikam Electronics	US-101	US-101
00000075	Fabrikam Supplier	US-104	US-104
00000100	Lande Packaging Supplies	1002	1002
00000125	Acme Office Supplies	1001	1001
00000126	Acme Office Supplies	1001	1001
00000151	Acme Office Supplies	1001	1001
00000175	Acme Office Supplies	1001	1001
00000176	Acme Office Supplies	1001	1001
000002	Tailspin Parts	US-102	US-102
000003	...	...	...

Product receipt	Site	Item	Ordered	Received	Quality ranking	Notes
125	2	1000	1.00	1.00	0.00	0

In the Overview tab, the order number is selected.

The bookings are then displayed in registers Delivery note / Invoice and Q order.

If a quality inspection order exists for an order item, no entries can be made. The data is only displayed under Q-order.

If no quality inspection order exists and delivery notes have been posted for this item, the quality assessment can be entered for each item in the tab Delivery note.

If no quality inspection order is available and invoices without delivery note have been posted for this item, the quality assessment can be entered in the Invoice tab for each item

### 3.2. Entry during product receipt or invoice

The new field Quality Assessment has been added to the posting screen for Invoice or Product receipt under Item Details. This value can then be changed via the journal Quality Assessment.

### 3.3. Recording via quality order

[Module: Procurement and Sourcing > Purchase Orders > All Purchase Orders > Receive > Quality Orders](#)

[Module: Inventory Management > Periodic Tasks > Quality Management > Quality Orders](#)

In this form, you must enter the results for each test. The quality rating is then calculated automatically.

The screenshot shows the Dynamics 365 interface for 'Quality orders'. The main table lists test groups with columns for 'house', 'Test group', 'CW qty', 'Quantity', 'Status', 'Reference type', 'Q-Avgfactor', and 'Quality'. A row for 'Weight TG' with a quantity of 25.00 and status 'Fail' is highlighted, with its 'Q-Avgfactor' (1.00) and 'Quality' (45.87) values circled in orange.

Below the main table, there is a 'Results' button and a sub-table for test results. This sub-table has columns for 'uenc...', 'Test', 'Test result', 'Results en...', 'Inclu...', 'At...', 'Override', 'Test result', 'Attribute value', 'Updat...', 'Q-Avgfactor', 'Q-correct', 'Q-bug', and 'Quality'. Three test results are shown, with the 'Q-Avgfactor', 'Q-correct', 'Q-bug', and 'Quality' columns circled in orange.

house	Test group	CW qty	Quantity	Status	Reference type	Q-Avgfactor	Quality
	Weight TG		15.00	Pass	Purchase	1.00	1.00
	Weight TG		25.00	Pass	Purchase	1.00	1.00
	Weight TG		15.00	Open	Purchase	1.00	17.00
	Weight TG		6.00	Pass	Purchase	1.00	1.00
	Weight TG		40.00	Fail	Purchase	1.00	10.00
	Weight TG		50.00	Fail	Purchase	1.00	44.20
	Weight TG		1.00	Open	Purchase	1.00	0.00
	Weight TG		25.00	Fail	Purchase	1.00	45.87

uenc...	Test	Test result	Results en...	Inclu...	At...	Override	Test result	Attribute value	Updat...	Q-Avgfactor	Q-correct	Q-bug	Quality
1	Product weight	⊗	✓	✓						1.00	1	10	4.60
2	Cone weight	⊗	✓	✓						1.00	100	70	94.00
3	Product Size	⊗	✓	✓						1.00	45	15	39.00

The calculated quality assessment is saved on the order item in the General tab and included in the vendor evaluation.



Line details

< General Setup Address Product Delivery Picking Price and discount Project Product packages Variants Foreign trade Fixed asset >

**REQUEST FOR QUOTATION**  
Request for quotation reply

**PURCHASE REQUISITION**  
Purchase requisition  
Requisition product name

**DELIVERY REFERENCE**  
Customer requisition  
Customer reference

**ORDER LINE**  
Procurement category  
Product name  
Item 01  
Text  
Item 01

**INTERCOMPANY**  
Origin (intercompany orders)

**REFERENCE**  
External  
Origin  
Purchase

**STATUS**  
Line status  
Received  
Stopped  
No  
Prevent partial delivery  
No  
State  
Not submitted

Quality order status  
Closed quality order

Finalized  
No

**VENDOR MANAGEMENT**  
Delivery reminders  
0  
Confirmation reminders  
0  
Exclude from vendor ranking  
No  
Quality  
45.87  
Additional respite

You can also create several quality inspection orders per order item. (QA1 results x Q judgment) + (QA2 results x Q judgment) Calculation: ----- Total result sets.

## Quality orders header

Dynamics 365 Finance and Operations Inventory mar > Periodic > Quality man. > Quality orders USMF

Edit + New Delete Validate Reopen quality order Inquiries Inventory Cases OPTIONS

Click the edit button to make changes.

Quality orders

Overview General References Financial dimension Inventory dimensions

Warehouse	Test group	CW qty	Quantity	Status	Reference type	Q-Avgfactor	Quality
11	Weight TG		15.00	Pass	Purchase	1.00	1.00
11	Weight TG		25.00	Pass	Purchase	1.00	1.00
33	Weight TG		15.00	Open	Purchase	1.00	17.00
33	Weight TG		6.00	Pass	Purchase	1.00	1.00
33	Weight TG		40.00	Fail	Purchase	1.00	10.00
33	Weight TG		50.00	Fail	Purchase	1.00	44.20
33	Weight TG		1.00	Open	Purchase	1.00	0.00
33	Weight TG		25.00	Fail	Purchase	1.00	45.87

Added the following fields: Q-weighting factor: the calculated average of all test weighting factors with the Set flag to include results will be displayed. (The result must always be 1) Q weighting factor (1) + Q weighting factor (2) Calculation: ----- Number of Q weighting factors Quality Assessment: the calculated result of all test quality assessments is displayed (Q-

weight fact 1. x Q-Turn. 1) + (Q-weight fact 2. x Q-Turn. 2) Calculation: -----  
 ----- Sum of Q weighting factors.

## Quality order line

Overview										General	Test			
ue...	↑	Test	Test result	Results en...	Inclu...	At...	Override	Test result	Attribute value	Update i...	Q-Avgfactor	Q-correct	Q-bug	Quality
1		Product weight	⊗	✓	✓						1.00	1	10	4.60
2		Cone weight	⊗	✓	✓						1.00	100	70	94.00
3		Product Size	⊗	✓	✓						1.00	45	15	39.00

Added the following fields: Q weighting factor: Weighting factor for this test. This field is taken from the test group and can be changed. (Field is used for the calculation of the quality assessment of the Q order used)  
 Q-Successful: Quality evaluation if the test is successful. This field is taken from the test group and can be changed. (Field is used for the calculation of the quality assessment. Only for integer or fraction type tests)  
 Q Failed: Quality rating if the test failed This field is taken from the test group and can be changed. (Field is used for the calculation of the quality assessment. Only for integer or fraction type tests)  
 Quality assessment: The calculated result from the individual results per test. (Erg-ME 1 x Q-Turn1) + (Erg-ME 2 x Q-Turn 2) + (Erg-ME 3 x Q-Turn 3) Calculation: -----  
 ----- Total result set.

## 4. Periodical work

### 4.1. Create quotation reminders

Reminders for proposal requests can be created with the offer reminder.

Vendors who have received an offer request should receive a reminder to submit the offer after a deadline to be defined.

The reminder letter is not rated in the vendor rating.

The offer reminder offers the following features:

- Selection of the offer requirements according to different criteria
- Reminder suggestion with mutation possibilities
- Print or e-mail dispatch of offer reminders

If an quotation request is sent, the deadline (in calendar days under Procurement and Sourcing > Setup > Procurement Parameter> Request for Quote) is calculated on the shipping date and stored as a reminder date in the quote request header in the Vendor tab in the Reminder Date field.

Vendor											
+ Add  Remove Vendor search Auto-add vendors											
<input checked="" type="checkbox"/>	Vendor account	Name	Lowest status	Highest status	Rank	Total score	Contact	Telephone	Email	Request for quotati...	Reminder date
<input checked="" type="checkbox"/>	Apex Supplier	Apex Supplier	Sent	Sent			▼	23555689	apexsu...	000019	12/13/2017

Creation under

**Module: Vendor Management > Periodic > Quotation Reminder**

### Quotation reminder for 1/15/2018

---

Records to include

Filter

**REQUESTS FOR QUOTATIONS**

Lowest status

Highest status

Request for quotation

Vendor account

Reminder date

---

Run in the background

Only offer reminders can be created when the lowest and highest shipping status is set to Shipped.

Filter: Any fields from the Request Quote table.

OK: The due offer requests selected under filters become loaded and can be mutated for editing.

Requests for quotations			
✓ Request for quotation ↑	Vendor account	Email	Reminder date
000002	US-104		12/13/2017
000003	US-111		12/13/2017
000016	US-103		12/13/2017
000017	US-108		12/13/2017
✓ 000018	Ace Supplier		12/13/2017
000019	Apex Supplier		12/13/2017

Request for quotation lines		
✓ Item number	Product name	Quantity
Item 02	Item 02	1.00

#### Parameter

Set date: If the flag is set, then in the field "Reminder on" Quotation requests the date entered.

Direct E-Mail: If this flag is set, then the marked memories become by e-mail to the deposited addresses of the creditors in the Quotation requests sent.

offer requirements:

Only offer reminders will be printed / shipped when the quote request is highlighted. Only when the proposals are printed or sent.

## 4.2. Create confirmation reminders

With the confirmation reminder, reminders for expected order confirmations can be created.

The dunning counter is incremented by 1 on the order item. The sum of all dunning counters is displayed on the order header. The dunning counter can be evaluated with the vendor rating.

The confirmation reminder provides the following functions:

- Calculation of the date of the expected order confirmations and transfer to the order
- Selection of orders according to different criteria
- Reminder with mutation options
- Printing or e-mailing confirmation reminders and increasing the dunning counter
- Rating in the vendor rating

**Module:** [Vendor Management](#) > [Periodic](#) > [Confirmation Notice](#)

### Confirmation reminders

---

Parameters

Open receipt list date

**SHOW**

Purchase quantity  
 Yes

Deliver remainder  
 Yes

Delivery date  
 Yes

Date of confirmation  
 Yes

Prices  
 Yes

---

Records to include

---

Run in the background

Date of the list of open receipts:

By what date should reminders be issued. For confirmation reminders to be created, the Field Confirmation Due Date in Order Header Register Delivery the Date will be set, and the field Confirmed in the order item Register delivery must be empty.

Show: These selections define which information is displayed on the Confirmation reminders are to be printed.

to Include Records: Any fields from the Accounts Payable / Orders table order items

OK: The records to be included under to be deleted are selected Orders are loaded and can be selected for editing.

Confirmation reminders						
✓ Purchase order ↑	Vendor account	Name	City	Email	Previous dunning level	
00000210	Ace Supplier	Ace Supplier	Galvin		0	
00000211	Ace Supplier	Ace Supplier	Galvin		0	
00000254	Tez supplier	Tez supplier	Redmond		0	
00000255	Tez supplier	Tez supplier	Redmond		0	
✓ 00000257	Lee Supplier	Lee Supplier	Issaquah		0	
00000285	Top Supplier	Top Supplier	New Brunswick		0	
00000304	Team Supplier	Team Supplier	Tacoma		0	

Lines						
Item number	Product name	Delivery date	Confirmed	Quantity	Delivered	Deliver remainder
Item 04	Item 04	12/18/2017		60.00	55.00	5.00

parameters

Increment reminder count:

If this flag and the flag under confirmation reminders is set, the dunning counter is displayed in the Confirmation dunning field in the General tab of the order items when printing and refresh by 1.

Direct E-Mail:

If this flag is set, emails will be displayed Addresses sent.

confirmation reminders

Previous dunning level: previously the highest dunning level from the order items.

Print and update

✎ Edit
+ New
🗑 Delete
CONFIRMATION REMINDERS
OPTIONS
🔍

**PRINT**

Print and update

Printer setup...

Only when Print and Update is selected are the confirmed confirmation reminders printed or sent and the dunning counter in the order items increased by 1.

### 4.3. Create delivery reminders

With the delivery reminder, reminders for purchase order items whose delivery date has been exceeded can be created per order. The dunning counter is incremented by 1 on the order item. The sum of all dunning counters is displayed on the order header. The dunning counter can be evaluated with the vendor rating.

The delivery reminder offers the following functions:

- Selection of orders according to different criteria
- Reminder with mutation options
- Print or e-mail dispatch of delivery reminders and increase the dunning counter
- Rating in the vendor rating

**Module: Vendor Management > Periodic > Delivery reminder**

#### Delivery reminders

---

Parameters

Open receipt list date

Date to check

**SHOW**

Purchase quantity  
 Yes

Deliver remainder  
 Yes

Delivery date  
 Yes

Date of confirmation  
 Yes

Prices  
 Yes

---

Records to include

---

Run in the background

Date of the list of open receipts:

By what date should reminders be issued.

To be analyzed Date:

delivery date or confirmation date (Open order items are based on the delivery date or the Confirmed date checked in the order item)

Show:

These selections define what information should be printed on the delivery reminder.

to Include Records:

Any fields from the Accounts Payable / Orders / Order items.

OK:

The records to be included under to be deleted are selected Orders will be

Delivery reminders						
<input checked="" type="checkbox"/> Purchase order ↑	Vendor account	Name	City	Email	Previous dunning level	Additional respite
	00000046	US-104	Fabrikam Supplier	Redmond		0
	00000049	US-105	Datum Receivers	Galvin		0
	00000100	Test 101	Test 101	Galvin		2
	00000102	Test 102	Test 102	Galvin		0
<input checked="" type="checkbox"/>	00000103	Ace Supplier	Ace Supplier	Redmond		3
	00000200	Bravo Supplier	Bravo Supplier	Tacoma		0
	00000201	Bravo Supplier	Bravo Supplier	Tacoma		0

Lines					
Item number	Product name	Delivery date	Confirmed	Additional respite	Quantity
Item 05	Item 05	12/9/2017	12/10/2017		4.00

## Parameter

**Update dunning counter:** Only if this flag and the flag under delivery reminders is set, the dunning counter is displayed in the Delivery dunning field in the General tab of the order items when printing and refresh by 1.

**Direct E-Mail:** If this flag is set, emails will be sent to the Displayed addresses sent. delivery reminders

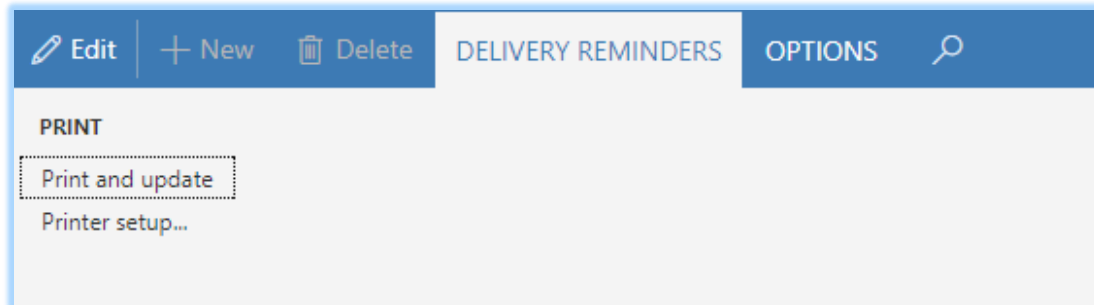
**Previous dunning level:** previously the highest dunning level from the order items

**Additional period:** Enter or change the date Additional period (header or Position).

When the delivery reminder is printed, then the date Acceptance period transferred to the order header and the order item. The additional period is not considered in the evaluation.



## Print and update



Only when Print and Update is selected are the selected delivery reminders printed or sent and the dunning counter in the order items increased by 1.

## 4.4. Create the vendor ranking

With the vendor valuation, the characteristics on-time delivery, on-time delivery, quantity deviation, price deviation, partial delivery, quality, delivery reminders and confirmation reminders of order items with status Received and / or Invoiced over a freely selectable period per client or location can be evaluated in a periodic run using a freely configurable point system.

There may be different ratings per location or a rating for the client (across all locations).

Only order items with item status Delivered and / or Invoiced are valued (depending on the marker Incl. Delivered item) whose delivery date is within the selected period and only if the indicator Without LF-BW is not set.

The cumulation takes place per valuation run / location / vendor / purchase order and purchase order item and is stored in the valuation history.

If all the necessary settings have been made (number ranges, rating groups, allocation of evaluation criteria, classification characteristics, smoothing factors and calendars), the periodic vendor evaluation can be started.

## Module: Vendor Management > Periodic > Computation of Vendor Ranking

### Computation of vendor ranking

---

#### Parameters

<p>Calc. delivery position Yes <input checked="" type="checkbox"/></p> <p>Include report Yes <input checked="" type="checkbox"/></p> <p>Include postings Yes <input checked="" type="checkbox"/></p>	<p>From date <input type="text" value="12/2/2016"/></p> <p>To date <input type="text" value="1/15/2018"/></p> <p>Calculation for Site No <input checked="" type="checkbox"/></p>
--	--

---

#### Records to include

[Restore](#) [Filter](#)

<b>VENDORS</b>	<b>SITE</b>
Vendor account <input type="text"/>	Site <input type="text" value="1"/>

---

Run in the background

**Incl. delivered item:** If the flag is set, then all order items are included Status received or invoiced evaluated when in the Order item of the flags Without LF-BW is not set. The classification characteristic "price deviation" is added Order items with status Delivered never valued. If the flag is not set, then all order items will be valued with the status Invoiced, if in the purchase order item, the Flag Without LF-BW is not set.

**With report:** If the flag is set, the report is sorted by vendor and spent as the sum per location / vendor and order.

**With booking:** If the flag is set, a valuation run number is created awarded and the result is in the valuation history saved.

**From Date / Until Date:** When the delivery date (physical date) of order items in the period of these two dates is, then an evaluation takes place.

**Calculation per location:** If the flag is set, the evaluation criteria are calculated from the Assignment of the location pulled, and the result is per Location / vendor / order and order item saved. If the flag is not set, then the evaluation criteria pulled out of the assignment of the location empty and the Result is per vendor / order and order item saved.

**to Include Data records:** This button can be used to select further selection criteria to be defined.

## 4.5. Calculation of ABC classification

The ABC classification calculates the result of a selected valuation run number in a periodic run and can be determined either as a report with or without posting.

If the valuation run per site has been created, the calculation per location and vendor is based on the defined smoothing factors from the assignment of the location.

If the valuation run has been created for the client, then the calculation per vendor is based on the defined smoothing factors from the assignment of the location Empty.

**Module:** [Vendor Management > Periodic > Computation of the ABC Classification](#)

### Computation of ABC classification

---

**Parameters**

Include report  
Yes

Include postings  
Yes

Valuation run

---

Run in the background

With Report: The report gives the vendor number, the name that detected Score and classification off.

With booking: If the calculation run with booking is selected, then this will Result written in the valuation history.

Evaluation number: Number of the valuation run of the vendor valuation of the to be calculated.

## 4.6. Update vendor master

To assign the results from the periodic runs to the vendors, there are 2 options:

For all vendors or after selection:

**Module: Vendor Management > Periodic > Update Vendor Table**

### Update vendor table

---

Parameters

Valuation run

ABC classification run

---

Records to include

Restore Filter

VENDORS	SITE
<p>Vendor account</p> <input style="width: 90%;" type="text" value="Fresh Supplier"/>	<p>Site</p> <input style="width: 90%;" type="text" value="1"/>

---

Run in the background

Evaluation Run Number: Select the desired run number

ABC classification number: Selection of the desired ABC classification number

to Include Data records: This button can be used to select further selection criteria to be defined

B) For a specific vendor

**Module: Procurement and Sourcing > Vendors > All Vendors > Procurement tab > Vendor Management**

The screenshot shows the Dynamics 365 interface for Vendor Management. The breadcrumb trail is: Finance and Operations > Procurement and sourcing > Vendors > All vendors. The navigation pane on the right has the 'VENDOR MANAGEMENT' tab highlighted with an orange border. The sub-items under this tab are 'ABC classification values' and 'Ranking values'. The main content area shows various tabs like 'VENDOR', 'PROCUREMENT', 'INVOICE', 'GENERAL', and 'OPTIONS'.

-An ABC classification number can be selected and read in via ABC classification values

## Update classification values

---

Parameters

ABC classification run

- A valuation run number can be selected and read in via valuation values.

## Update criteria values

---

Parameters

Valuation run

## 5. Queries and reports

To evaluate the values from the calculation runs, detailed queries can be displayed and printed out.

### 5.1. Ranking History

[Module: Vendor Management > Queries > Ranking History](#)

The screenshot shows the Dynamics 365 interface for 'Ranking history'. The top navigation bar includes 'Dynamics 365', 'Finance and Operations', and 'Vendor management > Queries > Ranking history'. The main content area is divided into three sections:

**Ranking history - HEAD**

Valuation run	Date of valuation run	Vendor account	Site	Delivery date rel...	Delivery reliability	Quantity variance	Price variance
USMF-000006	12/12/2017	US-101		0	0	0	0
USMF-000006	12/12/2017	US-104		0	0	0	0
USMF-000006	12/12/2017	US-105		0	0	0	0
USMF-000007	12/12/2017	1001		0	0	0	0
USMF-000007	12/12/2017	Ace Supplier		100	100	100	30
USMF-000007	12/12/2017	CN-001		0	0	0	0

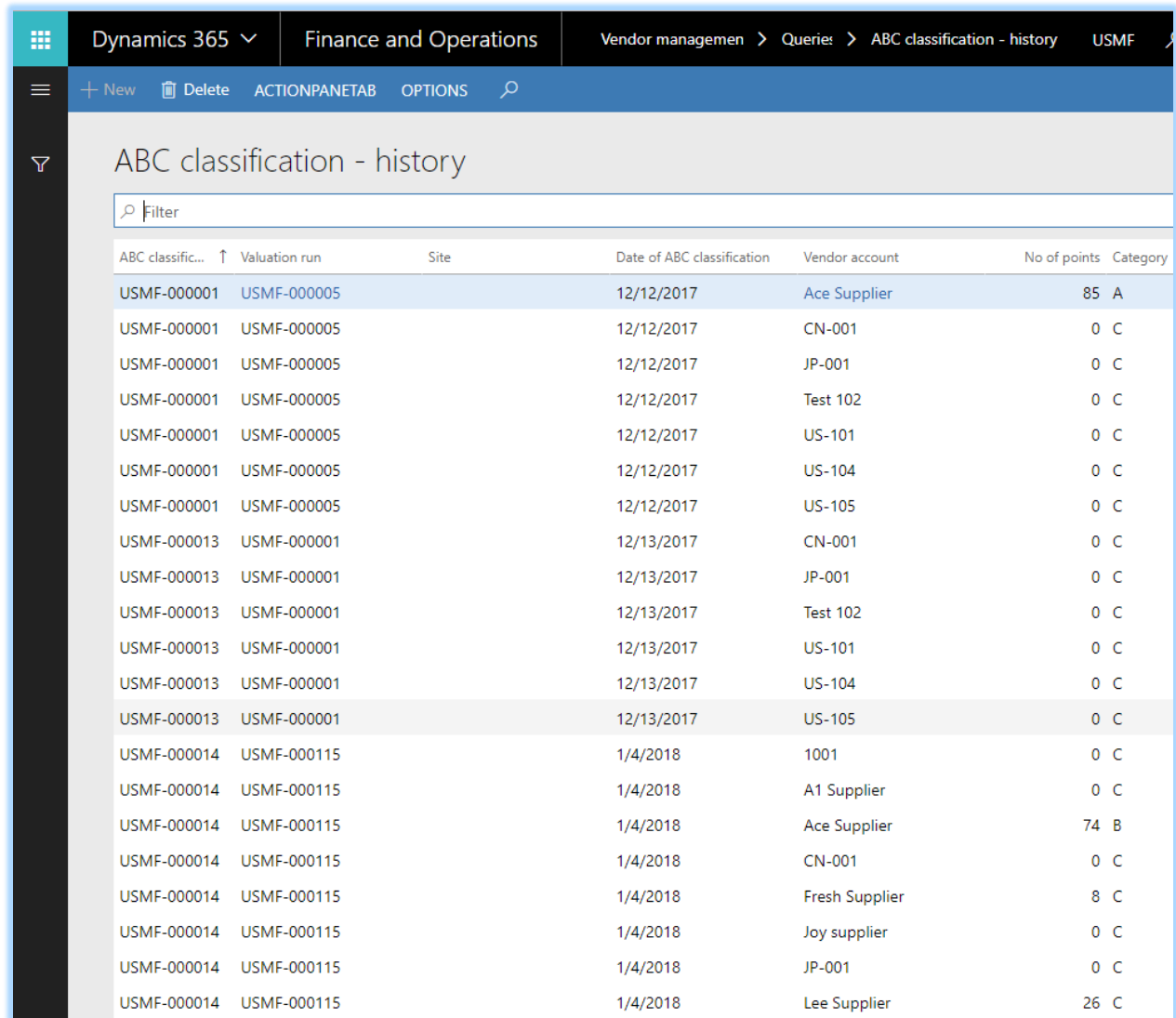
**Ranking history - lines**

Purchase order	Delivery date rel...	Delivery reliability	Quantity variance	Price variance	Part-delivery	Quality ranking	Delivery reminder	Confirmation re...
00000126	100	100	100	0	60	60	100	100
00000150	100	100	100	30	60	60	100	100

- The first window displays the data per valuation run and vendor.
- The middle window displays the data per valuation run, vendor and purchase order.
- In the lower window, the data per valuation run, vendor, purchase order and Order item displayed.
- The Print button prints the Vendor Evaluation report.

## 5.2. ABC Classification History

Module: Vendor Management > Queries > ABC Classification History

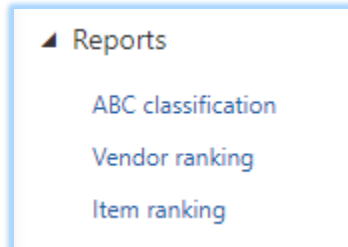


ABC classific...	Valuation run	Site	Date of ABC classification	Vendor account	No of points	Category
USMF-000001	USMF-000005		12/12/2017	Ace Supplier	85	A
USMF-000001	USMF-000005		12/12/2017	CN-001	0	C
USMF-000001	USMF-000005		12/12/2017	JP-001	0	C
USMF-000001	USMF-000005		12/12/2017	Test 102	0	C
USMF-000001	USMF-000005		12/12/2017	US-101	0	C
USMF-000001	USMF-000005		12/12/2017	US-104	0	C
USMF-000001	USMF-000005		12/12/2017	US-105	0	C
USMF-000013	USMF-000001		12/13/2017	CN-001	0	C
USMF-000013	USMF-000001		12/13/2017	JP-001	0	C
USMF-000013	USMF-000001		12/13/2017	Test 102	0	C
USMF-000013	USMF-000001		12/13/2017	US-101	0	C
USMF-000013	USMF-000001		12/13/2017	US-104	0	C
USMF-000013	USMF-000001		12/13/2017	US-105	0	C
USMF-000014	USMF-000115		1/4/2018	1001	0	C
USMF-000014	USMF-000115		1/4/2018	A1 Supplier	0	C
USMF-000014	USMF-000115		1/4/2018	Ace Supplier	74	B
USMF-000014	USMF-000115		1/4/2018	CN-001	0	C
USMF-000014	USMF-000115		1/4/2018	Fresh Supplier	8	C
USMF-000014	USMF-000115		1/4/2018	Joy supplier	0	C
USMF-000014	USMF-000115		1/4/2018	JP-001	0	C
USMF-000014	USMF-000115		1/4/2018	Lee Supplier	26	C

A data record with the corresponding ABC classification is created for each vendor. The Print button prints the Vendor Evaluation report.

## 5.3. Reports

### Module: Vendor Management > Reports

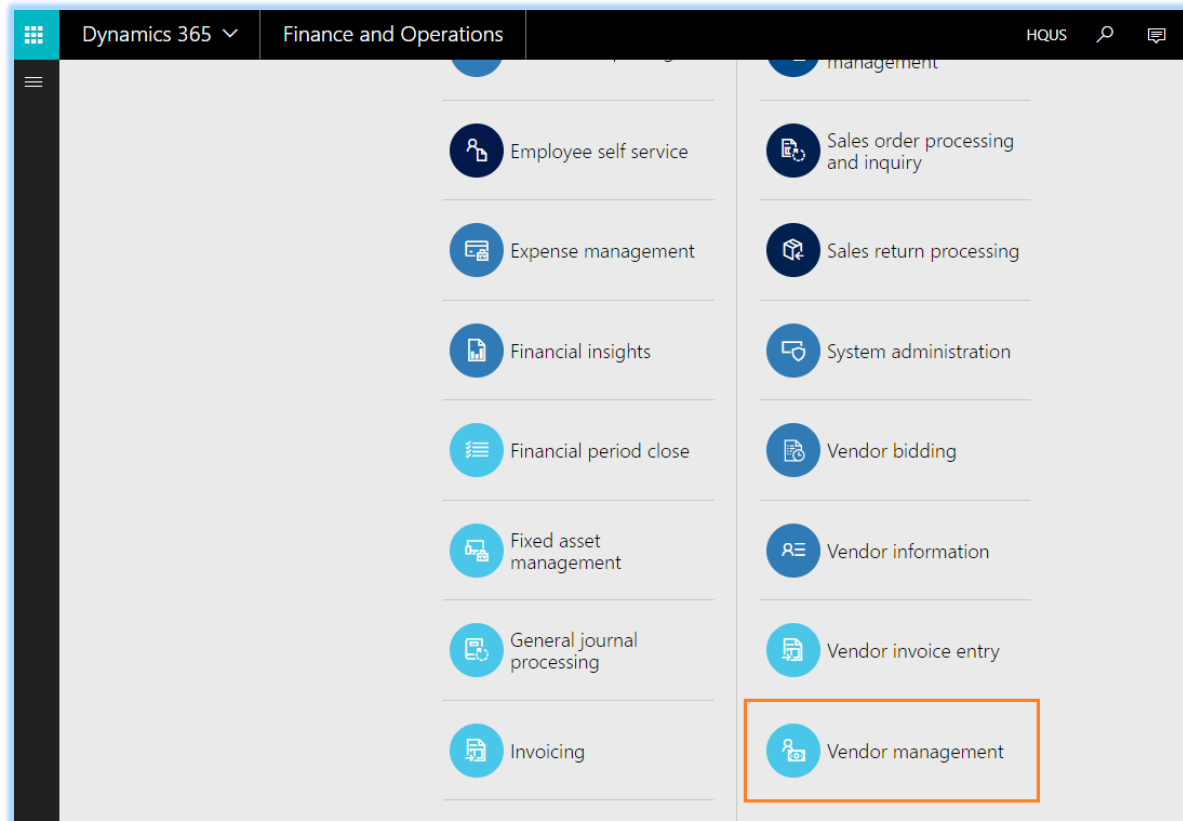


- ABC classification This report prints an overview per ABC classification run number
- Vendor ranking This report prints an overview per valuation run by vendor and purchase order.
- Item ranking This report prints an overview per valuation run by vendor / order and item.



## 6. Workspace for vendor management

Avanade Advanced vendor management asset workspace provides the 360° cockpit view of the underlying business functionalities throughout Dynamics 365 for Finance & Operations business application from the customized module of Vendor Management.



Dynamics 365 Finance and Operations Vendor management USMF

Quality ranking OPTIONS

### Vendor management

Summary

Quality ranking

All purchase orders

Vendors

Quality orders

Ranking history

ABC classification - history

Filter

ABC classific...	Valuation run	Site	Date of ABC classification	Vendor account	No of points	Category
USMF-000128	1		4/27/2018	Loto Supplier	0	C
USMF-000128	1		4/27/2018	Tom Supplier	0	C
USMF-000126	1		4/27/2018	Ace Supplier	0	C
USMF-000126	1		4/27/2018	Loto Supplier	0	C
USMF-000126	1		4/27/2018	Tom Supplier	0	C
USMF-000124	1		4/27/2018	Tom Supplier	0	C
USMF-000001	USMF-000053		2/6/2018	Ace Supplier	62	B
USMF-000001	USMF-000053		2/6/2018	Appo supplier	8	C
USMF-000001	USMF-000053		2/6/2018	Lot Supplier	11	C
USMF-000002	USMF-000129	1	4/27/2018	Ace Supplier	0	C
USMF-000002	USMF-000129	1	4/27/2018	Loto Supplier	0	C
USMF-000002	USMF-000129	1	4/27/2018	Tom Supplier	0	C
USMF-000003	USMF-000119	1	4/24/2018	Tom Supplier	0	C
USMF-000003	USMF-000123	1	5/2/2018	Tom Supplier	0	C
USMF-000004	USMF-000125	1	4/25/2018	Ace Supplier	0	C
USMF-000004	USMF-000125	1	4/25/2018	Loto Supplier	0	C
USMF-000004	USMF-000125	1	4/25/2018	Tom Supplier	0	C
USMF-000004	USMF-000121	1	5/2/2018	Tom Supplier	0	C
USMF-000005	USMF-000127	1	4/25/2018	Tom Supplier	0	C
USMF-000005	USMF-000141	4	5/7/2018	Tom Supplier	0	C
USMF-000006	USMF-000117	1	4/25/2018	Tom Supplier	0	C

Links

Reports

- ABC classification
- Item ranking
- Vendor ranking

---

Setup

- Ranking groups
- Smoothing factors
- Classification attributes

---

Calendar

- Allocation calculation attributes

---

Periodic

- Computation of vendor ranking
- Computation of ABC classificatio
- Update vendor table
- Delivery reminders
- Confirmation reminders
- Quotation reminder

## 7. Installation

### 7.1 Requirements

Model file and License file must be installed for accessing the functionalities of Avanade Vendor management.

### 7.2 Configuration

**Module: System administration > Setup > License configuration**

