

# € TRAINING

Inventory and Stock Control Management



# Inventory and Stock Control Management

## Introduction:

Knowledge of Inventory Management is critical for the effective management of procurement and the supply chain, however Inventory it is commonly not understood. Therefore too high levels of inventory are held with attendant increases to costs, product obsolescence, etc.

## Course Objectives:

At the end of this course the participants will be able to:

- Evaluate current procedures
- Examine how lead time builds up
- Change methods of managing inventory.
- Provide practical skills to eliminate wasteful costs.
- Avoid those internal problems that limit performance.
- Understand and implement the "world-class" tools for managing inventory in the supply chain.
- Appreciate that time is cash
- See that movement to the customer is all that adds value
- Work with all of the supply chain players
- Look "outside of the box"
- Use the appropriate methods
- Apply the 8 Rules for Effective Supply Chain Management

## Targeted Audience:

- Procurement Professionals
- Logistic Professionals
- Warehouse & Stores Managers
- Purchasing Professionals
- Supply Chain Professionals

## Course Outlines:

### Unit 1: Inventory and the Supply Chain:

- Inventory management definition
- Types of stock
- Demand amplifications
- Demand replenishment in networks
- Managing the flows
- Type I and II supply chains
- The Supply Chain Rules
- Inventory and statistics
- Concept of service level

## Unit 2: Inventory Key Concepts:

- Key Component: Demand Analysis
- Key Component: Demand Forecasting
- Key Component: Supply Lead Time
- Key Component: Cost & Benefits
- Inventory benefits
- Inventory policies
- Inventory in organizations

## Unit 3: Inventory Replenishment Methods and Systems:

- Basic mechanics of inventory systems
- The stock time curve
- Stock components
- Stock investment
- Free stock calculation
- Simple replenishment methods, for example, Min/Max
- Accurate replenishment methods, for example, Reorder Point and Reorder Level ROP/ROL
- Requirements planning systems, for example, Materials/Manufacturing Resource/Requirements Planning MRP / MRPII

## Unit 4: Stock Control-Coding:

- Different coding methods
- Importance of inventory receipts
- Identifying surplus and obsolescent stock
- Checklists to help on deciding the best option

## Unit 5: Stock Control-Recording:

- Separation of powers
- Legal issues
- How do we get inaccuracies?

## Unit 6: Stock Control-Checking:

- Roles and responsibility
- Requirements
- Job Descriptions
- Authority levels
- Tolerances and approvals
- The stock check program
- Options for stock checking methods
- Reconciliations / discrepancies

## Unit 7: Inventory Performance:

- Inventory Performance
- Assessing the stock level
- Models for implementing inventory control
- Determining stock targets
- Inventory questions
- Inventory KPI's in warehouses/stores

## Unit 8: Inventory Strategies:

- Push/pull
- Quick response QR
- Efficient consumer response ECR
- Collaborative planning forecasting and replenishment CPFR
- Lean and agile approaches
- Quality Management
- Postponement
- Cross Docking
- Consolidation
- Vendor Managed Inventory VMI
- Consignment stocking
- Co-Managed Inventory CMI
- Direct product profitability DPP
- Economic value added EVA
- Collaborative supply chains

## Unit 9: Inventory Improvements:

- Using the Supply Chain
- Using the Theory of Constraints
- Practical inventory improvements
- Call offs and Telemetry
- EDI and ICT
- Keys to reducing stock levels
- The 7 Rules for planning inventory
- Model for planning inventory