



# **SUPPLIER MANAGED INVENTORY (SMI) WITH PLANNED SHIPMENT SUPPLIER TRAINING GUIDE**

**Honeywell**



# TABLE OF CONTENTS

## **SMI with Planned Shipment**

- Process Introduction
- Process Workflow
- Mode of Integration/ Automation

## **Portal User Interaction**

- Planning Collaboration
  - Main Screen – Overview
  - Main Screen – Columns
  - Main Screen – Stock Details
  - Main Screen – Line-Item Details
  - Main Screen – Manage Planned Shipments
- Excel User Interaction
  - Create a Job
  - Managed Planned Shipment
  - Submit Planned Shipment
- Shipping and Receiving

## **Appendix**

# **INTRODUCTION**

# SUPPLIER MANAGED INVENTORY

## PLANNED SHIPMENT – PROCESS INTRODUCTION

**Supplier Managed Inventory (SMI)** - Also called Vendor Managed Inventory (VMI) - is a business model where the buyer of a product provides certain information to a supplier (vendor) of that product and the supplier takes full responsibility for maintaining an agreed inventory of the material, usually at the buyer's consumption location.

In Planned Shipments, Scheduling Agreement Release are generated.

SMI provides foundational capability for supply chain collaboration between Buyers and Suppliers by sharing inventory and demand information and replenishment of inventory based on established Min/Max stock level.

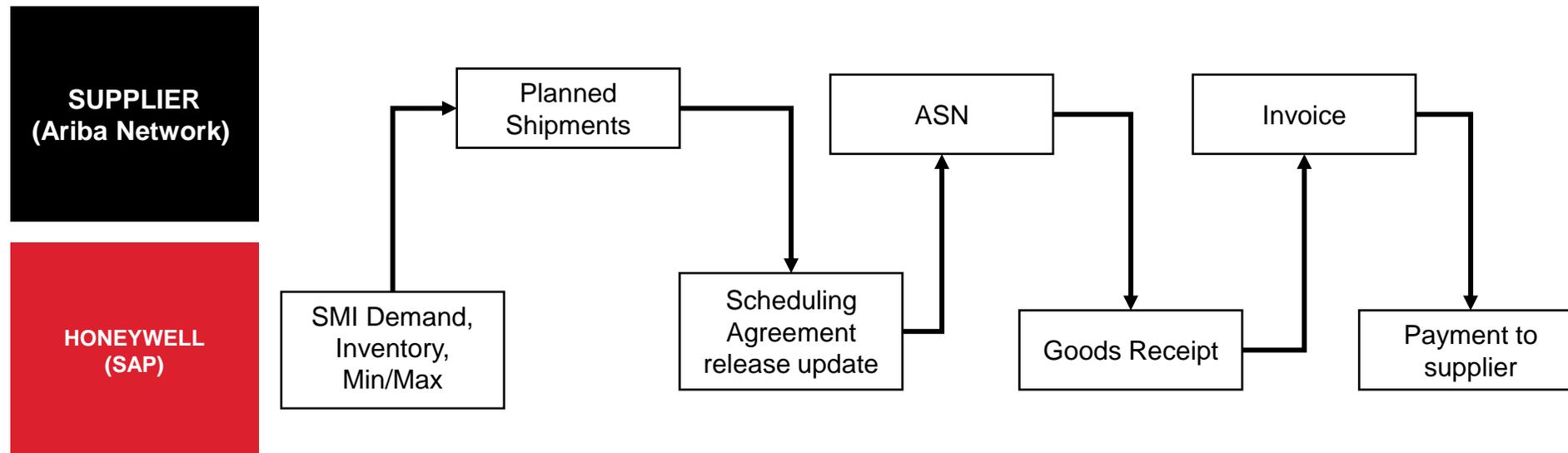
### **Benefits for Suppliers :**

- Visibility of the buyer's demand and inventory data enables more accurate forecasting and planning.
- Reduce buyer ordering errors resulting in decrease in potential returns.
- Visibility of stock levels enables proper prioritization of orders.

# SUPPLIER MANAGED INVENTORY

## PLANNED SHIPMENT – WORKFLOW

1. Honeywell shares on Ariba Network Gross Demand, Inventory, Min and Max from the ERP.
2. The supplier reviews the projected stock and reflects their planning decision by entering planned shipments to meet demand requirements and the agreed stocking policy.
3. Scheduling Agreement Release in the ERP will be updated and sent to the Ariba network where it is available for the supplier
4. At the time of dispatch, the supplier creates an ASN.
5. Following receipt in Honeywell's ERP, the goods receipt status is updated on the network.
6. Invoice
7. Payment



# MODES OF INTEGRATION AND AUTOMATION

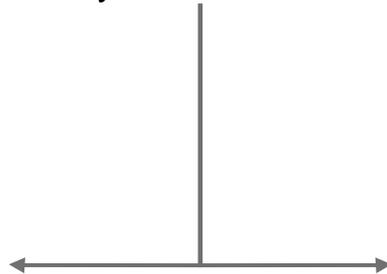
Ariba allows suppliers to work in different modes. B2B is not supported in SMI:



**Ariba Portal:** The Supplier works online through a Web Browser. Data entry can be on screen or using download and upload functionality.



**Manual:** The Supplier can manually enter the data in Portal and upload



**Excel:** The Supplier can utilize Excel options to upload data.

# **PORTAL USER INTERACTION**

# PLANNING COLLABORATION

## OVERVIEW – MAIN SCREEN

From the Homepage:

1. Click on **Planning > Planning Collaboration**.
2. Screen presents the overall status for all available materials.
3. Search filters help to identify the right item. Expand the section and enter specific search criteria.
4. Process type is **Supplier Manager Inventory** for Planned Shipments

**Note:** Refer for more details on Search Filters description & Customer Defined Attributes Options in Appendix

The screenshot shows the SAP Business Network interface. At the top, the navigation bar includes 'Home', 'Enablement', 'Workbench', 'Planning', 'Orders', and 'Fulfillment'. A red box highlights the 'Planning' dropdown menu, which is open to show 'Forecast' and 'Planning Collaboration' options. Below this is a table of materials with columns for Customer, Customer part no., Supplier part no., Stock on hand (Quantity and Status), Stock levels (Min. and Max.), Unit, and 10 v proje. The table shows two rows: one for 'BP001' with a quantity of 219 and status 'On track', and another for 'SP001' with a quantity of 6,323 and status 'Above'. Below the table is a 'Search filters' section with a red box around the 'Process type' dropdown menu, which is set to 'Supplier Manager Inventory'.

Customer	Customer part no.	Supplier part no.	Stock				Unit	10 v proje
			Stock on hand		Stock levels			
			Quantity	Status	Min.	Max.		
SCC Delivery Team - Global H19 Client 400 - TEST	BP001	S_BP001	219	On track	0	0		■■■■
SCC Delivery Team - Global H19 Client 400 - TEST	SP001		6,323	Above	2,000	3,000	PC	■■■■

# PLANNING COLLABORATION

## OVERVIEW - MAIN SCREEN - COLUMNS

5. You can sort the columns by clicking on any header.
6. You can hide or display the report columns by clicking the configure icon.
7. Total list of configure options

7

Supplier part no.	Outline Agreement	Lead time
Description	Info Category	Part status
Purchasing Info Record	Last PO No	Last customer update
Planned Delivery Time	Batch/Expiry Date	Last supplier update
Lot Size	Sub Process Type	Quantity
Rounding Value	Customer location	Status
Min. stock level	Planner Code	Product family
Max. stock level	Process type	Product subfamily
Unit	Customer view	External program code
Min. days of supply	Manufacturer name	Part type
Max. days of supply	Manufacturer part ID	Part category
10 weeks projection	Line of business	System ID

**Note:** All Configure Options may not be available, the availability of options changes with each Collaboration

# PLANNING COLLABORATION

## OVERVIEW – MAIN SCREEN – STOCK DETAILS

8. Click Stock on Hand status aligned to your material row & a pop-up window will display further details
9. Stock on hand and Min / Max Levels
10. Different stock types status transmitted from Honeywell ERP
11. Click Projected Stock / 10 weeks Projection aligned to your material row & a Pop-up window will display exact stock within a given week (each bar representing a week).
12. From the color coding also, the Supplier can see whether the material is on track, out of stock etc.

8

Stock on hand		Stock levels		Unit	10 weeks projection	Process type
Quantity	Status	Min.	Max.			
2	On track			EA		Supplier managed inventory
100	Below minimum	2,000	10,000	EA		Supplier managed inventory
0	Out of stock	150	300	EA		Supplier managed inventory
0	No data	0	0	EA		Supplier managed inventory
0	No data	0	0	EA		Supplier managed inventory

9

10

11

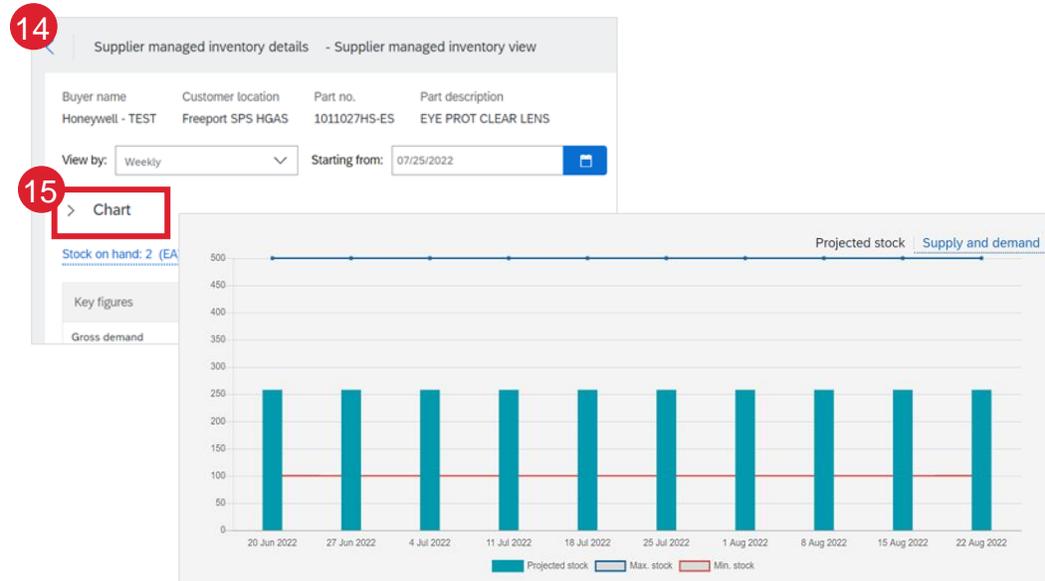
12

# PLANNING COLLABORATION

## OVERVIEW – MAIN SCREEN - LINE-ITEM DETAILS

- 13. Click view details icon to open the item data report of your material
- 14. Item data report is the key for the supplier to plan and review the shipments of Honeywell's stock.
- 15. Expand the **Chart** section to view the graphs

Stock on hand		Stock levels		Unit	10 weeks projection	Process type
Quantity	Status	Min.	Max.			
2	On track			EA		Supplier managed inventory
100	Below minimum	2,000	10,000	EA		Supplier managed inventory
0	Out of stock	150	300	EA		Supplier managed inventory



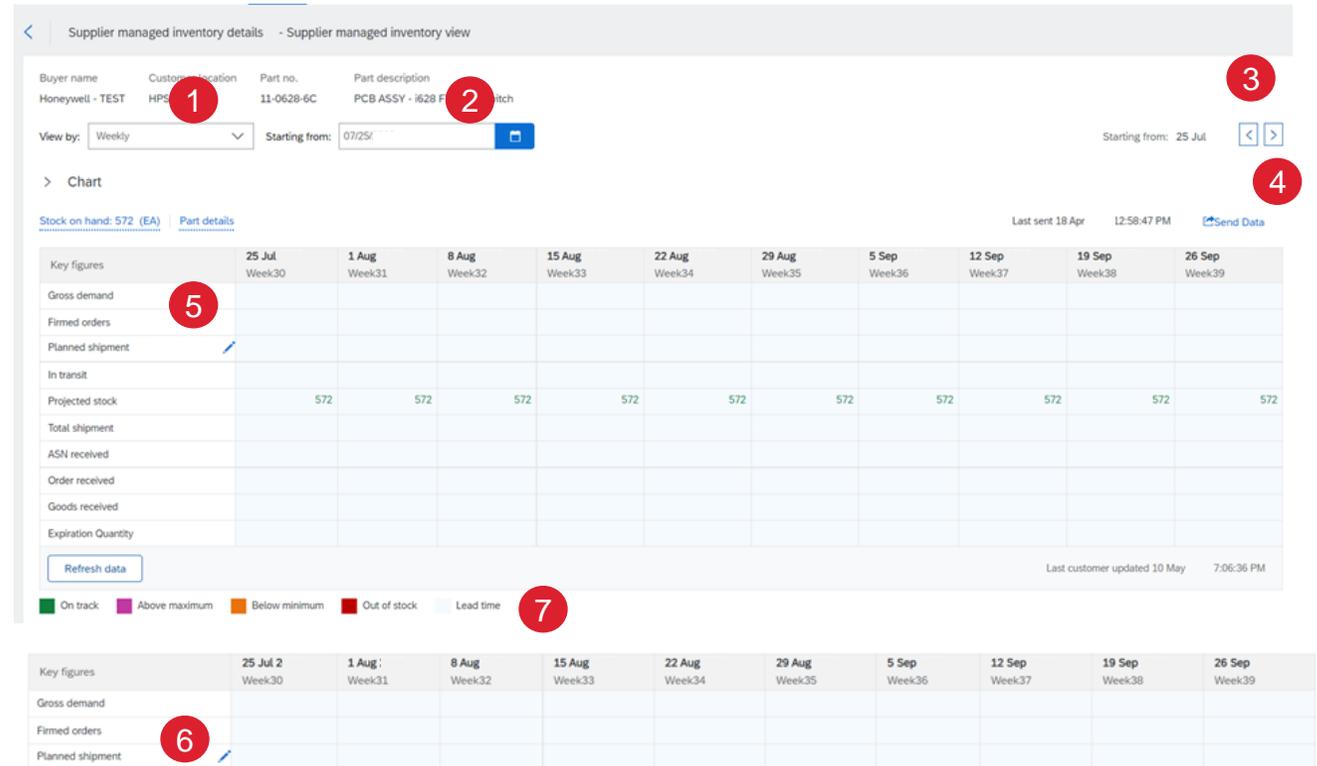
# PLANNING COLLABORATION

## MANAGE PLANNED SHIPMENTS

1. Select **View by** in order to choose between different aggregation modes (Daily, Weekly, Monthly, Quarterly, Yearly). The key figures will be summed accordingly.
2. Specify the date in the **Starting from** field.
3. Press the arrows to navigate through the time periods.
4. Click **Send data** in order to update the purchase orders in Honeywell ERP based on the entered planned shipments.
5. Click on the **pencil symbol** next to the Supply/Planned shipment key figure to switch to edit mode in order to be able to enter the planned shipments/supply elements per time bucket.

### Note:

- The pencil is only visible for the time bucket setting as defined by Honeywell which is weekly, also visible key figures are configured when Honeywell define views for each process type (e.g. SMI).
  - The blue background color indicates the lead time for this material
6. Pressing the pencil button allows you to **enter planned shipments** in the planned shipment key figure. Typically, the value will lie between the minimum and maximum proposals.
  7. Color coding reference to refer health of stock



# PLANNING COLLABORATION

## MANAGE PLANNED SHIPMENTS

8. Press **Save** button.

**Note:** Save will **NOT** share the entered data with the customer but will only trigger a recalculation of the projected stock and save the planned shipment quantities for future adjustments.

9. Click on **Send data** icon on top of the key figures table to send the data to customer's backend system.

10. A message will appear confirming successful transmission of data. Click **OK**

11. In the **Fulfillment** (under **Product Replenishment** sub-tab), you can doublecheck the generated product replenishment cXML.

12. Refer Appendix for details on Key figures

# **EXCEL USER INTERACTION**

# EXCEL USER INTERACTION

## CREATE A JOB

You can use the Excel download/upload feature to enter planned replenishments for SMI.

From the Home page:

1. Click “...” button and select **Upload** and then **Download** from the drop down.
2. In the Jobs sub-tab click **Create**.
3. In the pop-up select job-type **Inventory**.
4. Fulfill search criteria and all mandatory fields and click **Save**.
5. Once the job has been created select it and click **Run**.
6. Once the job runs, you will be transferred to the **Downloads** sub-tab.
7. If report status is **Queued**, click **Refresh Status** in the bottom of the screen, until the status is changed to **Completed**.
8. Once the status is Completed, the file can be opened/downloaded by clicking the download symbol.
9. Open the downloaded excel report

### Note:

- You can adjust the job, e.g., change search filters by clicking the **Edit** button.
- Search criteria depend on the master data transmitted by Honeywell and may or may not be available.
- Step 7 must be manually initiated each time the job is to be run: it is not possible to set this up as an automatically executed periodic job.

The screenshot displays the SAP Business Network interface for an Enterprise Account. The top navigation bar includes 'Home', 'Enablement', 'Workbench', 'Planning', 'Orders', 'Fulfillment', and 'More'. A 'Create' button is highlighted with a red box and a '1' callout. A dropdown menu is open, showing 'Excel Files' and 'Upload/Download' options, with 'Upload/Download' highlighted and a '2' callout. Below this, a 'Create/Edit Job' modal is shown. The '\* Name' field is empty, and the '\* Type' dropdown is set to 'Inventory', highlighted with a red box and a '3' callout. The 'Supplier last modified' field is empty. The 'Save' button is highlighted with a red box and a '4' callout. Below the modal, a 'Jobs' table is visible with columns 'Name' and 'Type'. Two jobs are listed: 'FU\_SMI\_T1' (Inventory) and 'FU\_SMI\_DOS' (Inventory). The 'Run' button is highlighted with a red box and a '5' callout. Below the table, the 'Downloads' sub-tab is active, highlighted with a red box and a '6' callout. The 'Downloads' section shows a table with columns 'Job Name', 'Status', and 'File'. A job named 'Jen test' is listed with a status of 'Completed'. The 'Refresh Status' button is highlighted with a red box and a '7' callout. The 'File' column shows a download icon, highlighted with a red box and an '8' callout. A file named 'Jen\_test\_04-05-20....xlsx' is shown in the download area, highlighted with a red box and a '9' callout.

# EXCEL USER INTERACTION

## MANAGE PLANNED SHIPMENTS

1. From the Excel file that you downloaded from previous steps, enter the planned shipment data in the respective time bucket/column in the **light blue colored row of the Excel sheet**.
2. When finished **save the file** for later upload.

1

Planned shipment							
In transit	0	0	0	0	0	0	0
Target stock							
Projected stock	1020	520	520	520	520	140	140
Minimum stock	-820	-320	-320	-320	-320	60	60
Maximum stock	-520	-20	-20	-20	-20	360	360
Shipments							
Receipts							
Days of supply	10	4	8	7	6	0	4

2

The screenshot shows the Microsoft Excel interface. The ribbon is set to 'File'. A red box highlights the 'Save' icon (floppy disk) in the top-left corner. Below the ribbon, the SAP Ariba logo is visible, followed by the text 'Ariba Supply Chain Collaboration - SMI'. A table with columns 'Customer ANID', 'Customer Name', 'Custom er part', and 'Supplier part no.' is displayed. The first row of data contains 'AN01042377936-T', 'LOB APJ Buyer 1 - TEST', and 'VM1\_PRO'.

Customer ANID	Customer Name	Custom er part	Supplier part no.
AN01042377936-T	LOB APJ Buyer 1 - TEST	VM1_PRO	

### Note:

- The **SMI – Planning** View tab includes information fields (see tables provided on the next two slides) and key figures documented by date-
- Calculated key figures, such as projected stock, or min/max proposals, are a snapshot of values taken when the report was downloaded from the network to Excel. Calculated key figures, such as projected stock, or min/max proposals, are a snapshot of values taken when the report was downloaded from the network to Excel. Calculated key figures are NOT automatically updated in the Excel spreadsheet when Planned shipment figures are entered (compared to the Portal, this is only a snapshot).
- To remove/delete a previous planned replenishment on the network you **HAVE TO** enter a ZERO value ('0') in the relevant cell so that the system updates the numbers correctly.
- Leaving the cell blank will **NOT** delete the previously entered planned replenishment and hence might lead to double-counting e.g. if you just want to shift the quantities to a different time bucket .

# EXCEL USER INTERACTION

## SUBMIT PLANNED SHIPMENTS

From the Upload/Download screen:

1. Click on **Uploads** sub-tab.
2. Press **Upload** button. Pop-up window will appear.
3. Enter a meaningful job name and
4. Select Type **Inventory**.
5. Browse / Choose / Open file > select required excel sheet.
6. Press **Upload** button.
7. Click on the **Log** icon and open the spreadsheet. The spreadsheet reports errors or issues.

The image illustrates the process of uploading an Excel file through a web interface. It shows the 'Uploads' tab selected, the 'Upload' button, and the 'Upload File' dialog box where the job name 'FU\_SMI\_UP' and type 'Inventory' are entered. A file explorer window shows the selection of the file 'FU\_SMI\_T1\_24-Sep-2018\_16\_24\_25.xlsx'. The status table shows the upload status, and the 'Log' link is used to view the results in a spreadsheet.

Status	File	Log
Completed	<a href="#">↓</a>	<a href="#">↓</a>
Failed	<a href="#">↓</a>	<a href="#">↓</a>
Completed	<a href="#">↓</a>	<a href="#">↓</a>
Failed	<a href="#">↓</a>	<a href="#">↓</a>

Results
1 cXMLs sent. Payload Ids listed below:
1531995458088-2929983546626151935@216.109.111.62
No valid data found in uploaded document for Buyer part: null and Supplier part: PROC-LS-AB-9999. S
No valid data found in uploaded document for Buyer part: CARTRIDGESINGLEHANDLE and Supplier part:

### Note:

- The spreadsheet does not list successful record uploads.
- In case of any question related to Log section, contact your system administrator.

# **SHIPPING AND RECEIVING IN SMI**

# SHIPPING AND RECEIVING IN SMI

## REVIEW CREATED ASN /SHIPPING NOTIFICATION

- Once the planned shipments have been executed by Supplier, the Scheduling Agreement Release gets updated, and Supplier must perform ASN and then Honeywell will do the GR
- For detailed ASN & GR process refer Order Collaboration guide
- Supplier can also view information regarding ASN & GR from key figure rows of ASN,GR in the main screen of selected material

Stock on hand: 100 (EA)   Part details		5 Mar	6 Mar	7 Mar	8 Mar	9 Mar	10 Mar
Key figures							
Gross demand							
Net requirement							
Firmed orders							
Planned shipment							
In transit							
Target stock							
Projected stock		100	100	100	100	100	100
Minimum proposal		-15	-15	-15	-15	-15	-15
Maximum proposal		75	75	75	75	75	75
Total shipment							
ASN received							
Days' supply (SMI)		364	363	362	361	360	359
Order received							

# APPENDIX

# PLANNING COLLABORATION

## OVERVIEW - SEARCH FILTERS DESCRIPTION

Field	Description
Customer	Customer identification
Customer Part Number	Customer's material number
Supplier Part Number	Vendor's material number
Customer Location	Customer Plant
Planner Code	Customer planner identification
Show Unique Part and Plant	Once checked, the result screen will show key figures for both supplier managed inventory and forecast data.
Part Category	Part Category as aligned with the customer
Line of Business	Line of Business as aligned with the customer
Product Family	Product Family as aligned with the customer
Product Sub-Family	Product Sub-Family as aligned with the customer
Program Code	Program Code of Business as aligned with the customer
Part Type	Part Type as aligned with the customer
Process Type	Specifies whether the part is using Planned Shipment for SMI (can be combined with Forecast)
Part Status	Specifies if the part is active or inactive
Customer View	Honeywell are allowed to create views, referred to as custom views, for planning processes and set conditions for their display

# PLANNING COLLABORATION

## OVERVIEW – CUSTOMER DEFINED ATTRIBUTES

This is the list of fields for defined attributes:

1. Purchasing Info Record
2. Lot Size
3. Outline Agreement
4. Last PO No.
5. Sub Process Type
6. Planned Delivery Time
7. Rounding Value
8. Info Category
9. Batch/Expiry Date

Customer defined attributes

1	Purchasing Info Record	<input type="text"/>	6	Planned Delivery Time	<input type="text"/>
2	Lot Size	<input type="text"/>	7	Rounding Value	<input type="text"/>
3	Outline Agreement	<input type="text"/>	8	Info Category	<input type="text"/>
4	Last PO No	<input type="text"/>	9	Batch/Expiry Date	<input type="text"/>
5	Sub Process Type	<input type="text"/>			

# PORTAL USER INTERACTION

## KEY FIGURES

Field	Description	Source
Gross demand	Forward-looking consumption.	Honeywell ERP
Firmed orders	Honeywell confirmed orders within the firm zone.	Ariba Network calculation
Previous planned shipment	The total quantity of previously saved planned shipments, within each of the user-selected time bucket.	Ariba Network
Planned shipments	The editable field where supplier enters shipments quantity, within each of the user-selected time bucket.	Supplier input
Published shipments	The total quantity of created shipments orders, within each of the user-selected time bucket.	Ariba Network
In transit	Dispatched quantity not yet received at customer.	Ariba Network calculation
Planned projected stock (RO)	Stock on hand – gross demand + (previous planned shipment + planned shipment).	Ariba Network calculation
Published projected stock (RO)	Stock on hand – gross demand + published shipment.	Ariba Network calculation
Total shipment	Based on total receipts by Honeywell for each time bucket.	Ariba Network calculation
ASN received	Quantity received by Honeywell based on shipments, within each of the user-selected time bucket.	Ariba Network calculation
Order received	Quantity received by Honeywell based on orders, within each of the user-selected time bucket.	Ariba Network calculation

# EXCEL USER INTERACTION

## MANAGE PLANNED SHIPMENTS – COLUMNS DESCRIPTION

Field	Description
Customer ANID	Customer ANID to which the file relates
Customer Name	Customer name to which the file relates
Customer part no.	Honeywell's part number for material
Supplier part no.	Seller's part number for the material
Description	Short text description of the material
Location	The location of the customer's site
Location Name	The name given by the customer to their location
Lead time	Delivery Lead-time (the sum of delivery and goods receipt processing times)
Last updated	Date of last customer upload of planning (inventory and demand) data from their ERP to the Ariba Network
Line of business	Additional specification data defined by Honeywell
Product family	Additional specification data defined by Honeywell
Internal program code	Additional specification data defined by Honeywell
External program code	Additional specification data defined by Honeywell
Part category	Additional specification data defined by Honeywell
Part type	Additional specification data defined by Honeywell
Stock on hand	The amount of stock held at the time of last Honeywell upload
Minimum Stock	The minimum required stock level
Maximum Stock	The maximum required stock level
Minimum Days of Supply	Days coverage based on minimum inventory and projected stock figures
Maximum Days of Supply	Days coverage based on maximum inventory and projected stock figures