Inventory Management & Optimization

Inventory Drivers

Demand Planning

- Demand Variability
- Forecasting Capabilities
- Order Probabilities
- Inventory target setting

Procurement

- Initial buy & replenishment policy
- Supplier lead time
- Supplier quality variability
- Leveraged spend opportunities
- Opportunity to reduce MOQs

Manufacturing

- Batch Qty / Replenishment Policies
- Manufacturing Lead Time
- Quality / Yield
- Production Efficiency
- Opportunity to optimize EBQs

Delivery & Fulfillment

- Customer Service
- Inventory Postponement
- Catalog Requirements
- Return Policies

Product Management

- BOM Variability
- Part Standardization
- SKU proliferation
- NPA & LCM

Approach

Process

- Current & Future State Process Flows
- Value Stream Map
- Process Opportunity Matrix
- Opportunity Roadmap
- Optimal Inventory Parameters

Data

- Root Cause Analysis
- Spend Analysis
- Demand Profile Segmentation
- Triple Play Inventory Analysis
- Addressable Savings Analysis
- Customer Segment Analysis

People

- Inventory Management Organizational structure
- Procurement Organizational Assessment

Technology

- Current and Future State System Architecture Map
- Inventory Model
- Automated PO Generator

Impact & Results

- Improved customer satisfaction, due to fewer stockouts & backorders
- More accurate demand planning, minimizing supply chain risk
- Increased sales due to lower product cost and improved customer service
- Reduced inventory value on-hand through optimized inventory parameters
- Reduction of redundant SKUs
- Reduction of expediated and/or emergency shipments

RSM