

The Latest Methods of Processing Logistics and Inventory Control

Introduction:

Inventory and logistics control are vital to the efficient operations of any modern business, as inventory represents a significant company asset. However, carrying inventory involves inherent risks that impact the total cost of owning that inventory. For example, goods stored in warehouses may lose value over time due to depreciation or obsolescence.

If a company holds spare parts for machinery or production centers, these parts can lose value compared to their original purchase price. Losses caused by excess inventory, obsolete stock, or poor inventory management directly reduce the company's equity.

Enhancing Inventory Control with Best Practices:

Combining best practices with a solid understanding of inventory control techniques is essential to advancing inventory management. This course offers practical inventory control training, focusing specifically on managing logistics inventory.

The frameworks and principles covered in this course provide a strong foundation for these best practices, helping participants navigate the complex challenges associated with inventory logistics.

Those seeking deeper mastery are encouraged to pursue further education, such as a master's degree in inventory management, to enhance their knowledge of inventory processes.

This course addresses inventory control principles at a comprehensive level suitable for training, emphasizing inventory processing and the overall inventory cycle for a complete learning experience.

Target Audience:

- Inventory managers
- Warehouse managers
- Supply chain managers
- Logistics managers
- Supply chain analysts
- Non-inventory personnel who need to understand stock control operations and key drivers
- Professionals in inventory, stock, supply chain, logistics, warehouse, and distribution management

Course Objectives:

By the conclusion of this course, participants will be able to:

- Improve inventory management throughout the entire process, from receiving products to storage and final delivery
- Ensure that all movements of inventory add value for the end user
- Manage inventory and supply chains effectively to reduce costs
- Enhance customer satisfaction while increasing safety and productivity
- Think innovatively and “outside the box”
- Understand and apply the most appropriate inventory methods for their context
- Develop more accurate demand forecasts and improve service levels by reducing inventory through timely, integrated inventory management processes
- Grasp the core principles, concepts, and techniques of inventory control
- Apply inventory control methods in ways that positively impact their companies’ financial statements

Targeted Competencies:

Participants will develop skills in:

- Warehouse operations management
- Planning and executing logistics workflows
- Assessing requirements and planning inventory needs
- Ensuring accuracy of inventory records
- Conducting warehouse audits
- Demand forecasting and planning
- Procurement processes
- Warehouse and logistics management

Course Content:

Unit 1: Introduction to Total Supply Chain Management

- Understanding supply chain objectives, often summarized as the six “rights”
- Roles and responsibilities within the supply chain
- Inventory accounting principles
- Collaboration between different functions
- Effects of various functions and sub-functions on total costs
- Importance of communication

Unit 2: The Fundamentals of Stock Control

- Factors influencing stock control
- Characteristics of demand: nature, pattern, and predictability
- Managing stock levels and avoiding stock-outs
- Warehouse support for inventory management

Unit 3: Differential Stock Control

- Applying Pareto analysis to manage inventory effectively
- Using ABC categorization to prioritize stock control efforts

Unit 4: Stocktaking and Stock Checks

- Different types of stock-taking methods
- Updating stock records
- Investigating discrepancies using checklists
- Principles of conducting accurate stock counts

Unit 5: Classification and Coding

- Categorizing materials and supplies
- Developing and using coding systems
- Maintaining digital coding systems and stores catalogs

Unit 6: Provisioning and Forecasting Demand

- Balancing stockholding conflicts
- Provisioning principles
- Determining range and depth of stockholding
- Calculating stock requirements
- Understanding economic order quantities and operational costs
- Forecasting demand accurately

Unit 7: Determining Safety Stock Levels

- Applying differential stock control methods
- Setting appropriate safety stock levels

Unit 8: Key Components for Effective Inventory Control

- Analyzing end-user demand
- Forecasting for operations and maintenance
- Understanding supply lead times
- Conducting cost-benefit analysis
- Developing inventory policies
- Recognizing the role of inventory within organizations

Unit 9: Understanding Inventory Strategies

- Developing inventory policies
- Learning Incoterms and supply chain regulations
- Understanding Vendor Managed Inventory and Co-Managed Inventory

Unit 10: Inventory Improvements

- Leveraging the supply chain for inventory improvements
- Applying the theory of constraints
- Practical methods to reduce stock levels
- Using inventory planning models