

Inventory Management

Delivering Real Value to the Organisation by
Increasing Customer Service, Reducing
Inventory and Reducing Cost



Focus on: **The Manager** ☒ **The Specialist** ☒ **Spotlight Programme** ☐ **Hands-on Skills** ☐

Course Overview

Inventory has been considered as “the cost of doing business” for many years. Lower commodity prices have put the spotlight on this Balance Sheet item, with shareholders questioning the RoI. When doing an analysis, it is often found that a large portion is obsolete and should be written off, which obviously means a loss.

This course will focus on time-proven techniques to properly manage inventory in such a way that the goals of the company are met.

You will study the overall, strategic position of inventory in the supply chain and what benefits can be achieved. We will cover the four questions in Inventory Management:

- What to order
- How many to order
- When to order
- When to schedule delivery

We will determine the appropriate techniques on how to manage inventory.

It will deal with the different AI opportunities that can be applied in Inventory Management.

This course will equip you with the skills and knowledge required to maximize the effectiveness and efficiency of your inventory.

By the end of the program, attendees will have a strong grasp the basics of Inventory Management and be able to implement successful techniques. Attendees will walk away with a toolbox full of techniques that can be implemented quickly at low cost, making this course a good investment.

| Course Objectives | | This Course is Ideal For: | |
|-------------------|--|---------------------------|-------------------------------------|
| 1 | Learn Strategic Inventory Management The importance of inventory. Key issues pertaining to successful Inventory Management, including suitable KPI's and AI opportunities | ✓ | Materials managers |
| 2 | Understand why Master Data Management is so important and how to resolve problems in a practical way | ✓ | Accountants and planners |
| 3 | Establish company-wide Materials Management to improve (internal) customer service, reducing the overall investment and minimising cost | ✓ | Warehouse managers |
| 4 | Distinguish between independent demand management and dependent demand | ✓ | Production managers and controllers |

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| | management techniques, the advantages/disadvantages of each | | |
| 5 | Understand the different methods of inventory valuation and selecting the best recording method | ✓ | Project managers and officers |

Course Content

| Day | Theme | Coverage |
|-----|--|---|
| 1 | Introduction to Inventory in the Supply Chain | <ul style="list-style-type: none"> What is the purpose of inventory? Seeing the inventory stream as an interdependent, dynamic system Defining the goals of the system Identification of inventory in the system Performing inventory classification techniques Inventory location decisions Implementing JIT principles to gain maximum benefit from your inventory burden |
| 2 | Master data management | <ul style="list-style-type: none"> The symptoms of poor Master data management Unit of measure problems The effect of order policies Using Floor Stock to resolve Unit of Issue and Unit of Consumption problems Item codification The importance of Configuration Management |
| 3 | Demand Management | <ul style="list-style-type: none"> How to get a real handle on the business Identification of sources of demand Typical customer behaviour Implementing a successful demand, supply and inventory process, including Production, Maintenance and Projects Inventory location decisions Implementing JIT principles to gain maximum benefit from your inventory burden Using the concept of postponement and the effect on customer service, lead times and investment Elementary forecasting techniques |
| 4 | Demand management techniques; dependent and independent demand | <ul style="list-style-type: none"> Re-order point (Min/max) Calculation of variance Determining safety stock Economic Order Quantity |

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| | | <ul style="list-style-type: none">• Development of Material Requirements Plan• Finding the best replenishment method• Building Boms• Handling exceptions |
|---|------------------------------------|---|
| 5 | Inventory evaluation and recording | <ul style="list-style-type: none">• Different inventory valuation techniques• Periodic stocktake• Cycle counting• Perpetual recording• Barcoding• Recommended books• Excel spreadsheets |
| Course Assessment | | Certification |
| Participants will be assessed on: | | Upon successful completion of the course, participants will receive a Certificate of Successful Completion , along with a Transcript of Marks showing the performance by grade in each element of assessment and overall. |
| Participation in sessions | | |
| Completion of exercises & case studies | | |
| Performance in assessments | | |
| Course Instructor | | |
| This speaker is an expert in Inventory Management who has given keynote addresses at many international conferences. As an authority in Supply Chain Management, he was chairman of the Standards Generating Body for Supply Chain Management and lectured on the subject for many years at a famous South African university. He has helped many companies to improve their inventory position by implementing easy yet effective methods to manage inventory. | | |