

# External Production

## Advanced management capabilities for outsourced production



### **Avanade External Production expands the Microsoft Dynamics 365 standard by bringing greater control, transparency, and simplicity to the decisions and processes involved in outsourcing part of your manufacturing or assembly to vendors.**

Production planners need to manage production sequences by external parties in the most efficient and seamless manner possible. When companies outsource, for instance, subsets of such activities as injection molding, packaging, assembly, anodizing, and others, they need to have a complete view and full control of the vendors, schedules, products, components, materials, schedules, and costs involved. Depending on the business and market segment, the conditions for outsourced production can vary, but in any case the management and performance of these processes can vastly improve if they are fully represented in the business management solution.

#### **Complete visibility and tracking of planned and spontaneous subcontracting**

Avanade External Production improves on the Microsoft Dynamics 365 standard by enabling production managers to plan and manage outsourced production in a centralized resource and track processes, materials, products, and product components in the business management system. They can use a delivery note specially designed for external production to expedite the dispatch and receipt of materials provided to or being returned by outsourced vendors. They can also use the solution when an equipment breakdown or sudden order spike necessitate immediate, unplanned outsourcing of production steps.

Accurately assessing the quality of subcontractors' output can be challenging for production managers. In External Production, you can set up tracking codes to record production flaws, and make it clear in which company and process they originated and how finance management needs to account for them.

#### **Better communications, more accessible processes**

After implementing External Production in integration with Microsoft Dynamics 365, production planners will find it easier to meet delivery commitments to customers and communicate with them in a timely, accurate manner. Negotiations and communications with vendors can also become more efficient and feature better accountability. At any stage of the outsourced production, you know where your materials and products are and what their status is. You can manage all in-house and outsourced production activities in the business management system instead of using workarounds outside of it. That also means that other production managers or stakeholders outside of the immediate production workflows can review outsourced production assignments.

By using External Production, many of the steps involved with managing outsourced production become simpler and more trackable than in the Dynamics standard. In the first place, you have an accurate record indicating what kind of work production vendors can perform. Then, for instance, when materials are provided to a production vendor in bulk, used in part, and the rest returned, you can clearly reflect these events in the ERP system. And, when goods return from outsourced vendors, production is automatically recorded as complete and the items are available for shipping.

To learn more or see a demo, contact us by visiting [www.avanade.com/en/technologies/microsoft-dynamics-365](http://www.avanade.com/en/technologies/microsoft-dynamics-365).

#### **Key Benefits**

- Track and manage all aspects of outsourced production centrally
- Improve customer satisfaction with greater reliability in quality and delivery commitments
- Ensure timely, efficient, and accountable management of production vendors
- Eliminate planning errors and capacity shortages

