Enabling NetSuite’s WIP and Routings capabilities gives companies the ability to define a routing for the manufacturing process, the resources needed to complete the process, and the expected time and cost required. Routings also provide the basis for the infinite capacity scheduling engine that can help identify which resources are being over- or under-utilized. Finally, capturing the cost of materials consumed during the manufacturing process creates a complete picture of the process costs before it is finalized and committed to the GL.

**Key Functionality**
- Work center management
- Accurate costing
- Infinite capacity scheduling
- Drag-and-Drop GANTT style scheduler
- Track Work In Process costs
Assembly Item
In NetSuite, an item that is manufactured and consumes other components as part of that process is called an Assembly Item and is easily defined through the New Items menu. Assembly Items can optionally be associated with lot numbers or serialized. Selecting one of these options will ensure that full traceability is strictly maintained for products that require it.

Location Settings
One of the unique features of NetSuite is that the system can be set up to manufacture the same product in different ways at each location. Work in process and routing can be assigned down to the individual location level. For example, it is possible to choose to perform a light assembly process and backflush the materials in one location, but define a routing and collect labor costs at another.

Manufacturing Cost Templates
The manufacturing cost template defines the direct and indirect costs associated with an operation's routing, along with the accounts that these costs should be posted to. Every time an operation is completed, NetSuite uses the associated cost template to provide baseline form for costing the product, while still maintaining flexibility.
Work Center Management
Before defining the manufacturing process using routings, it’s necessary to set up the work centers that the routing will use. Each work center can represent a machine, person, work cell or department that is involved in the manufacturing process. This list of work centers is an integral component of the real-time scheduling engine.

Production Routing
Once the work center and cost templates have been defined, the production routings can be set up to represent every step that a product goes through, the expected set-up and run times, the associated work centers, and the cost templates that should be used. This also facilitates the real-time scheduling process, which can be defaulted to forward or backward and also over-ridden on a case by case basis.
Work Order
In NetSuite, creating a Work Order is actually an optional step in the manufacturing process; however, if a business requires the ability to create a schedule and communicate to production what needs to be made, when it should be made and the components to use in the process, or if you sell a configurable product where there are features and options, then creating a work order is a critical part of the process and is the starting point of implementing a production control system.

Work Order Traveler/Dispatch List
The Work Order Traveler is a document that is printed and handed over to production to communicate the production plan, routing steps and schedule. It can also be used to communicate back how much time each operation took and the amounts of raw material actually consumed compared to what was anticipated.

The Dispatch List, on the other hand, provides a detailed list of materials that are required for a work order.
Inventory Commitment
Creating a Work Order activates NetSuite’s ability to automatically commit inventory to production when the work order is created to provide an accurate, real-time view of inventory status.

Work Order Management
The WIP and Routings module also adds statuses to the Work Order itself, allowing for a more finite level of control over when and how work orders are released to production as well as clearer visibility on production status.

- Open Planned
- Firm Planned
- Released
- In-Process
- Complete
- Closed

Mass update screens are available to enable production controllers to keep on top of the statuses and make mass changes based on a wide range of criteria, including customer, item and due dates. These statuses can also be updated using the workflow engine for a more automated process.
**WIP Issue**

The WIP Issue transaction manually issues materials to the Work Order—and into WIP—as they are consumed. This is especially valuable for manufacturing products that take longer to complete and have several work orders open over month end.

**Work Order Completion**

The completion transaction serves several purposes:
- Recording labor against an operation
- Issuing materials
- Recording scrap
- Reporting completed products

NetSuite has a two-step closing process for work orders, with the completion being the first step. This is typically done by someone in production and indicates when a product is actually completed and available to be added to inventory.

**Work Order Close**

The second part of the process is the work order close. This allows cost accounting, production and finance teams to work together and preview the costs that have been applied to each Work Order before committing the costs to the GL.