

ADVANCED FORECASTING, INVENTORY AND WAREHOUSE MANAGEMENT

Adopt proven best practices for formulating accurate inventory planning and warehousing strategies

ABOUT YOUR INTERNATIONAL EXPERT COURSE LEADER:



PATRICK S. WOODS,
CPSM, CPSD, C.P.M., CPIM

- Founder of Supply Chain Education, Inc.
- Over 25 years of experience in materials management and supply chain consulting
- Author of "Performing Effective Supplier Price and Cost Analysis" published in INFOEDGE – an award-winning publication by the Institute of Supply Management (ISM)

REDUCED INVENTORY BY US\$100M AND INVENTORY CARRYING COSTS OF US\$30M AT A FORTUNE 100 CORPORATION

OVER 270 CORPORATIONS WORLD-WIDE HAVE BENEFITTED FROM WOODS' EXPERTISE, INCLUDING:

- Abbott Labs
- American Airlines
- Beiersdorf Indonesia
- Britoil Offshore Indonesia
- Citibank
- Coca-Cola
- Ericsson
- Ghana National Petroleum Corporation
- GSM Konsep International
- Hess Indonesia
- IBM
- Kapal Api Global
- Kraft Foods
- Mayora Indah
- McDermott Indonesia
- Mobil Oil
- Murphy Oil Indonesia
- Nestle Nigeria
- Newmont Ghana Gold
- Pertamina
- Samsung
- Semen Padang
- PT Bentoel Prima
- PT Combiphar
- PT Enseval Putera Megatrading
- PT Expo Unipara
- PT International Nickel Indonesia
- PT IPMOMI
- Thales Aerospace Asia
- Total E&P Indonesia



3rd-5th November 2014 (Monday-Wednesday)
Jakarta, Indonesia

TOP LEARNING OBJECTIVES:

- 1 Understand** inventory flow of costs and carrying inventory
- 2 Balance** service and safety stock implications
- 3 Plan** and reduce lead-time cycle components
- 4 Attain** increased inventory record accuracy and stock control
- 5 Reduce** excess inventory through accurate forecasting while improving customer service
- 6 Identify** precise problems causing trouble in your stores or warehouse
- 7 Utilise** ordering and planning philosophies that suit your inventory goals
- 8 Establish** an appropriate inventory management policy and stock location methodology
- 9 Formulate** effective measures to improve productivity and cut costs for your warehouse and stock control
- 10 Learn** the most important concepts in the warehousing/distribution field today and their emerging roles

- ✓ **USD 2800 COMBINED VALUE FOR BOTH CPSM & CPIM PREPARATION COURSES**
- ✓ **ONLINE TRAINING ON EFFECTIVE SUPPLIER RELATIONSHIP MANAGEMENT (WORTH 16 CEUS)**
- ✓ **UP TO 40 CEUS IN TOTAL FOR CIPS & ISM CERTIFICATION HOLDERS!**
- ✓ **INVENTORY MANAGEMENT MATERIALS – OPTIMISING THE STOCK-TAKE PROCESS, IMPLEMENTING A SUCCESSFUL CYCLE COUNTING PROGRAMME, AVOIDING POTENTIAL INVENTORY ERRORS & INVENTORY RECORD DISCREPANCIES**

FREE!



Practical and Hands-On Sessions:

Delegates are encouraged to bring a calculator to participate in hands-on exercises.



Testimonials from Mr. Woods' Past Courses:

- “A very responsive and knowledgeable trainer who presented an extremely informative course highly applicable to our daily work.” - *Britoil Offshore Indonesia*
- “Sophisticated and educative course that brought to us the latest ideas and concepts that can be applied practically in real business environments.” - *PT Mayora Indah Tbk*

Media Partners:



WHY ATTEND THIS MASTERCLASS?

*“Supply Chain disruptions have been found to cut the share price of impacted companies by an average of 7%”
– Accenture, 2013*

Inventories play an important role in any organisation. In fact, it is not uncommon to have 10-55% of an organisation’s total invested capital in inventories. To make matters worse, approximately 2-15% of such invested capital is often tied up in slow, obsolete, impaired, damaged, and/or excess on-hand inventory. With these facts in mind, you will recognise that well-managed inventories provide a rational approach to operations by facilitating the smooth flow of processes, effectively utilising facilities, and implementing sound logistics and supply chain management practices.

With a proven inventory management system, you can transform your inventory into a proactive force that lowers your inventory investment, reduces carrying costs, boosts confidence in physical supply and distribution service levels, and increases overall customer and user satisfaction. Without a doubt, it is important to understand inventory control and its relationship to operations before choosing an inventory system or method designed to fulfil your operational objectives.

Additionally, warehousing and distribution methods are changing dramatically! New approaches and value-added warehousing concepts offer opportunities to cut costs substantially while improving overall operations. Many organisations are now focusing on the impact of the warehouse’s bottom-line and are trying to closely align warehouse operations with the organisation’s supply chain.

Salvo Global’s 3-day intensive Masterclass on “Advanced Forecasting, Inventory and Warehouse Management” has been designed to bring you up to full speed on all the important areas of inventory decision making, including the important precursor – good forecasting. The focus of this programme is about how to plan, implement, and use proven practices that work. There is a strong focus on approaches and principles that will have the most dramatic effect on improving your organisation’s service levels, reducing costs and investments associated with inventory, and increasing turnover rate with fewer stockouts. If you want to benefit from learning about the latest inventory practices and are looking for ways to develop clear, specific, strategic inventory plans or are seeking to improve your current inventory management, this seminar is for you.

WHO SHOULD ATTEND?

Directors, Heads, Managers, Officers & other Senior Executives from:

- Demand/Supply Planning
- Procurement
- Purchasing
- Sourcing
- Stock Control
- Inventory Management
- Warehouse Management
- Distribution
- Transportation
- Logistics
- Production
- Operations
- Supply Chain Management
- Supplier Development/ Relationship Management
- Contracts
- Sales & Marketing
- Finance

This Masterclass is suitable for professionals involved in supply chain risk management across all industries, especially:

- Oil & Gas/Petrochemicals/ Chemicals
- Mining
- FMCG
- Food & Beverage
- Automotive
- Manufacturing
- Logistics and Transportation
- Shipping, Ports & Maritime
- Telecommunications
- Information Technology
- Infrastructure & Construction
- Government
- Healthcare and Pharmaceuticals
- Power and Utilities
- Retail
- Banking & Finance
- Consultancy Services

COURSE METHOD

This Masterclass features a blend of international best practices, case studies, group exercises and discussion points applicable to the delegates’ companies. This allows for a powerful and direct application of the points learned to maximise benefit to the delegates and their organisations.

OUTCOME OF THE MASTERCLASS

By the end of this 3-day Masterclass, delegates will be able to understand and apply best practices present in forecasting, inventory and warehouse management processes, then develop customised action plans for use back in their respective organisations.

MORE ABOUT YOUR TRAINER:



MR. PATRICK S. WOODS, CPSM, CPSD, C.P.M., CPIM

Patrick S. Woods is the founder of Supply Chain Education (SCE) and has worked with major corporations such as Alcatel, Atlas Copco, Boeing, Fujitsu, Halliburton, Ingersoll-Rand, and Verizon, in the areas of supply chain and materials management, travelling extensively in Asia and the former Soviet Union. He has also founded the current online learning initiative that has been a huge success with some of the above companies, resulting in both a US and world-wide roll-out with approximately 2,000 participants, primarily in the areas of C.P.M., CPSM, CPIM and Six-Sigma.

Patrick has a wealth of experience in materials management and supply chain consulting solutions for high volume, fast paced organisations such as Emerson Electric, EDS, Clark Equipment, Intergraph, Perot Systems and NEC. He was also an adjunct professor at the University of North Texas specialising in logistics, transportation and marketing. His expertise includes extensive knowledge of ERP, MRP, CRP and various inventory control systems, international procurement, management of cross-functional teams, including buyers, engineering and quality personnel as well as multi-international SCM teams.

He has implemented, taught and achieved results for two Fortune 100 corporations in both Michigan State University and A.T. Kearney strategic procurement methodologies. Patrick is one of the first groups to be both a Certified Professional in Supply Management (CPSM) and a Certified Professional in Supplier Diversity (CPSD) as well as a Certified Purchasing Manager (C.P.M.), both through ISM – The Institute for Supply Management and is certified in Production and Inventory Management (CPIM) through APICS. He has a degree in Industrial Management from the University of Alabama, with a minor in Economics.

COMPANIES THAT HAVE BENEFITED FROM MR. WOODS' EXPERTISE INCLUDE:

- Abbott Labs
- American Airlines
- AT&T Wireless
- Atlas Copco Ghana
- Bank of America
- Beiersdorf Indonesia
- Britoil Offshore Indonesia
- Citibank
- Coca-Cola
- Colgate Oral Pharmaceutical
- Ekistruct
- Ericsson
- Exxaro
- Fan Milk PLC Nigeria
- Ghana Gridco
- Ghana National Petroleum Corporation
- Ghana Urban Water Ltd
- Gold Fields Ghana
- GSM Konsep International
- Hess Indonesia
- Hewlett Packard
- Honeywell
- IBM
- Kapal Api Global
- Kraft Foods
- Mayora Indah Tbk
- McDermott Indonesia
- Mobil Oil
- Murphy Oil Indonesia
- Nestle Nigeria
- Newmont Ghana Gold
- Nigeria Airspace Management Agency
- Nortel
- Pertamina
- PT Bentoel Prima
- PT Combiphar
- PT Enseval Putera Megatrading Tbk
- PT Expo Unipara
- PT International Nickel
- PT IPMOMI
- Samsung
- Sedgman South Africa
- Semen Padang Indonesia
- Societe Generale-Social Security Bank (SG-SSB) Ghana
- Texas Instruments
- Thales Aerospace Asia
- Total E&P Indonesia
- West Africa Gas Pipeline Co.
- Xerox

COURSE CUSTOMISATION TO YOUR PRIORITIES

Pre-Course Questionnaire will be issued to the delegates immediately upon registration to allow the trainer to address their specific needs and concerns.

WHY NOT BRING THIS MASTERCLASS INTERNALLY?

This training can be customised into an In-house training programme just for your organisation. To find out more, please contact : Marivic Mendoza at: Tel: +65 6521 9269 Fax: +65 6297 8645 or Email: : marivic@salvoglobal.com

08:15 Registration & Coffee**08:30 Course Introduction, Understanding Supply Chain Management (SCM) Relationships and the Logistics Flow**

- Programme purpose, objectives and how best practices in Forecasting, Inventory and Warehouse Management will add value to delegates and realise their objectives
- Icebreaker: What are five key challenges that your firm faces in these areas?
- Integrating Logistics and the Supply Chain
- Review Supply Chain drivers & their impact
- Compare SCM and Logistics – Adding value and tradeoffs
- Using the power or information to share and collaborate in the Supply Chain

10:30 Coffee Break**10:45 Demand, Supply and Product Classification**

- Review supply and demand variables
- Delineate the three types of demand and demand impact
- ABC Analysis and the 80/20 Rule
- Product coding and classification

EXERCISE

– Classifying Parts into ABC Categories. Delegates will decide which classifications - A, B, or C - should be assigned to each part on a given list.

12:00 Networking Lunch**13:00 Replenishment Methods for Independent Demand**

- Fixed and variable time & order quantities
- Economic order & purchase quantities
- Economic order period & lot for lot principles
- Min-max & cyclical reordering systems
- Two Bin & Three Bin systems
- Compare and contrast the Periodic Review & Continuous Review System

14:30 Replenishment Methods for Dependent Demand & Demand Forecasting

- Material Requirements Planning (MRP) – its characteristics & requirements

14:45 Coffee Break**15:00 Replenishment Methods for Dependent Demand & Demand Forecasting (Continued)**

- Define dependent demand and BOMS
- Time-Phased Planning
- Review repetitive manufacturing systems, along with KANBAN, Lean/JIT
- Compare SMI, SO/MI and similar program types
- Understand sales and statistical forecasts
- The forecasting function and its limitations

CASE STUDY

– The CPFR Model – the best practice of Collaborative Planning Forecasting and Replenishment will be discussed including application to delegates' organisations in Indonesia. Collaborative Planning, Forecasting and Replenishment (CPFR®) is a business practice that combines the intelligence of multiple trading partners in the planning and fulfilment of customer demand. CPFR links sales and marketing best practices, such as Category Management, to supply chain planning and execution processes to increase availability while reducing inventory, transportation and logistics costs.

16:00 Summary of Day One

- Summarise key points from Day One
- Final Q&A for Day One

16:30 End of Day One

08:15 Registration & Coffee**08:30 Determining Inventory Costs and Service Levels**

- Why hold stock?
- Establish inventory costs and costing
- Cost vs. service tradeoffs
- Understand both lead time and cycle time
- Determine inventory and statistics

10:00 Stock Levels and Reorder Points

- What, when and how much to order?
- Determine reorder levels and set order points

10:30 Coffee Break**10:45 Stock Levels and Reorder Points (Continued)**

- Calculate Order Placement Costs (OPC) and Cost of Acquisition (COA)
- Calculate Inventory Carrying Costs (ICC) and Stockout Costs
- Review Safety Stock and its impact on customer service levels

EXERCISE

– Safety Stock - How is it calculated? – Delegates will work through a formula for monthly safety stock investment, including its effect on the company in question.

12:00 Networking Lunch**13:00 Stock Coding and Recording**

- Review stock coding principles
- Establish stock recording and internal controls
- Develop a stock location and locator system
- Maintain the accuracy of the stock location systems
- Ensure the separation of powers – legal issues

14:30 Inventory Reconciliation and Discrepancy Handling

- Establish roles and responsibilities

14:45 Coffee Break**15:00 Inventory Reconciliation and Discrepancy Handling (Continued)**

- Set procedures for physical inventory and cycle counting
- Determine stock tolerances, discrepancies, reconciling and adjustments
- Maintain inventory accuracy
- Optimise inventory turnover

CASE STUDY

– Materials Management – A Gold Mine for Upstream Oil and Gas. This was a study conducted by ATKearney, one of the most respected consulting companies in the world that focuses on Supply Chain Management. The end result is that firms, including delegates' organisations in Indonesia, can improve their materials management by reducing logistics costs, waste and capital tied up in stock. The bottom line from this study is that while safety stock is required to prevent unseen negative events, excessive stock can lead to missed opportunities.

16:00 Summary of Day Two

- Summarise key points from Day Two
- Final Q&A for Day Two

16:30 End of Day Two

08:15 Registration & Coffee

08:30 Understanding the Role of the Warehouse

- Examine the current role of warehousing in your company
- Determine the value and impact of higher efficiency
- Supply/demand variables
- SKU/product handling
- Review product throughput and inventory
- Contrast throughputs with forecasts
- Impact of workload balancing
- Warehouse supervision: The management cycle, leadership styles, motivation and demotivation, delegation and empowerment, teambuilding, improving decision-making in the warehouse

EXERCISE

– Right-Way Distributing Company – Delegates will be presented with a packing and packaging situation and asked to provide their inputs for improvement.

10:00 Warehouse Layout Options

- The four warehouse functions
- Receiving and inbound, storage and put away, picking and fulfilment
- Organise layout plan and material flow

10:30 Coffee Break

10:45 Calculate Warehouse Costs and Productivity Measures

- Establish warehouse cost centres
- Determine the roles of productivity, utilisation and performance
- Set and measure targets, metrics and Key Performance Indicators (KPIs)
- Establish the customer satisfaction process
- Minimise/eliminate errors based on what they can cost you

12:00 Networking Lunch

13:00 Objectives of Distribution

- Define and apply good Distribution Planning
- Understand Distribution Requirements Planning (DRP) — its characteristics & requirements
- Achieve multiple objectives - to maximise customer service, maintain efficiency and optimise inventory

14:30 Coffee Break

15:00 Good Transportation Planning

- Compare and contrast the primary modes of transportation (when is one mode preferable over another)
- Compare and contrast the cost/rate structure of each mode
- Develop contracts based on leverage with key carriers, including key language driving performance factors
- Review the roles and the cost/benefit trade-off in working with brokers or freight forwarders
- Review the roles and the cost/benefit trade-off in 3PL or 4PL providers

CASE STUDY

– Steps Towards a Future FMCG Supply Chain. This was a study conducted by DHL, the world's largest company involved in the global handling of sea and air packages in countries including Indonesia. This study will focus on the collaboration between competing suppliers in the future Supply Chain, enhancing a Retail Supply Chain through RFID Technology, today's and tomorrow's challenges in the FMCG supply chain, and developing collaborative warehousing beneficial to organisations in Indonesia.

16:00 Summary of Day Three

- Summarise key points from Day Three
- Final Course Q&A

16:30 End of Masterclass

CERTIFICATE OF COMPLETION

A Certificate of Completion will be issued to all delegates completing minimum of 90% of the total hours of the course.

