

Effective Inventory Management

Improving business performance with best practices in demand planning and accurate forecasting

Renaissance Hotel,
Kuala Lumpur

11th & 12th September 2006

"Watch every detail that affects the accuracy of your work"

Arthur C. Nielsen

Master effective inventory management practices through this practical workshop to sustain bottom line profitability



Your international facilitator:

Lindsay Harding Director
Hilf Supply Chain Solutions

Endorsements from past clients:

"Lindsay had a thorough understanding of the course content and was able to articulate this to the students. The sessions were also well prepared and delivered in very professional manner. Added to this it is clear that Lindsay is passionate about Operations and this clearly comes through in his delivery."

Head of Global Operations
Mitel Networks Ltd

"The examples used by Lindsay during the sessions were both relevant and thought provoking, the implications of data accuracy and housekeeping in particular will likely ensure our teams consider the wider picture whilst conducting their operations. A number of valuable issues have been highlighted to us.....we believe our teams will perform to a higher standard and reach our business excellence goals at an accelerated pace."

Purchasing Manager
Bergstrom

"Lindsay's work proved invaluable and was greatly appreciated by the company."

Client Manager
Mustard (Business Link)

"Lindsay demonstrates considerable commitment to manufacturing and public bodies in South Wales through continually seeking best practices and using his extensive network. He has provided the Steering Committee a base to take Swimm forward."

Purchasing & Materials Manager
Swimm (South Wales Innovation In Materials Management)

"The course you taught was useful and helped me develop strategic thinking on Supply Chain Management. I will recommend you to others and also wish you best"

Technical Portfolio Manager
Nokia UK Limited

Attend this two-day course to secure expert advice on:

- Mastering demand forecasting techniques and strategies
- Developing meaningful forecast of future demand for each stocked product
- Evaluating forecast plan and improve forecast accuracy
- Identify best method for inventory control
- Deciding the right amount of safety stock or reserve inventory for each item to balance customer service and profitability
- Analysing the best replenishment parameters and reorder quantity for each stocked item
- Practical workshop sessions: Applying case examples and exercises directly relevant to your demand planning

marcus evans training courses are structured to provide intense and practical training. Our format:

- Combinations of educational presentations, productive in-session assignments and participant collaboration to provide actionable learning
- Strictly limited numbers to allow for greater interaction and one-on-one interaction with the trainer
- Detailed pre-course questionnaires to allow you to tailor the programme to address your individual concerns
- Comprehensive course materials

Pre - Course Questionnaire

To ensure that you gain maximum benefit from this event, a detailed questionnaire will be sent to you to establish exactly where your training needs lie. The completed forms will be analysed by the course trainer. As a result, we ensure the course is delivered at an appropriate level and that relevant issue will be addressed. The comprehensive course material will enable you to digest the subject matter in your own time.

*** Participants are advised to bring their own calculator to practice the case examples throughout the 2-day course**

***Early Bird & Group Discounts**
Ask about our savings

Monday 11th September 2006

Introduction

In this two-day workshop, key learning points to be discussed include over-viewing how rarely a single execution and replenishment strategy can work for a business. Often, not only will the necessary methodology be a hybrid across the product range depending upon volumes, but also the required replenishment mechanism required may change during the life cycle of a particular product itself. Hence, for a business to state 'we run our business off MRP' or 'we run our business using 'Kanban' is becoming an ever more inappropriate statement as this is realized.

Session One

Positioning and definitions

- Industry dilemmas and conflicting measures
 - Life cycle management and obsolescence measures
 - Demand amplification
 - Trade off decisions faced by an Inventory Manager
- The Lead-Time gap (P:D Ratio)
- ABC classification
- Cycle counting
- De-coupling points within push and pull systems

Session Two

Master Planning and Demand Management

- Replenishment strategies (Make-to-stock, Make-to-order etc)
- Sources of Demand
- The MPS (Master Production Schedule)
- Systems evolution MRP → MRPII → ERP

Session Three

Inventory Systems for Dependent Demand

- MRP replenishment concepts and fundamentals
 - Including time fences, lead-time offsetting, BOM explosions, Pegging etc

This session includes a demonstration of how insufficient communication across the supply chain, and inadequate data housekeeping of lot sizes results in volatile replenishment signals within purchasing and production.

Session Four

Inventory Systems for Independent Demand (e.g. EoQ (Economic Order Quantity), ROP (Re-Order Point))

- Fixed Order Quantity Models (event triggered)
- Fixed-Time Period Models (time triggered)
- Dealing with spare parts and MRO supplies

Widely used by distributors, EoQs and Re-Order Point methods still have their place within modern business. However, in many companies, non-production items and consumables are considered non-core activity and even create 'noise' in some systems. Subsequently, without the use of such tools, this may result in parts management being conducted on an 'ad hoc' basis.

Why you cannot miss this event

In actual world, inventory process is a much more complex than the uninitiated understand. Many manufacturing and distribution companies suffer from lower customer service, higher costs and excessive inventories than are necessary. Often, inventory is the largest assets a company holds. An effective inventory management system will minimise the complexities involved in planning, executing and controlling a supply chain network which is critical to business success. The ability to improve company's inventory management can significantly improve the company's bottom line results.

This course goes beyond the philosophical overviews and simulation games provided by most introductory courses and provide tools for starting actual inventory control assignments. A selection of business examples will be discussed with the resulting performance achieved by adopting various strategies. The session will be presented as a workshop with numerous exercises to ensure the attendees absorb the key learning points.

About your course facilitator:

Lindsay Harding Director
Hilf Supply Chain Solutions

Lindsay, Director of Hilf Supply Chain Solutions who is APICS Certified in both CPIM and CIRM. He has over fifteen years of extensive industrial experience, predominantly within the manufacturing sector.

Following successful MRPII implementation involvement at Acco-Rexel Engineering, Lindsay joined Richmond based Consultancy - Peter Chadwick Ltd (now Celerant Consulting) where he was involved in Productivity improvement projects with major client companies. Here, reducing 'lost time' through improvement initiatives resulted in cost reduction, throughput increases and sustainable savings for clients.

This was followed by six and a half years at Mitel where he headed up the Demand Planning team and was heavily involved in a global SAP R/3 implementation. Following this, two years with Manchester based consultancy Strategem Ltd, working predominantly on Regional Economic Development Programmes, prior to becoming a founding Director of Hilf Supply Chain Solutions.

Lindsay holds an MSc in Logistics & Supply Chain Management from Cranfield University. In addition to undertaking Training and Consultancy assignments, he is also a guest lecturer at the University of Wales, Newport and the University of Leeds, where he presents sessions around MRP and matching supply with demand. He has also delivered consultancy on behalf of the University of Warwick Science Park on an Interim Management basis.

In addition to being a member of APICS, Lindsay also holds membership to the following professional bodies:
MCM: Member of Chartered Institute of Management
MIMC: Member of The Institute of Management Consultancy
MIOM: Member of The Institute of Operations Management
MILT: Member of The Chartered Institute of Logistics & Transportation
AIBA: Associate of The Institute of Business Advisors

Partial client list Lindsay has provided training and consulting services:

- BAE Systems
- Bergstrom
- COSI
- Draka
- Easyhome
- Euro-Asia
- Eurobond
- Invacare
- Nokia
- SC Johnson
- SWIMM
- Synstar, Hewlett-Packard
- Transhock
- Ultronics, Eaton Corporation
- Valeo
- Welsh Assembly Government
- Welsh Development Agency

Session Five**Forecasting demand**

- Trends and seasonality
- Qualitative and Quantitative techniques
 - Moving Averages
 - Exponential Smoothing
 - Pyramid Forecasting
- Forecast Consumption and ATP (Available To Promise)
- Forecast accuracy measures and deviation techniques

Session Six**Safety Stocks and service levels**

- The purpose of Safety Stock
- Service levels offered based on holding
- Fixed vs dynamic Safety Stocks

Whilst the Lean approach to target the removal of such stocks from the process is widely acknowledged, it is essential in a vast number of circumstances to buffer uncertainty and offer the service level desired by the customer base (prior to the supply chain becoming sufficiently agile to allow its removal).

Session Seven**VMI and Consignment Stocking**

- VMI reduces the Bullwhip effect and is a step towards CPFR
- Consignment Stocking - Is there really a reduction in inventory?

This brief session, which will discuss line-side deliveries, vendor managed inventory etc., will include questioning whether the benefits of techniques such as Consignment stocking are actually as appealing in reality as they often appear on paper.

Session Eight**Financial aspects**

- Inventory velocity: Stock turns
- Stock valuation (FIFO, LIFO etc)
- Holding costs (including effect on margin)
- Backflushing

This session will discuss an insight into some of the financial implications resulting from the way the business manages its inventory investment.

Case studies

A selection of business examples will be discussed with the resulting performance achieved by adopting various strategies throughout the sessions

Who should attend

Vice Presidents, GMs, Heads, Directors, and Managers with the following functions:

- Inventory Management / Controller / Planner
- Buyer
- Warehouse Management
- Demand Planning
- Materials Management
- Capacity Planning
- Supply Chain Management
- Logistics

From the following markets:

- Equipment Manufacturing
- Electronics & Electrical
- Automotive
- Pharmaceuticals
- FMCG
- Chemicals & Petrochemicals
- Retail

More endorsements from past clients:

"Lindsay has spearheaded a continuous improvement effort by focusing on working practice to improve quality, reduce cost, and increase both manufacturing throughput and inventory velocity. Working closely with our Manufacturing Management, he has initiated actions which have improved layouts to reduce unnecessary time wasted searching for components etc. He has demonstrated commitment and professionalism throughout the assignment."

Business Development Manager

Transhock

"I found Lindsay to be very helpful whilst we were planning the course, he gave me valuable advice before putting a programme together and the course materials were informative and professionally presented."

Human Resources Manager

Draka UK

"We have been impressed by the approach and teaching methods used by Hilt Supply Chain Solutions to deliver the APICS syllabus to a cross functional team, with varying levels of experience. The help and support you (Lindsay Harding) have provided to the candidates has been invaluable in preparation for the recent examinations. Your flexible approach to accommodate the needs of our business has ensured that everybody involved had a relaxed learning environment."

HR Manager

SC Johnson

"Lindsay, you'll be pleased to know that we received very positive feedback from the students. They felt your session was interactive, tailored closely to their interests and delivered at an appropriate level."

Acting Programme Leader

University of Wales, Newport**Articles by Lindsay:**

Supply Chain Planet :

MRP concepts & logic - time for a refresher?

QRM: An enabler on the road to agility?

Quick response Manufacturing-Part 1

QRM: An enabler on the road to agility?

Quick response Manufacturing-Part 2

Workshop schedule

0830	Registration and coffee
0900	Workshop commences
1030	Morning refreshments
1100	Workshop re-commences
1245	Luncheon
1345	Workshop commences
1500	Afternoon refreshments
1520	Workshop re-commences
1700	Workshop concludes

I would like to thank everyone who has helped with the research and organisation of this event, particularly the trainer, for his relentless commitment and support.

Ellen Chan, Producer-Training Division