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**Exam** : **MB-320**

**Title** : Microsoft Dynamics 365  
Supply Chain Management,  
Manufacturing

**Version** : DEMO

## Topic 1, CASE STUDY 1

### Manufacturing Company

#### General information

A manufacturing company produces custom configured-to-order motorcycles. The company plans to implement Dynamics 365 Supply Chain Management. The company contains one legal entity located in Missouri where all production and warehousing operations occur.

#### Customization options

The custom motorcycles have a variety of selections that can be selected in the listed order by the end customer, including the following:

Selection order	Option	Values
1	Engine	Small = 0, large = 1
2	Color	black, green, orange, silver
3	Trim	standard, sport, legend
4	Seat	standard, MS, ML
5	Upgrade Packages	storage package, LED headlamp, custom chrome wheels

#### Current environment

##### Customization restrictions

The following restrictions on customizations are in place:

- Green color can only be sold with the Legend Trim.
- Orange color can be sold with the Sport or Legend Trim.
- The ML seat must be included in the Legend package.
- The MS seat must be included in the Sport package.

##### Manufacturing facilities

The company includes the following manufacturing groups: Assembly and Plastic Molding. The Assembly group is responsible for assembling the motorcycles with purchased and manufactured goods. The Plastic Molding group is responsible for manufacture of all plastic parts used in the assembly area.

##### Motorcycle manufacturing

The parts for the product assembly are picked from the warehouse and staged at the correct workstation by a warehouse operator for each production order.

##### Plastic manufacturing

Plastic parts are molded using dyes that create multiple parts at once. The parts are machined in the same production process to remove excess plastic and add additional holes for assembly. Excess plastic is recycled back into the feedstock of the same color plastic chips for use in the molding process.

##### Metal parts

Raw metal parts are purchased fully machined but without primer or paint. The parts are subcontracted to a vendor for primer and paint based upon the color requirements.

## **Facility**

The company has a single warehouse that supports both the assembly and plastic manufacturing areas. The warehouse consists of three aisles with 15 bins and three shelves. The facility has no Wi-Fi capacity but has hardwired terminal stations throughout the assembly production line.

Transactions are currently completed by office staff. Raw materials transfer must support capacity constraints for paint and primer.

## **Requirements**

### **Sales orders**

The company has the following requirements for sales orders:

- During the configuration of a sales order, invalid combinations must be prevented.
- Each configuration must create a unique bill of material (BOM) and Route based on options selected.
- Sales pricing for the sales order must be based upon options selected.
- Due to emissions regulations, the motorcycles cannot be sold to the state of California.

### **Motorcycle manufacturing**

The company has the following requirements for motorcycle manufacturing:

- Schedule labor only at the labor pool level without machines by day.
- Produce motorcycles within a scheduled day in any order.
- Record actual production labor with start/stop times.
- Record manager approval of labor entered prior to posting.
- Post actual material consumption after production is finished.

### **Plastic manufacturing**

The company has the following requirements for motorcycle manufacturing:

- Schedule both labor and machines.
- Adjust schedules by using a Gantt chart.
- Backflush standard labor by operation.
- Post actual material consumption at the start of production.
- Track and allocate costs to the excess plastic.
- Report multiple molded part numbers during the same production run.
- Determine the correct mold to use on a production order.
- Generate a batch number for each production order.

### **Metal parts**

The company has the following requirements for metal parts manufacturing:

- Schedule shipments to the vendor for painting.
- Receive painted parts into inventory from the vendor.
- Track vendor inventory levels.

### **Defaults**

You must configure defaults for manufacturing execution production orders to meet the following

requirements:

- Ensure accuracy for production order pick list posting.
- Ensure correct pick list creation.

### Issues

- In the current system, the company cannot calculate overhead rates and determine the breakdown of material, labor, machine, and overhead costs for production.
- The company is manually calculating an 8% overhead on materials and posting a journal manually.

### DRAG DROP

You need to set up the system to calculate the overhead rates automatically for production.

Which four actions should you perform in sequence? To answer, move the appropriate actions from the list of actions to the answer area and arrange them in the correct order.

### Actions

### Answer Area

Define the basis for calculating costs as absorption.

Create overhead calculation node for materials as surcharge and labor as rate for setup time.

Create overhead calculation node for materials as input unit based and labor as rate for setup time.

Create cost groups.

Associate cost groups to items and cost categories.

Define the basis for calculating costs as surcharge.

Create price total and cost group nodes on costing sheet.

Associate cost groups to items and resources.

**Answer:**

## Actions

## Answer Area

Define the basis for calculating costs as absorption.	Create cost groups.
Create overhead calculation node for materials as surcharge and labor as rate for setup time.	Associate cost groups to items and resources.
Create overhead calculation node for materials as input unit based and labor as rate for setup time.	Create overhead calculation node for materials as surcharge and labor as rate for setup time.
Create cost groups.	Define the basis for calculating costs as absorption.
Associate cost groups to items and cost categories.	
Define the basis for calculating costs as surcharge.	
Create price total and cost group nodes on costing sheet.	
Associate cost groups to items and resources.	

2.You need to set up the metal production route and BOM.

Which three actions should you perform? Each correct answer presents part of the solution. NOTE: Each correct selection is worth one point.

- A. Set the operation route type as Standard.
- B. Set the input warehouse on the resource to the vendor warehouse.
- C. Set the operation route type as Vendor.
- D. Set all BOM lines warehouse to the production warehouse.
- E. Set all the BOM lines to resource consumption.

**Answer:** B,C,D

3.You need to set up the configuration model to price the motorcycles correctly.

What should you do?

- A. Set Order type in price model to Sales Order and Pricing method in Version to Attribute based
- B. Set Order type in price model to Sales Order and Pricing method in Version to Cost based.
- C. Set Order type in price model to Sales Quotation and Pricing method in Version to Attribute based.
- D. Set Order type in price model to Sales Quotation and Pricing method in Version to Cost based

**Answer:** A

4.HOTSPOT

You need to configure each item for plastic manufacturing.

Which production types should you use? To answer, select the appropriate option in the answer area.

NOTE: Each correct selection is worth one point.

**Answer Area**

Item	Production type				
Raw plastic	<div data-bbox="427 443 754 495"><input type="text" value=""/> ▼</div> <table border="1"><tr><td data-bbox="440 506 517 539">None</td></tr><tr><td data-bbox="440 562 600 595">By-Product</td></tr><tr><td data-bbox="440 618 608 651">Co-Product</td></tr><tr><td data-bbox="440 674 632 707">Planning Item</td></tr></table>	None	By-Product	Co-Product	Planning Item
None					
By-Product					
Co-Product					
Planning Item					
Excess plastic	<div data-bbox="427 723 754 775"><input type="text" value=""/> ▼</div> <table border="1"><tr><td data-bbox="440 786 528 819">Scrap</td></tr><tr><td data-bbox="440 842 600 875">By-Product</td></tr><tr><td data-bbox="440 898 608 931">Co-Product</td></tr><tr><td data-bbox="440 954 632 987">Planning Item</td></tr></table>	Scrap	By-Product	Co-Product	Planning Item
Scrap					
By-Product					
Co-Product					
Planning Item					
Mold	<div data-bbox="427 1003 754 1055"><input type="text" value=""/> ▼</div> <table border="1"><tr><td data-bbox="440 1066 517 1099">None</td></tr><tr><td data-bbox="440 1122 600 1155">By-Product</td></tr><tr><td data-bbox="440 1178 608 1211">Co-Product</td></tr><tr><td data-bbox="440 1234 632 1267">Planning Item</td></tr></table>	None	By-Product	Co-Product	Planning Item
None					
By-Product					
Co-Product					
Planning Item					
Plastic parts	<div data-bbox="427 1283 754 1335"><input type="text" value=""/> ▼</div> <table border="1"><tr><td data-bbox="440 1346 517 1379">None</td></tr><tr><td data-bbox="440 1402 600 1435">By-Product</td></tr><tr><td data-bbox="440 1458 608 1491">Co-Product</td></tr><tr><td data-bbox="440 1514 632 1547">Planning Item</td></tr></table>	None	By-Product	Co-Product	Planning Item
None					
By-Product					
Co-Product					
Planning Item					

**Answer:**

**Answer Area**

<b>Item</b>	<b>Production type</b>
Raw plastic	<input type="text"/> None By-Product Co-Product Planning Item
Excess plastic	<input type="text"/> Scrap By-Product Co-Product Planning Item
Mold	<input type="text"/> None By-Product Co-Product Planning Item
Plastic parts	<input type="text"/> None By-Product Co-Product Planning Item

5.You need to configure the system for plastic operations.

Which two parts should be manually reported as finished? Each correct answer presents part of the solution. NOTE: Each correct selection is worth one point.

- A. unmachined plastic pieces
- B. mold tooling
- C. machined plastic pieces
- D. excess plastic

**Answer:** A,C