LITERATURE SURVEY

Inventory management system for retailers

Dave Piasecki [1] (2001) He concentrated on several inventory model calculations using the EOQ method to determine the best buy quantity. He draws attention to the fact that many businesses do not adopt the EOQ model due to the subpar outcomes brought on by erroneous data entry. He claims that the EOQ is an accounting formula that establishes the point at which the costs associated with ordering and stock inventory are the least. He emphasises that the EOQ approach and the JIT approach are compatible. He goes on to explain the EOQ model calculation, which takes into account factors including annual unit utilisation, order cost, and carrying cost. Finally, he suggests a number of actions to take when putting the EOQ model into practise. This literature's weakness right now is that it doesn't go into more detail on the relationship between EOQ and JIT.

Sambasiva Rao. K [2] (2002) According to his study on materials management in the public sector shipbuilding industry, he assesses the effectiveness of materials management and pinpoints some of the challenges it faces. This investigative technique makes use of 68 documents as evidence and a survey of professional opinion. He assesses the current purchasing procedures and the lead times associated with stock item acquisition, and he makes recommendations to shorten the lengthy wait times. His investigation suggests that all of the engineering divisions need more stock in terms of monthly production costs. Additionally, he draws attention to a few issues with materials management, including the availability of surplus and non-moving commodities and their disposal, long lead times, and an over-reliance on imports.

Gaur, Fisher and Raman [3] (2005) They looked at retailing organisations' firm-level inventory behaviour in their investigation. They collected data from 311 publicly traded retail companies between the years 1987 and 2000 to examine the relationship between stock turnover and factors such as gross margin, capital intensity, and sales surprise. Everyone saw that stock total turnover for retailers was inversely correlated with gross margins and favourably correlated with capital intensity with sales surprise.

S. Singh [4] (2006) evaluation of stock control exercises at IFFCO, a single fertilizers firm. He statistically investigated inventory patterns and stock levels in relation to consumption, sales, and other variables, along with growth on these variables. He came to the conclusion that stock component increases increase in the stock's percentage of current assets Stores having spares received extra consideration to account for any additional purchases that might follow. Indian Farmers Fertilizer Cooperative Limited (IFFCO) and National Fertilizer Limited are two chemical companies that Pradeep Singh (2008) attempted to investigate (NFL). He came to the conclusion that the general state of the IFFCO/NFL working fund is satisfactory. However, given the IFFCO situation, there is a need for inventory to be improved.

Capkun, Hameri and Weiss [5] (2009) Using capital information from a sizable sample of US-based production units over a 26-year period, from 1980 to 2005, statistical analysis was done to determine the relationship between stock levels and fund position in manufacturing enterprises. They claimed that there was a strong correlation between profitability and the performance of the inventory and its constituent parts.

Gaur and Bhattacharya [6] (2011) Aimed to research the relationship between the financial success of Indian manufacturing enterprises and the performance of inventory items such raw materials, work in progress, and finished goods. The study found that while raw material inventory and work-in-progress had little bearing on business performance, finished goods inventory was inversely related to it. They emphasised the need to attempt to concentrate on individual inventory components rather than the entire inventory in order to manage it effectively. They came to the conclusion that managers who don't pay attention to inventory performance may struggle to compete.

Eneje et al [7] (2012) He studied how the raw stock inventory management system with margin of the beer company had changed in Nigeria between 1989 and 2008 using data that had been collected for analysis from the annual reports of the sampled brewery firms. Brewers' management of their raw material inventory was modelled using profitability metrics. In the investigation, the Ordinary Least Squares (OLS) method applied as a multiple regression model was used.

According to research, the profitability of the brewery businesses in Nigeria is highly influenced by the local variable raw stock inventory managing system's design, which captures changes of effective management of raw stock inventory on behalf of the company in terms of their margin.

Nyabwanga and Ojera[8] (2012) Their research concentrate relationship among inventory management with business performance of smallscale enterprises (SSEs), in Kisii Municipality, Kisii County,Kenya. They used a cross-sectional survey study based on a small sample size of 79 SSEs. The study inferred that inventory comprised the maximum portion of working capital, and improper management of working capital was one of the major reasons of SSE failures. The empirical results disclosed that a positive significant relationship existed between business performance and inventory management practices with inventory budgeting having the maximum influence on business.

Sahari, Tinggi and Kadri [9](2012) They concentrated on the relationship between the inventory management system and business success as it related to funding capacity. For that purpose, they searched 82 sample construction firms in Malaysia between the years of 2006 and 2010. They came to the conclusion that inventory management is favourably connected with company performance using the regression and correlation analysis methodologies. The findings also suggest a favourable relationship between inventory control and capital intensity.

Soni [10] (2012) Made a thorough analysis of the inventory management procedures used in Punjab's engineering goods industry. The investigation was conducted utilising a panel data set and a sample of 11 companies during a five-year period, from 2004 to 2009. The success of an industry is determined by the appropriate and prompt flow of inventories. In contrast to increases in current assets and net working capital, she came to the conclusion that inventory size only slightly increased during the time. Half of the working capital was made up of inventories, which were overstocked as a result of low inventory turnover, particularly for completed items and raw materials. Inventory levels increase as sales increase and the market is in good shape.

Lwiki et al [11] (2013) A review of all eight sugar production companies in Kenya revealed a generally favourable association between all inventory management techniques. It has been demonstrated that certain performance indicators depend on the sophistication of inventory management techniques. They found a significant relationship between Return on Equity, a lean inventory strategy, and strategic supplier alliances. As a result, they came to the conclusion that inventory management methods might be said to be a function of the performance of sugar enterprises.

Panigrahi [12] (2013) His analysis suggests that the inventory management techniques employed by Indian cement companies and their effects on working capital efficiency. The study also looked into the connection between inventory conversion days and profitability. The study found that there must be an antagonistic relationship between the conversion period of inventory and profit margin over a ten-year period, from 2001 to 2010, utilising a sample of the top five cement businesses in India.

Madishetti and Kibona [13] (2013) It was discovered that a small- or medium-sized enterprise's (SMEs) profitability benefits from an inventory management strategy that is adequately conceived and implemented. They looked at how inventory management affected the profitability of SMEs as well as the relationship between inventory conversion time and profitability. They used information from financial records for the years 2006 to 2011 to analyse a sample of 26 Tanzanian SMEs. To ascertain the effect of the inventory conversion period on gross operating profit, regression analysis was used. The findings made it evident that there was a strong negative linear link between inventory conversion time and profitability.

Srinivas Rao Kasisomayajula [14] (2014) Inventory Management in the Commercial Vehicle Industry in India is the subject of his research. Five representative businesses were chosen for the study. The analysis came to the conclusion that there is a substantial association between inventory and sales for all units in the commercial vehicle market. An organization's health must be maintained and improved through effective inventory management. The profitability of the company will increase with effective inventory management.

Edwin Sitienei and Florence Memba [15] (2015) Conducted a study on the impact of inventory management on the Kenyan cement industry's profitability. According to the study's findings, the inventory conversion duration and gross profit margin are inversely connected. Increases in sales, which indicate a larger firm, enrich the firm's inventory levels, which boost profits because of the right amount of inventory on hand. In order to increase profitability and lower inventory expenses associated with keeping too much stock in warehouses, organizations inventory systems must maintain optimal inventory levels.

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