# **Nested Bill of Materials vs. Steps**

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### **Overview**

One of the decisions you will have to make is how to design your bill of materials particularly if you have multiple-production steps or sub-assemblies.

#### **Nested Bill of Materials VS. Steps**

The basic option are:

- 1. Include all sub-assemblies in the same bill of materials and use steps to delineate them
- 2. Create assembly items for each sub-assembly or step

The decision comes down to the answer to this question. - Do I produce the entire assembly at the same time? Or do I inventory sub-assemblies/steps so I can build the top level product later? If the answer is No, then you should design your BOM's using Option 1. Option 1 is easier to implement as you would not be required to create work orders for each sub-assembly/step. For Option 2, you can create work orders for any sub-assemblies at any time, then use them in the work order of the top assembly like any other component.

#### **Steps**

By documenting most of the likely steps in your everyday work processes ahead of time, filling out your work order forms is thereby greatly facilitated. While you certainly can add a step on the fly when creating the work order, having these steps done ahead of time will greatly cut your time on task.

#### **Nested Bill of Material**

A Nested Bill of Materials, is a bill of materials that lists the components, assemblies, and parts required to make a product. It provides a display of all items that are in parent-children relationships. When an item is a sub-component, unfinished part, etc., all of its components, including finished parts and raw materials, are also exhibited. A Nested Bill of Material structure can be illustrated by a tree with several levels.

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