

Inventory Management: Simple Answers for the Big Solution

Answering the two greatest needs of inventory control: cost savings and greater efficiency

Parkroyal Kuala Lumpur

29th & 30th October 2007

"Discovery consists in seeing what everybody else has seen, and thinking what nobody else has thought"

Albert Szent-Gyorgyi

The challenge is to distinguish your business from the rest of the pack. That's the easy part. What matters more would eventually be adapting core values that cut costs and improve efficiency!



Facilitated by international consultant:

Lindsay Harding Director
Hilf Supply Chain Solutions

Learning Objectives

Gain value from this unequalled interactive event by acquiring expert advice on:

- **Discovering** the important principles and upcoming techniques of inventory management
- **Dealing** with semi-automated and manually tracked stock in your inventory space
- **Evaluating** forecast plan and improve forecast accuracy
- **Identifying** best methods and best practices for inventory control
- **Deciding** and balancing the right amount of safety stock or reserve inventory for each item to balance customer service and profitability
- **Answering** the main questions of cost savings and greater efficiency
- **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
- **Creating and evaluating** demand forecasting techniques and strategies
- **Considering** the financial implications of inventory decisions from an Operations viewpoint

Pre-course questionnaire

To ensure that you gain maximum benefit from this event, a detailed questionnaire will be sent to you to establish exactly what your training needs are. 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 issues will be addressed. The comprehensive course material will enable you to digest the subject matter in your own time.

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

Testimonials:

"Very good speaker and clear explanation on issues raised and with wide experiences"
Supply Chain Executive
Sarawak Shell Berhad, Malaysia

"I learned a lot from your session especially about VMI and SCM. It was really a good chance for me to go through the basics of the whole logistics mechanism".
Business Planning Team Member
Pantos Logistics, Korea

"The event as a whole is very exciting"
Sales Assistant / Inventory Officer
Altana Pharma, Philippines

"I am writing to give a word of appreciation on helping me in developing some basic and strategic thinking on supply chain management. The course you taught was useful and the pace we kept was aligned to maintain my schedule. I will recommend you to others."
Technology Portfolio Manager
Nokia, UK

"It was a great presentation and learning experience, and it made me think a lot to transform and continue to improve China HP service part supply chain operation."
Manager of Field Logistics & Materials (Global Delivery, TSG Services)
Hewlett-Packard, China

"Very Inspirational"
Accelerate Wales Supply Chain Champion

"Energetic presentation.... Your session was so informative and interesting that I referenced your presentation material to my fellows several times"
Vice President Central Purchasing
Doosan Heavy Industries & Construction, Korea

marcus evans training courses are thoroughly researched and structured to provide intense practical training applicable to your organisation.

Benefits include:

- Combinations of educational presentations, productive in-session assignments and participant collaboration to provide actionable learning
- Strictly limited seats to allow for greater one-on-one interaction with the trainer
- Detailed pre-course questionnaires to allow us to tailor the program to address your individual concerns
- Comprehensive course materials, action plans and checklists
- Utilisation of the skills, learning, experiences and knowledge of the participants and workshop leader through interactive plenary and small group discussions

Supporting Publication



Monday 29th October 2007

The seminar will explore the often-underestimated link between Inventory and Supply Chain Management. It is the simple answer wrapped in cutting edge updates to answer the important questions.

The aim is to provide insights and tips for success and pitfalls to avoid will be examined with regard to improving inventory record accuracy.

Accept this invitation to examine a series of steps of reducing inventory holding.

This is an opportunity to complete self-check lists during the session to provide focus on your organisation's likely journey ahead.

Section 1

Defining the strategy of positioning

- Utilising the Lead-Time gap (P:D Ratio)
- Understanding the types of inventory and the implications
- De-coupling points within push and pull systems
- Walking through the systems evolution MRP → MRPII → ERP → and beyond. Discussing insights into how the power of positioning will dictate the next wave of inventory management

Section 2

Casting the industry directions and exploring the dilemmas

- Life cycle management and obsolescence risk – why inventory control has an expiry date and how to read the next breakout
- Dealing with demand amplification
- Studying the conflicting measures and trade off decisions faced by an inventory manager
- Co-opetition and co-makership (competitors combining and co-operating)
- The supply chain resilience test and how to strengthen the weak links
- Factory Gate Pricing
- One touch containerisation
- Reverse Logistics (including the WEEE Directive)

Section 3

Mastering forecasting demand

- Studying the trends and working on the advantage of seasonality
- Consuming the forecast and ATP (Available To Promise)
- Qualitative and quantitative techniques
 - Moving Averages
 - Exponential Smoothing
 - Pyramid Forecasting
- Answering the right question: Are you using the most appropriate method?
- Forecast accuracy measures and deviation techniques
- Effects of external influences and demographics. Understanding how the shaping of external factors within and outside your natural ecosystem will change the way inventory is managed

Section 4

Creating the battle plan: Execution and replenishment strategies

- Master Planning - S&OP and the MPS
- Inventory build up for seasonal peaks or expected capacity deficits
- Production issues impacting inventory and creating solutions
- The role of VMI in reducing the Bullwhip effect and its role in stepping towards CPFR
- Discerning myth from reality: Consignment stocking – is there really a reduction in inventory?
- Throughput and bottleneck work-in-progress (w.i.p.) based around "The Goal", a 45 minute session based on theory of constraints

Case studies that will be discussed

- Dell computers - benefits of low inventory in a deflationary industry
- Zara vs Marks & Spencer
- Walmart vs K-Mart
- Nokia vs Ericsson
- What went wrong at Cisco Systems

Why you cannot miss this event

Inventory control or rather inventory management is the key function of any warehouse, storage facility and even plays a role of an integral support function. The key is control. To control, either you possess amazing foresight that no excess exists or you implement solutions that save you time and costs. Proper planning is essential to successful inventory management. Understanding and identifying what you can afford to accommodate and what to not to accommodate is another aspect of inventory management. This training course has been designed to achieve the two most important fundamentals of inventory management, namely: cost-savings and greater efficiency.

If there is a delay in getting in raw materials in time, the impacts can range from the product being unable to be shipped to create revenue and the customer is not serviced. Think for a moment about the complexities of making products that require hundreds and maybe thousands of part numbers to be available in the right quantity, at the right place and at the right time to make products to satisfy customer orders. It is a complex network to control and a set of inventory management tasks that must be performed with precision. Would you or your organisation risk losing out on untold amounts of savings or a tarnished reputation?

Gain valuable advice from an expert on handling your semi-automated and manually managed inventory. Challenge yourself to further improve on your cost-saving and prediction measures. Are you a hundred percent comfortable that your automated inventory system is not guilty of committing any faults? A single error could spell a huge tidal wave of mistakes that feed on your entire supply chain. An hours delay in a critical component processing could cripple your operations. Jump on board the bandwagon and discover how to safeguard your interests. Provide the best insurance for your organisation with the best solutions in place.

This programme is not a claim to mastery of inventory management but it poses a challenge to upgrade your efforts and a paradigm shift to embrace proven techniques and policies that will enhance your level of operations. Moving into a robust future that demands precision with efficiency, you will need to assemble any tool available to add to your repertoire and this invitation by marcus evans will provide just that. If there is one event that you have to fill on your calendar that will improve your bottomline and improve efficiency, then this is it!

Who should attend

Directors, GMs, Heads, Managers, Supervisors, Consultants, Specialists of

- Warehousing
- Inventory
- Logistics
- Operations
- Contracts
- Distribution
- Manufacturing
- Materials
- Purchasing
- Sourcing/Procurement
- Supply Chain
- Transportation/Shipping
- Process Engineers

From Industries:

- Manufacturing
- FMCG
- Retail
- Freight/Logistics/Transportation
- Oil & Gas & Petrochemicals
- Telecommunications
- IT
- Utilities
- Engineering

Section 1**Improving inventory record accuracy**

- Categorising – Pareto Analysis and ABC classification
- Checking – Cycle Counting
- How technology fits into the big picture– Bar Coding, RFID
- Common obstacles which contribute to poor inventory data and the major pitfalls that you need to navigate

Section 2**Augmenting inventory systems to meet dependent demand**

- MRP replenishment concepts and fundamentals
 - Including time fences, lead-time offsetting, BOM explosions, Pegging
- Deficiency in communication either by a lack of or miscommunication will only spell doom. This session sets out to explore how inadequate data housekeeping of lot sizes results in volatile replenishment signals within purchasing and production. It explores what can you do to ensure that your vital link in the chain remains chinks in your armour.

Section 3**Developing inventory systems for independent demand (e.g. EOQ, ROP)**

- Fixed Order Quantity Models (event triggered)
 - Fixed-Time Period Models (time triggered)
 - Dealing with Indirect Inventory - spare parts and MRO supplies
- Some soothsayers and the new techbiz will readily proclaim that the age of EOQs and Re-Order Point methods are out of place. This session will convince you that they still have their place within modern business. The fact remains that in many companies, non-production items and consumables are considered non-core activities and even create 'noise' in some systems. You will never allow your life to be on a tip of a gambling scale. Would you run your business on the edge of the horn?

Section 4**Why safety stocks matter and successful principles in forging service levels**

- Discovering the purpose of safety stock
- Developing service levels offered based on holding
- Fixed vs dynamic safety stocks

The manufacturing realm has long embraced a lean approach to target the removal of stocks from the inventory process. It is essential in a vast number of circumstances to prepare for the unexpected and offer the service level desired by the customer base (prior to the supply chain becoming sufficiently agile to allow its removal).

Section 5**Facing the bottomline: Financial aspects where it matters**

- Knowing the tide of inventory velocity: Stock turns and churning the waves of advantage
- Stock valuation (FIFO, LIFO and other common stock valuation measurements) and understanding what should you utilise
- Analysing holding costs (including effect on margin)

Section 6**Inventory reduction: Cogent insights across the industries****Summary of inventory best practices****Programme Schedule**

0830	Registration and Coffee
0900	Session Starts
1030	Refreshments & Networking Break
1050	Session Resumes
1245	Luncheon
1345	Session Starts
1500	Refreshments & Networking Break
1520	Session Resumes
1730	End of Training

About your course trainer:**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:

MCMI: 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

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

Previous clients include:

- BAE Systems
- Bergstrom
- COSI
- Draka
- Easyhome
- Euro-Asia
- Eurobond
- Invacare
- Nokia
- SC Johnson

marcus evans would like to thank everyone who has helped with the research and organisation of this event, particularly the trainer, who has kindly committed and supported the event.