



An Overview of the JD Edwards DRP/MPS/MRP Planning Process

And the Common “Gotchas” that Lurk

By Terry Horner

E1 W Editor's Note: At JDEtips, we love gotchas. Terry Horner is a solid manufacturing consultant who has found many gotchas along the way. In this article, he gives us an overview of the planning processes for DRP, MPS, and MRP. He describes the behavior of the various planning levels, gives us some tips on how to best use them, then, as promised, provides the gotchas. And if you thought “time fencing” was just a buzz word, don't stop reading until you get to the section where he explains how to improve the validity and stability of your DRP/MPS/MRP messages and to reduce the “nervousness” of your messages through fence policies and procedures.

Abstract

This article is intended for companies using JD Edwards for the planning processes of DRP, MPS, and MRP. The business model discussed is a make-to-stock manufacturing and distribution organization, although many of the topics, concepts, and recommendations often apply to other types of business organizations.

Each level of the planning process is reviewed and recommendations are made that will help in the creation of valid, realistic action messages (not to mention bottom line performance improvements). The major causes for invalid messages at each level of planning are discussed.

Finally, the importance of implementing time fence policies to achieve stability and valid action messages is discussed.

The article applies to both the EnterpriseOne version and the World version of JD Edwards software. Although specific aspects of the JD Edwards software are referred to, most of the topics and recommendations apply to other ERP software packages as well.

Introduction and Background

Many companies that I have worked with have attempted to implement JD Edwards for the purpose of material planning and scheduling using the applications of Distribution Requirements Planning (DRP), master scheduling (or management of a Master Production Schedule, MPS), and Material Requirements Planning (MRP). At the end of this article, I have included the standard APICS Dictionary definitions for these three terms, for your enjoyment.

JD Edwards software uses the same program to perform each of these planning processes: R3482 is used for single-site planning, and R3483 for multi-facility planning in EnterpriseOne (P3482 and P3483 in World).

Far too many times in the past, I had been contacted to help one of my clients figure out how to “make MRP work”. The planners for the client thought that they had done all of the necessary work. After all, they had set up the software and all of the required planning data and parameters that were required. They had then run the necessary JD Edwards programs and generated DRP/ MPS/ MRP action messages.

However, they were baffled and quickly informed me that the action messages generated were meaningless; they did not make any sense whatsoever. And as a result, most of the planners were ready to simply “give up” and resort back to their “old system” to run the business. Another common response by the planners to these strange messages was to think that there must be some sort of “bug” in the MRP program. MRP was broken and they wanted me to investigate, try to identify the culprit, and destroy it.

After a thorough, exhaustive, investigation of the situation---guess what? The program generating the material planning action messages was doing EXACTLY what it was supposed to. So, why were these inaccurate and strange action messages being generated?

The short answer: Inaccurate operational data, and the setup of a planning model on the computer that did not correspond with the reality of how the supply chain was actually executing.

Supply Chain Planning Processes

This article relates to companies that have a fairly complex logistical planning process model. The business model discussed in this article is that of a make-to-stock manufacturing and distribution organization, though many of the topics, concepts and recommendations often apply to other types of business organizations.

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