



Transfer Order vs Transfer Journal – What is the Difference?

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Transfer order vs transfer journal

- Two very distinct functionalities
- Cover very different business scenarios
- If used in the wrong context, both can be unsatisfactory

Session agenda

- Discuss both options:
 - Appropriate business scenarios
 - Go over the steps involved in using the functionality
 - Tips and tricks
 - Quick review
 - Q&A

Dynamics 365 Finance and Operations

- Favorites
 - Favorites created using the navigation pane will show up here.
- Recent
- Workspaces
- Modules
 - Accounts payable
 - Accounts receivable
 - Audit workbench
 - Budgeting
 - Cash and bank management
 - Common
 - Consolidations
 - Cost accounting
 - Cost management
 - Credit and collections
 - Demo data
 - Expense management
 - Fixed assets
 - Fleet management
 - General ledger
 - Human resources
 - Inventory management**
 - Master planning
 - Organization administration
 - Payroll
 - Procurement and sourcing
 - Product information management
 - Production control
 - Project management and accounting
 - Questionnaire
 - Retail
 - Sales and marketing

Inbound orders

- Arrival overview
- Planned transfers
 - Transfer order**

Output orders

- Shipments
- Picking workbench
- Picking list registration
- Planned transfers
 - Transfer order**
- Output orders

Journal entries

- Items
 - Movement
 - Inventory adjustment
 - Transfer**
 - Bills of materials
 - Inventory ownership change
- Item arrival
- Item counting

Inquiries and reports

- Periodic tasks
 - Closing and adjustment
 - Planned transfer orders
 - Release sales order picking
 - Release transfer order picking
 - Picking workbench
 - Inventory blocking
 - ABC classification

Linked dimension update

- Schedule load utilization
- Schedule workload

- Transfer update
- Bills of materials
- Quality management
- Locations
- Clean up
- Commodity pricing
- Batches
- Forecast updates

Setup

- Inventory and warehouse management parameters
- Dimensions
- Price/discount
- Charges
- Supplementary items
- Distribution
- Inventory
- Inventory breakdown
- Warehouse monitoring
- Bills of materials

- Quality control
- Quality management
- Journal names
- Packing material
- Posting
- Forecast
- Commodity pricing
- Batch
- Product compliance
- Picking workbench
- Shipping carrier

Transfer orders

- **Business scenarios:**

- transit time is significant
- traceability of inventory during transit
- shipping documentation is required
- Order processing falls under the regular tasks of the warehouse staff

Transfer order processing

- WMSI or advances warehousing
- Three step shipping process -> pick & register & pack
- Registration & receiving

Transit warehouse

- Only to be used for transfer orders
- Items remain hard reserved against transfer order – costing not impacted
- 4 inventory transactions created

The screenshot displays the SAP WMS configuration for Warehouse 11. The left sidebar lists several warehouses, with Warehouse 11 (Site 1 - Raw Materials) selected. The main area shows the configuration for Warehouse 11, including the following sections:

- General:** Site (1), Type (Default), Quarantine warehouse (18), Transit warehouse (29), and REFERENCE (Vendor account).
- Master planning:** ITEM COVERAGE (Manual: No), MAIN WAREHOUSE (Refilling: No), Main warehouse, and Warehouse level (0).
- Inventory and warehouse management:** Location names, Addresses, and Hierarchy.

Transfer order: 000001

Transfer order header

OVERVIEW

Transfer number
000001

From warehouse

32

To warehouse

11

Ship date

1/20/2017

Receipt date

1/20/2017

STATUS

Transfer status

Received

Transfer order lines

+ Add + Add products Remove Work details Charges Deliver remainder **Inventory** ▾

✓	Item number	Transfer quantity	CW transfer qty	Ship date	Receipt date	Product name	Reserve items a...	Packing quantity
	P0111	3.00		1/20/2017	1/20/2017	Composite Case		0.00

000001 : P0111

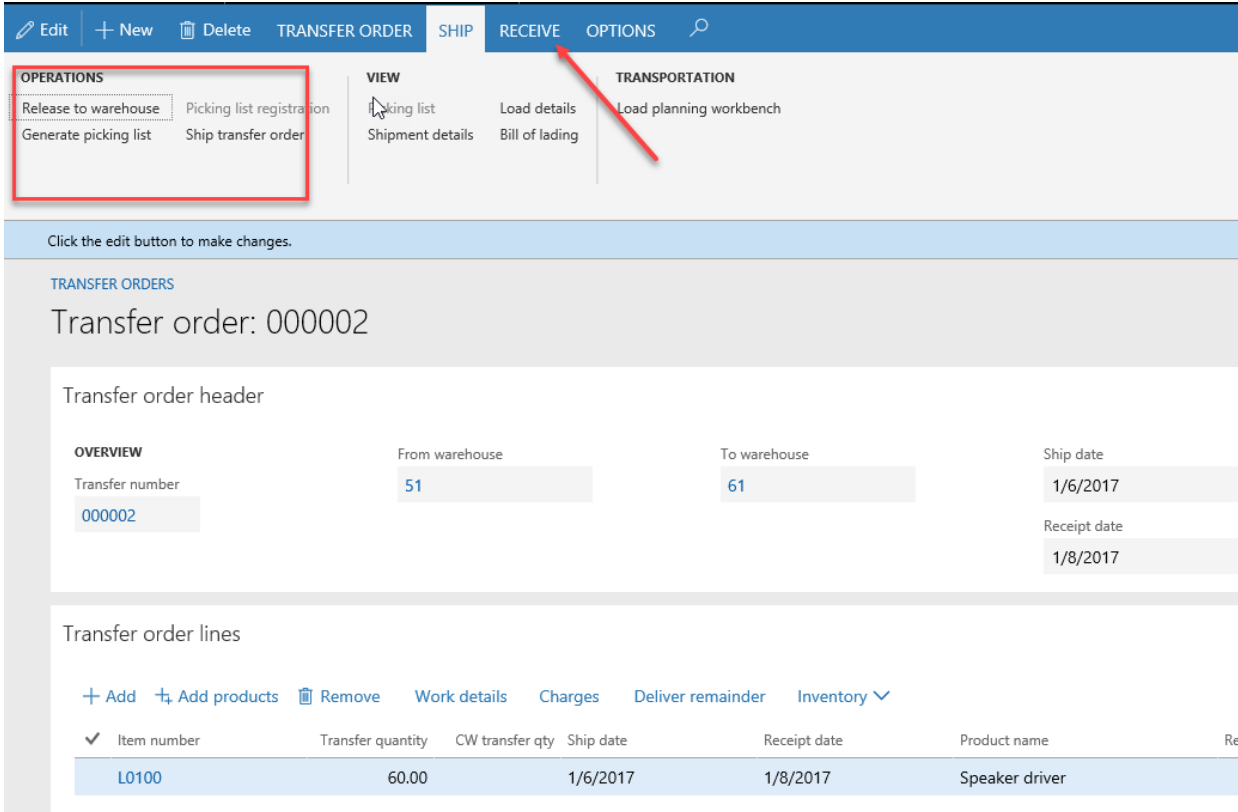
Inventory transactions

Transaction filter
 ▾

✓	Item number	Physical date	Financial date	Reference	Number	Receipt	Issue	Quantity	Unit	Cost amount	Site	Warehouse
	P0111	1/18/2017	1/18/2017	Transfer order shipment	000001		Sold	-3.00	ea	-222.09	3	32
	P0111	1/18/2017	1/18/2017	Transfer order shipment	000001	Purchased		3.00	ea	222.09	3	39
	P0111	1/18/2017	1/18/2017	Transfer order receive	000001		Sold	-3.00	ea	-222.09	3	39
	P0111	1/18/2017	1/18/2017	Transfer order receive	000001	Purchased		3.00	ea	222.09	1	11

Tips and tricks

- Receiving directly on the Transfer order screen offers very little options for manipulating data (change receipt location, etc)
 - Release transfer order picking / Picking list registration
 - Arrival overview on the receive side



The screenshot displays the SAP Transfer Order interface. At the top, there is a navigation bar with tabs for 'TRANSFER ORDER', 'SHIP', 'RECEIVE', and 'OPTIONS'. The 'RECEIVE' tab is selected, and a red arrow points to it. Below the navigation bar, there are three main sections: 'OPERATIONS', 'VIEW', and 'TRANSPORTATION'. The 'OPERATIONS' section is highlighted with a red box and contains the following options: 'Release to warehouse', 'Picking list registration', 'Generate picking list', and 'Ship transfer order'. The 'VIEW' section includes 'Picking list' and 'Shipment details'. The 'TRANSPORTATION' section includes 'Load details' and 'Load planning workbench'. Below these sections, there is a message: 'Click the edit button to make changes.' The main content area shows 'TRANSFER ORDERS' with the transfer order number '000002'. Underneath, there is a 'Transfer order header' section with an 'OVERVIEW' table. The table has columns for 'From warehouse', 'To warehouse', 'Ship date', and 'Receipt date'. The values are: From warehouse: 51, To warehouse: 61, Ship date: 1/6/2017, and Receipt date: 1/8/2017. Below the header, there is a 'Transfer order lines' section with a table. The table has columns for 'Item number', 'Transfer quantity', 'CW transfer qty', 'Ship date', 'Receipt date', 'Product name', and 'Rese'. The data row shows: Item number: L0100, Transfer quantity: 60.00, CW transfer qty: 1/6/2017, Receipt date: 1/8/2017, Product name: Speaker driver, and Rese: (empty).

From warehouse	To warehouse	Ship date	Receipt date
51	61	1/6/2017	1/8/2017

Item number	Transfer quantity	CW transfer qty	Ship date	Receipt date	Product name	Rese
L0100	60.00		1/6/2017	1/8/2017	Speaker driver	

Update | Arrival overview profiles | New arrival overview profile | OPTIONS

Arrival overview - Warehouse: , Location: , Journal name: WArr

Arrival options

Arrival query details

SITE
Restrict to site:

TRANSACTION TYPES SHOWN

Purchase orders
No

Production orders
No

Transfer orders
Yes

Quarantine orders
No

Consignment replenishment orders
No

Other receipts types
No

RETURN ORDERS
Return orders
No

MISCELLANEOUS
Update on startup
Yes

Update on range change
No

Receipts

Start arrival | Select all | Clear all | Show all selected | Journals

Select for arrival	Status date ↑	Reference	Number	Lines	CW quantity	Quantity	Volume	Weight	Quarantine cont...	Receipt in progress	RMA number
<input type="checkbox"/>	1/8/2017	Transfer order receive	000002	1		60.00	7.50	60.00		None	

Site: 6 | Warehouse: 61 | Account number: | Name: 51 | Vendor reference: | Mode of delivery:

Periodic tasks

Closing and adjustment

Planned transfer orders

Release sales order picking

Release transfer order picking

Picking workbench

Inventory blocking

ABC classification

Linked dimension update

Schedule load utilization

Schedule workload

- Shipped quantity needs to be received – there is no cancel shipment / packing slip option

Transfer journals

- **Business scenarios:**

- Bin to bin transfer in the same warehouse
- Transfer between warehouses in close proximity
- No need for transfer document
- No need to inventory traceability in transit

Transfer journal processing:

- Both negative & positive inventory transaction happen at time of posting the journal -> instantaneous transfer
- Processing time is significantly less than that of a transfer order
- Only two inventory transactions posted

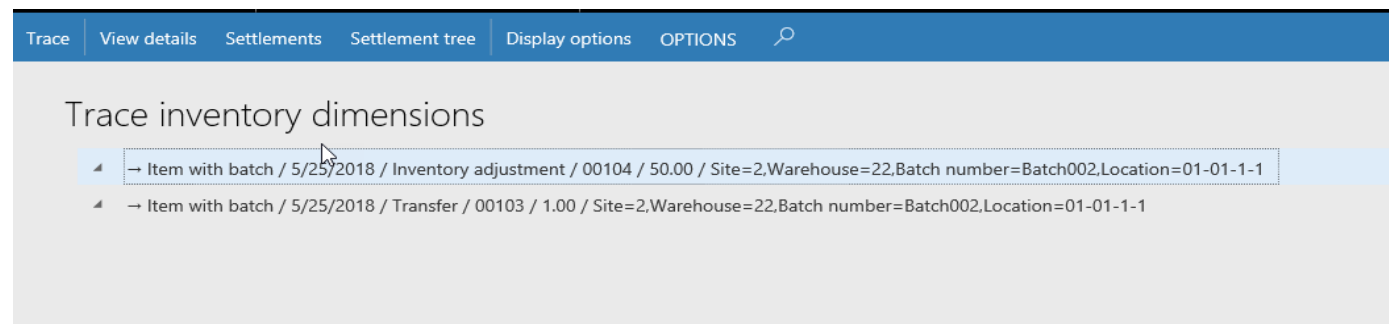
00036 : 1,0000000000

Inventory transactions

		Transaction filter											
<input type="text" value="Filter"/>		<input type="button" value="Display all"/>											
✓	Item number	Physical date	Financial date	Reference	Number	Receipt	Issue	Quantity	Unit	Cost amount	Site	Warehouse	Location
	M0001	11/19/2016	11/19/2016	Transfer	00036		Sold	-485.00	ea	-1,904.59	1	12	12
	M0001	11/19/2016	11/19/2016	Transfer	00036	Purchased		485.00	ea	1,904.59	1	11	11

Transfer journal for dimension change

- To change any type of inventory dimension on existing inventory:
 - Tracking dimensions (batch number, serial number)
 - Product dimensions (size, color, configuration)
 - Storage dimension (site, warehouse, location)
- Tracking dimensions – key element is traceability
- Tracing is based on transaction history
- Changing tracking number through an inventory journal creates transaction history & keeps consistency of trace



Note: careful with costing implications in certain dimension setups

Summary

- **Transfer orders** are used for physical transfers where the distance between the from and to locations are long enough to have the need to:
 - Process shipping and receiving steps at a separate time, by separate people
 - There is a need to track inventory while on the road
 - There is a need for documentation

Summary

- **Transfer journals** are used for physical transfers where the distance between the from and to locations are not long enough to have the need to:
 - Process shipping and receiving steps at a separate time, by separate people
 - There is no need to track inventory while on the road
 - There is no need for documentation
 - Used for moving inventory between inventory dimensions of all kind
 - storage, product and/or tracking

Q & A

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