

Inventory Management Services

In today's dynamic and uncertain supply chain business environment, your supply chain planning challenges continue to grow. Your portfolio is more complex than ever. Consumer behavior is volatile. You face growing pressure on price and margins. The IT landscape is changing rapidly. To understand and be able to deal with this intricate and erratic market demand, you need high-quality planning. And well-educated and highly skilled planning talent is hard to find. While a solid planning process is a crucial foundation of your business success.

Inventory Management involves a deep understanding and supervision of all assets and stock items within a business. Through a well maintained process of stock control, quality control and cycle counting, business owners are able to accurately gauge the inventory needs of both their business and their customers, in a perfect world.

Many business owners struggle to accurately keep track of their inventory, which is why so many books have been written on the subject, and applications have been developed, to help handle inventory issues.

We can offer a full range of services to help businesses avoid incremental costs from line of credit borrowing, optimize warehouse capacity, training staff thoroughly on how to do inventory management, and to maximize turns/margins, our direction is to install a profits first mentality. We offer also a detailed analysis of all your inventory parameters to make sure your supply chain plans are running with the right information as ERP is too static for this.

Our Approach



1. Define business issues, business rules and assumptions

- Mapping of the Supply Chain
- Identify business issues
- Identify business rules and assumptions

2. Collect and validate data

- Collect data, check on completeness, consistency and integrity
- Upload data in Optimact
- Validate data, volumes and ranges with customer

3. Execute Analysis

- Inventory Analysis
 - Compare actual inventory levels with planned inventory levels to identify excess stock
 - Calculate future inventory
- Inventory Categorization
 - ABC categorization of articles based on relative importance (margin, sales volume)
 - XYZ categorization of articles based on the level of uncertainty in supply and demand
 - Portfolio Management
- Lead Time Analysis
 - Analysis of historic replenishment orders
 - Compare actual lead times to planned lead times
 - Assess lead time uncertainty per supplier
- Forecast and Demand Analysis
 - Analysis of forecast error and demand volatility over the replenishment lead time
- Safety Stock Analysis and Optimal Parameters
 - Model business specific rules and constraints
 - Calculate optimal safety stock
 - Generate safety stock - service level trade off curves
 - Calculate correct inventory parameters for supply chain planning and ERP
- Planning Policy Analysis
 - Calculation and review of planning policies based on business criteria
 - Impact Analysis on the outcome



4. Impact Analysis on Process / Organisation / Technology

- Based on the outcome of previous steps impact analysis on required processes, organization and supporting technology.

5. Feedback and Handover Deliverables

- Based on the outcome of previous steps:
 - Face-to-face session with key stakeholders to explain approach and share findings of the assessment.
 - Quantified discussion on the outcome of the different analysis (in dashboards)
 - Action plan

Results

- Full insight in composition of the current inventory and savings potential
- Optimal safety stock and inventory parameters settings per article location given the target service level
- Additional safety stocks needed due to mitigate supplier uncertainty
- Clear action plan linked to processes, organization and supporting technology

About Optimact / Xeleos Consulting

Connecting development, sales and manufacturing, supply chain management is the backbone and cornerstone and driving force of your company. Xeleos Consulting is helping organizations to achieve sustainable benefits in their Supply Chain through specialized consulting services. We focus on helping organizations optimize their Supply Chain and align it to their business strategy. Making the right choices enables our clients to achieve their business objectives and improve significantly their operations.

Optimact has the ambition to help companies improve their supply chain and support their supply chain management process. Optimact together with their partners has the know-how and a lot of experience on supply chain management and shares those to help companies. This know-how and experience is translated in the Optimact tool where it's offered automatically to the user.



More Supply Chain Intelligence