

## <u>Case Study – Inventory Management</u>

Inventory management is a critical process that provides visibility of current stocks and potential demands for making fact-based ordering decisions which in turn has a cashflow impact.

## **Key Features:**

- 1. Provides a detailed overview of stock performance evaluation with ABC & XYZ Analysis
- 2. Visibility of Highest stock
- 3. Stock movement → Fast | Slow | Very slow & Alarm stocks based on the no. of days spent in inventory

The process starts with tracking the Stock Material's life cycle (from Material code creation) to the end of its consumption. Optimizing the Inventory, demand forecasting & managing the flow of Inbounds/Outbounds - tracking Inventory from raising orders till it reaches the warehouse (inventory) The goal is to be at the right time in the right place.

## Approach to Stock Material Classification

	Α	В	С
Х	High Value	Avg. Value	Low Value
	Continuous Demand	Continuous Demand	Continuous Demand
	Highly Predictive	Highly Predictive	Highly Predictive
Υ	High Value	Avg. Value	Low Value
	Fluctuating Demand	Fluctuating Demand	Fluctuating Demand
	Avg. Predictive	Avg. Predictive	Avg. Predictive
Z	High Value	Avg. Value	Low Value
	Irregular Demand	Irregular Demand	Irregular Demand
	Low Predictive	Low Predictive	Low Predictive

Stock Movement based on the no. of days spent in inventory:

Fast moving stock	< 90 days				
Slow moving stock	> 90 and < 180 days				
Very slow-moving stock	> 180 days				
Alarm	Zero movement in last 12 months				

Inputs Used: Historical Stock Value, Granularity Level: Monthly (stock level)

COUNTRY	Material Code	Material Name	Brand	Year	Mont h	Stock Value, Euro	Stock Quantity, UOM	Consumption, Euro	Consumption, UOM	Inbound, Euro	Inbound, UOM	Inventor y days of coverage , days	ABC/XY Z
Singapore	7079	CAPPUCCIO 1/4 LEFFE BLONDE 33CL IT	LEFFE	2022	1	17979	6161	-45	-45	3700	740	1095	BZ
Singapore	7077	GRIGLIA DISPLAY LEFFE BLONDE 33CL IT	LEFFE	2022	3	16834	6349	-98	-98	6664	2000	1095	CX
Singapore	7089	PAPER HIVE SHORT	Singha	2023	1	15980	5584	-230	-230	10801	3185	1095	CX
Singapore	7083	CAPPUCCIO 1/4CP IT	King's	2022	5	14943	5325	-187	-187	800	400	1095	CZ
Singapore	7091	PAPER SLOT	King's	2023	2	13765	5208	-380	-380	3203	1030	1095	CX
Singapore	7093	GIFTBOX SIZE M	King's	2023	3	13366	5057	-400	-400			1095	CX
Singapore	7081.428571	CAPPUCCIO 1/4 LEFFE BLONDE 33CL IT	LEFFE	2022	7	12286	5484	-341	-341	2082	673	1095	BZ
Singapore	7082.02381	GRIGLIA DISPLAY LEFFE BLONDE 33CL IT	LEFFE	2022	8	11639	5361	-375	-375	1293	452	1095	CX
Singapore	7082.619048	PAPER HIVE SHORT	Singha	2022	9	10992	5238	-409	-409	504	230	1095	CX
Singapore	7083.214286	CAPPUCCIO 1/6 LEFF ROYA	LEFFE	2022	10	10346	5115	-443	-443	-285	9	1095	CX
Singapore	7083.809524	CAPPUCCIO 1/4CP IT	King's	2022	11	9699	4992	-477	-477	-1075	-212	1095	CZ
Singapore	7084.404762	PAPER SLOT	King's	2022	12	9052	4869	-511	-511	-1864	-433	1095	CX
Singapore	7065	CARTONATO 1/6 PALLET LEFF RITU	LEFFE	2022	3	11703	0	-200	-200	0	0	0	CX
Singapore	7067	TRAY CORN BOT 4X6 0,21L OW	CORONA	2022	2	11281	5562	-100	-100	0	0	1095	CX
Singapore	7085	TRAY 458 BE GREEN LEMON INT 4X6 0,33L	BECK'S	2022	4	11146	4023	-9	-9			1095	CX
Singapore	906	Kings beer	King's	2023	3	9876	9	-30	-30	0	0	76	CX
Singapore	112	Kings glass	King's	2023	5	987	8	-189	-189	0	0	67	CX
Singapore	9870	Leffe Glassware	LEFFE	2023	4	876	50	-60	-60	0	0	9	CX
Singapore	7177	KIT DA 2 ALVEARI ESPO TERRA 1/4 PLT BDB	BIrra	2022	6	689	336	0	0	0	0	1095	CX
Singapore	606	Birra opener	BIrra	2023	5	567	8	-76	-76	0	0	90	CX
Singapore	7169	Bita RIBATTUTO ESPO TERRA 1/4 PLT BDB	BIrra	2022	2	47	7	-78	-78	0	0	0	AX
Singapore	7173	KIT 4 FERMAPROD ESPO TERRA 1/4 PLT BDB	BIrra	2022	4	16	8	0	0	0	0	1095	CX
Singapore	2345	Display wooden chair Corona	CORONA	2023	4	12	30	-90	-90	0	0	765	CX
Singapore	98	Lager Bud	Bud	2023	5	9	1	-120	-120	0	0	23	AX
Singapore	7167	CAPPUCCIO ESPO TERRA 1/4 PLT BDB	BIrra	2022	1	0	0	-24	-24	0	0	0	CX
Singapore	7171	KIT 3 GRECHE ESPO TERRA 1/4 PLT BDB	BIrra	2022	3	0	0	-333	-333	0	0	0	CX

## Based on the above table create a PowerPoint presentation to get insights around the below:

- 1. Stock value/quantity evaluation
- 2. Brand performance
- 3. Stock Movement based on Inventory days of coverage, days
- 4. Calculate the percentage and value of Stock with ABC/XYZ approach