KOENIG
step forward

KOENIG SOLUTIONS · COURSE OUTLINE

CIPS L4M7: Inventory Control & Cost of Ownership

Learn to control inventory and evaluate total cost of ownership, from warehouse design to end-of-life costs.

60 Hours	3	51
DURATION	MODULES	TOPICS

COURSE OVERVIEW

This course examines methods for storing and moving inventory, including warehouse design, product coding and warehousing equipment. It then addresses key elements of effective inventory control, covering inventory classifications, the costs of holding stock and techniques such as MRP, ERP, just-in-time and lean. Finally, it explores the concept of through life cost, including how to build a total cost of ownership model and the elements that contribute to end-of-life costs.

WHO THIS COURSE IS FOR

Target Audience:

If you have over 2+ years of relevant experience in a business environment, our Level 4 Diploma will be for you. You'll develop the technical skills, knowledge and competencies employers are looking for.

PREREQUISITES

Pre-requisite

- Basic understanding of how supply chain works. This is the third entry level qualification, there are no formal entry requirements.

LEARNING OBJECTIVES

- Identify the principles and impact of stores and warehouse design
- Explain the use of product coding in inventory operations
- Contrast the impact of different warehousing equipment
- Differentiate between classifications of inventory
- Identify direct and indirect costs of holding inventory
- Identify techniques associated with inventory control
- Analyse contributing factors to total cost of ownership
- Identify the contributing elements to end-of-life costs

COURSE SYLLABUS

3 Modules, 51 Topics

1.0

Understand Methods for the Storage and Movement of Inventory

1.1 IDENTIFY THE PRINCIPLES, PURPOSE AND IMPACT OF STORES AND WAREHOUSE DESIGN

- Location of stores and warehouses
- Stores and warehouse design
- Factors that influence stores and warehouse layout
- Flow, space utilisation and flexibility

1.2 EXPLAIN THE USE OF PRODUCT CODING IN INVENTORY OPERATIONS

- Systems for product coding
- Bar coding
- Order tracking technologies
- The use of RFID technologies

1.3 CONTRAST THE IMPACT OF THE USE OF DIFFERENT WAREHOUSING EQUIPMENT

- Approaches such as:
- Materials handling equipment
- Palletisation and unit loads
- Packing and packaging
- Environmental standards for packaging
- The use of automation in warehousing

2.0

Understand the Key Elements of Effective Inventory Control

2.1 DIFFERENTIATE BETWEEN THE DIFFERENT CLASSIFICATIONS OF INVENTORY

- Opening stock, work in progress, safety stock and finished goods
- Obsolescent and redundant stock
- Direct and Indirect supplies
- ABC classifications of stock that may apply
- Dependent demand and independent demand items of stock

2.2 IDENTIFY THE DIRECT AND INDIRECT COSTS OF HOLDING INVENTORY

- Acquisition costs
- Holding costs
- Cost of stock outs
- Discuss options to reduce costs whilst mitigating any negative impact on service levels

2.3 IDENTIFY TECHNIQUES ASSOCIATED WITH INVENTORY CONTROL

- Subjective and objective forecasting
- Re-order quantities and levels
- MRP and MRPII
- ERP
- Just-in-time
- Lean
- Inventory performance measures - lead times, service levels, rate of stock turn, stock outs in a given period, stock cover

3.0

Understand the Concept of Through Life Cost

3.1 ANALYSE THE CONTRIBUTING FACTORS WHEN ESTABLISHING TOTAL COST OF OWNERSHIP

- Purchase price
- Hire or lease
- Acquisition costs
- Usage costs
- Maintenance costs
- Operation
- Utilities
- Training
- Disposal and end-of-life costs

3.2 COMPARE THE FACTORS TO CONSIDER WHEN BUILDING A TOTAL COST OF OWNERSHIP MODEL

- Include all costs
- Use best estimates of values available
- Hidden costs - global sourcing, risks associated with extended supply chain
- Only develop for larger purchases
- Ensure senior management support
- Cross functional support - ensure access to data
- Team working - reduce data collection time

3.3 IDENTIFY THE CONTRIBUTING ELEMENTS TO END-OF-LIFE COSTS

- Decommissioning
- Removal or disposal processes
- Legal aspects - waste management
- Environmental factors
- Triple bottom line - people, planet, profit

WHAT IS INCLUDED

Everything You Need to Succeed

- Koenig course material for every module
- Delivery by certified instructors and subject matter experts
- Hands-on exercises throughout the course
- Course completion certificate from Koenig

ABOUT KOENIG

Who We Are

Established in 1993, Koenig Solutions is a globally recognised training provider with 35+ technology partnerships, 5,000+ training programmes and a network of certified instructors and subject matter experts, supporting individuals and enterprise teams worldwide.

FLEXIBLE DELIVERY

Learn the Way That Suits You

Classroom Training | Live Online Classes (ILO) | Fly-Me-A-Trainer (FMAT) | Flexi (Self-Paced) | 1-on-1 Training

Ready to Get Started?

Talk to a learning advisor about schedules, group training and customised delivery.

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