

MASTERING MATERIALS MANAGEMENT

PIN018

COURSE DESCRIPTION

Materials management is a core supply chain function and includes supply chain planning and supply chain execution capabilities. Specifically, materials management is the capability firms use to plan total material requirements. The material requirements are communicated to procurement and other functions for sourcing. Materials management is also responsible for determining the amount of material to be deployed at each stocking location across the supply chain, establishing material replenishment plans, determining inventory levels to hold for each type of inventory (raw, WIP, Finished Goods), and communicating information regarding material needs throughout the extended supply chain. Material management is directly associated with the operational efficiency of an organization. A good material management system ensures the availability right materials in the production process with minimum wastage so as to cut losses.

This course covers practical considerations essential to achieve major improvements in planning, buying, storing and disposing of the vast array of materials and spare parts needed in the oil and gas industry. Participants will learn business policies which promote sound material management, how to control material in the warehouse, warehouse operating procedures, when to order product and how much to order, and how to deal with obstacles and constraints to effective materials management.

COURSE GOAL

To enhance participant's knowledge, skills, and abilities necessary for providing better service to their operations, reducing stock outs and surplus materials and maximizing the return on investment for inventory.

COURSE OBJECTIVES

By the end of this training course, participants will learn to:

- Give an overview of management process.
- Define material management and determine its functions.
- Plan warehouse requirement.
- Make effective stock decisions to avoid surplus materials.
- Understand warehouse management system and its relationship with other departments.
- Understand all aspects of Stocking process.
- Understand the types of stock costs and calculate EOQ.
- Classify stock items using ABC Analysis.
- Understand Just-in-Time philosophy and its application in material management.

WHO SHOULD ATTEND

This course is designed for professional and management personnel who have responsibility for, materials, spare parts and supplies needed to support any refinery, gas plant, onshore/offshore production or other industry operations.

COURSE DURATION

5 Working Days

COURSE OUTLINES

1. Management Review

- Management Definition
- Management Activities
- Management Model

2. Material Management

- Material Management Definition
- Material Management Functions

3. Warehouse Requirement Planning

- Warehouse Location
- Warehouse Space and Layout

4. Warehouse Management

- The purpose of Warehousing
- Responsibility of warehouse management
- Warehouse Management System
- Warehousing and purchasing
- Relationship of Warehousing with other Departments

5. Stock Concept

- Stock Definition
- Purpose of Stock
- Supply-stock-demand
- Stock Build-up
- Reason for holding Stock
- Stock Categories
- Stock Flow and Logistics

6. Stock Planning

- Types of stock costs
- Economic order quantity (EOQ)
- Reorder level
- Sensitivity analysis
- Uncertain demand and safety stock
- Periodic review system
- ABC analysis

7. Inventory Management, Just-In-Time (JIT)

- JIT purchasing
- JIT purchasing and EOQ model parameters
- Relevant costs of JIT purchasing
- Supplier evaluation
- Supply-chain analysis
- Materials requirement planning (MRP)
- JIT production systems
- Major features of a JIT system
- Benefits of JIT systems
- Performance measures and control in JIT production

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