

CASE STUDY

INVENTORY PLANNING For Manufacturing Company



ABOUT THE CLIENT



Our client is a manufacturing facility, spread in southern states of India .It is a global MedTech company focused on products used in surgical, post-surgical and chronic care including advanced surgery, and wound care range. The client has different machine lines basis the nature of the product and stage of production like Bath wipes line, Filling Line , Flat wipes Line.

BUSINESS CHALLENGE



Our client has multiple SKUs and various line of productions. The client required assistance in designing an inventory tool integrated with production plan and thereby aligned with the demand forecasting tool to precisely forecast the material requirement .

The client also insisted on development and implementation of tracking and monitoring mechanism to prevent loss due to stock outs, extra cost due to overstocking etc.

01

Align production quantity with the Finished goods requirement.

02

Identify and Implement Safety stocks/Re-order levels

03

Inventory Tracker for Stockouts, overstocks, SLOB, Non-moving

04

Implement Shelf-life management



Our Approach

AS-IS Mapping



- Development of an 'AS-IS' questionnaire & data templates
- Retrieve historical data on
 - Raw Material/Packing Material
 - Inventory Levels maintained and method used.
 - Production – SKUs, Lines, Labour ,Average time required
- Data check in terms of consistency, completeness and quality
- Align with process owner on the understanding and data completeness

Design and Testing



- Chart out the comparison between Actuals and Estimates for:
 - Finished Goods
 - Raw Material/Packing Material
- Mapping of input quantity , Leadtime , Safety stock ,Minimum Order Quantity.
- BOM vs Actual Variance analysis.
- Design the TOOL with current footprint/ volumes and setting up parameters (Demand forecast, Made to Order, Made to stock, Manpower, Time ,Machine Lines) to test scenarios
- Evaluate the tool in terms of footprint, and operational accuracy

Robustness of the distribution tool



- Re-run the scenarios in the TOOL along with process owner's requirements
- Assess the impact of changing the business parameters on the inventory level and requirement.
- Calibration of simulation model with real-life figures
- Develop step by step process on "HOW TO USE" the tool including assumptions, input parameters etc.,
- Sign off from the process owner on the robustness and agility of the TOOL



BUSINESS IMPACT & VALUE CREATION

Inventory Planning



- 1 Integrated Inventory Planning Tool - Integration of Demand Forecasting, Inventory Planning, Replenishment Optimization.
- 2 Data flow description and Stepwise Detailed Action plan for Production and Inventory planning.
- 3 Statistical tool to monitor the material consumption.
- 4 Automated tool for Bill of Material (BoM) and actual consumption variance analysis.
- 5 Framework for appropriate method for Safety Stock, Reorder levels, and key Inputs robustness.

ABOUT US

Headquartered in Gurgaon, Valueonshore Advisors is a specialized professional service firm managed by the Big 4 alumni and industry executives. Our portfolio includes multi-billion-dollar companies, mid-cap public, and pre-IPO companies that range from late stage to early stage. We are a trusted, preferred partner for various multinational and Indian clients who engage us for our functional expertise, industry knowledge, and for our objective solutions for complex problems.

If you need any further information on our services, please contact us:

Gaurav Sahu

Managing Director
gaurav.sahu@valueonshore.com



Shashank Agarwal

Vice President
shashank.agarwal@valueonshore.com



OUR OFFICES



Gurugram – Enkay Tower

Enkay Centre, Wing A, Second Floor, Plot No A, Vanijjiya Nikunj, Udyog Vihar, Phase V, Gurugram-122016

Hyderabad

CWS One, Plot No: 40, 41 & 42, Survey No: #54 Kondapur, Serilingampally, Hyderabad, Telangana 500084.

Mumbai

2nd Floor, 264-265, Vaswani Chambers, Dr Annie Besant Rd, Municipal Colony, Worli Shivaji Nagar, Mumbai, Maharashtra - 400025/30

Gurugram - Ocus Technopolis

Third Floor Tower A, Ocus Technopolis, Golf Course Road, Sector – 54, Gurugram - 122002

Bengaluru

2nd & 3rd Floor, 235,13th cross Road, 2nd Stage, Indiranagar, Bengaluru, Karnataka 560038

USA

572, Cascade Dr, Sunnyvale, CA, 94087

www.valueonshore.com

This document is being submitted to your organization / you for the purpose of describing Valueonshore Advisors qualifications to provide the services outlined herein. In consideration of receiving the disclosures, we request for this document to be treated as confidential material. This document shall remain the property of Valueonshore Advisors and reserves the right to request the return of any and all materials included in this document.

Follow Us

