MRP SETTINGS

How the Big 3 settings drive lead times, target dates, replenishment, and reorder points.

THE SETTINGS

1. The Big 3
All Manufactured (M) items need Job Days. All Purchased (P) items need Lead Days. Every item also needs the correct Order Policy. DBA requires these Big 3 settings whether or not you run MRP.

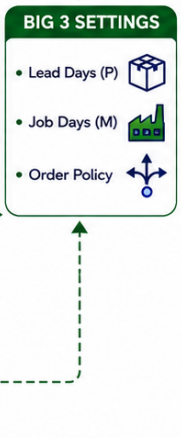
2. Job Days and Lead Days
These allocations are required for proper inventory levels and target dates throughout the system. Use realistic Job Days for M items and realistic Lead Days for P items.

3. Order Policy
Choose the correct Order Policy based on each item's lead day contribution. Place a Demand Driven Order Policy on items that you intend to carry stock on hand to meet your anticipated needs.

4. Dynamic Planning Period
Each item has a dynamically calculated planning period replenishment time that keeps your schedule realistic and responsive.

5. Demand Driven Stocking
For Demand Driven items, Monthly Potential Demand is translated to a daily rate and used with replenishment time to calculate a dynamic Reorder Point.

6. Dynamic Trigger Calculations
When you change any Big 3 setting, MRP Interval, Extra Days, or Shop Calendar work days, DBA automatically recalculates all affected items through all BOM levels.



WHAT DBA CALCULATES

PRE-JOB LEAD DAYS 1
For Manufactured items, DBA calculates pre-Job Lead Days from the longest Lead Days + Job Days among To Order components. This sets the job Planned Start date.

TIME TO SHIPMENT 2
For top-level for-sale M items, DBA calculates Time to Shipment = pre-Job Lead Days + Job Days + SO Default Extra Days. This drives SO Required Dates, MRP demand, priorities, and material allocations.

REPLENISHMENT TIME / ACTION WINDOW 3
M items: pre-Job Lead Days + Job Days + MRP Interval + Non-Shop Days + Extra Shop Days.
P items: Lead Days + MRP Interval + Non-Shop Days + Extra Shop Days.
MRP reacts only to firm demand inside this action window, demand outside it is tentative and handled in a future MRP run.

REORDER POINT 4
For Demand Driven items, Reorder Point = daily demand rate × replenishment time. The goal is to trigger replenishment early enough to avoid stockouts while aligning inventory with firm demand.

SYSTEM-WIDE IMPACT 5
A single change can ripple through all levels of production. Example: changing a long-lead purchased component from To Order to Demand Driven removes it as a lead-day contributer and immediately updates Lead Days, Time to Shipment, Replenishment Times, and Reorder Points for all impacted items.

DBA's **trigger-based calculations** automatically update MRP settings across all levels of production, making lead times, target dates, replenishment times, and reorder points dynamic and current.