

Impact of inventory control: Alphatech engineers a review

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ABSTRACT

Inventory control and inventory management is the one of the vital and head cracking job in all types of industries and organisations. In these fast moving sectors, getting things faster and proper is a challenging one. In industries like small scale where there is poor inventory management, faces a lot of issues like over investment, delay in production, poor store keeping, due to improper material handling loss in materials, unaware of ware of inventory stock, etc. In today's modern world everything is computerised and mechanised. This paper represents the impact of our project - 'Inventory control & Analysis' done in Alphatech Engineers.

Keywords – control, challenging, impact, industries, inventory management, issues, production, project

I. INTRODUCTION

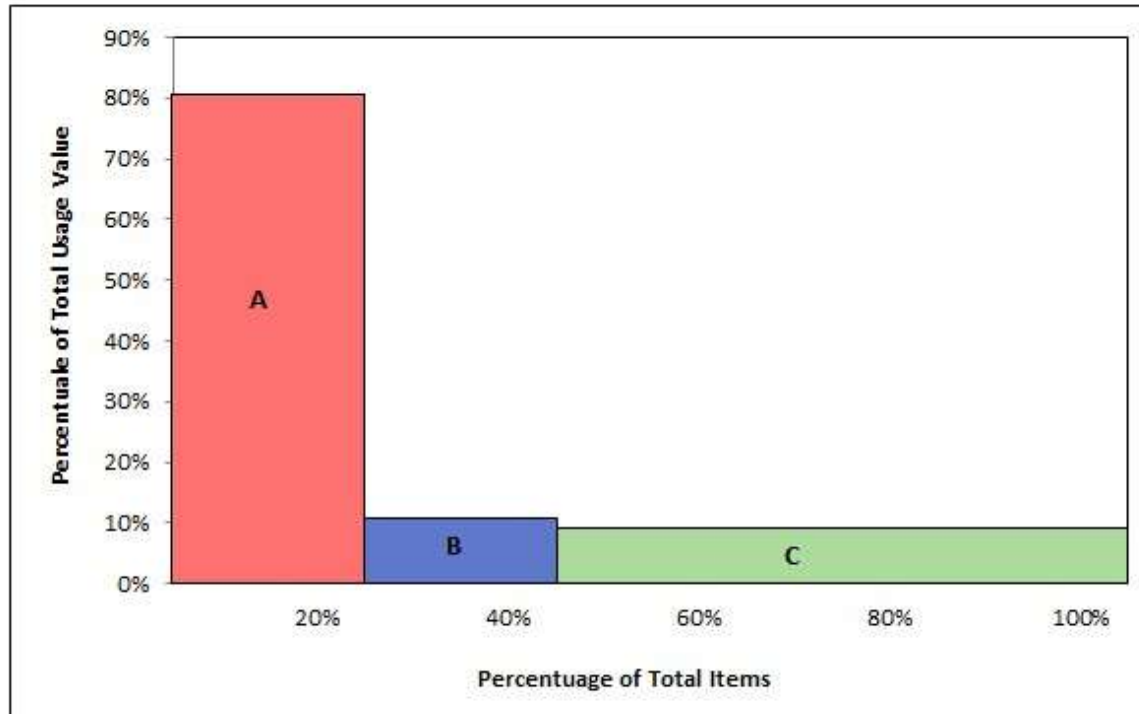
“Inventory is a detailed list of consumable items which are required for manufacturing products and maintaining the equipment and machines in good working order” inventory consist of raw material, work in progress, finished products, consumables, spare parts/components. Inventory control is a major element of an efficient operation for any business that buys and resells goods. Typical goals of inventory management include maintaining low inventory holding costs while also meeting all customer demand for goods. Many companies rely on computer software programs for inventory management.

Specific elements of inventory control vary based on business and operation. However, some common components apply. If you resell goods, you often need a place to store goods. Warehouses usually store them in distribution centres. Retailers may store them in distribution centres or on site in retail stock rooms. In some cases, a reseller may opt to have goods shipped directly from manufacturers or distributors after sale. Shipping and transportation is also a key element of inventory control for a reseller. In this topic we decided to do a project which could be useful in future. So we approached an industry and got permission. When we got into work we observed lots of difficulties and improper inventories and due to it there was delay in production. We made a tremendous change there and improved production quality and working process.

II. PROJECT REVIEW

In this competitive world it is important to move ahead in every segment for each industry. Inventory is one of the simplest thing we can do to grow our business. So as a project we choose small scale industry & decided improve the material management of the factory – Alphatech Engineers. At initial stage all the materials were messed up. There was no stock data available in store about the inventory. Required materials were not being available at time. So there was delay in production due to unsorted inventory.

When we first get on the work we started with sorting out the same type of items in one place & listed it in notebook by item specification, size, quantity, grade. Then we collected the purchase order & General Registered Number (GRN) of the material and created material receiving report on excel sheet properly. Then we distinguished items according to the types Metal & raw material pipe fitting, electrical, pneumatic, buffing,



welding, grinding, etc.

Then we created boxes and labelled it according to type and quantity of each item. We did this projects using ABC analysis technique. The fastest moving products in your inventory should be located closest to the shipping, staging, and receiving area in the lower-right of the diagram below. As the demand for each product decreases over time, products should be migrated backwards to free up space for items with higher inventory turnover or for new product introductions that have high demand. Since the majority of your picking activity is performed in a rather small area, your warehouse layout should be optimized to reduce time spent looking for product in the back of the warehouse.

The items included in group A involve largest investments and the inventory control should be most severe to these items. C group consists of inventory items which involve relatively small investments although the number of items remains large. These items deserve minimum attention of control. In B group that items are included which are neither of A nor C.

III. IMPACT OF THE PROJECT

The paper represents sorting and ABC analysis of all materials and stock goods are categorised and kept in an easy to access position. Production has been stabilized and have been improved. Timely record of purchase and selling entries helped the company to keep a well maintained accounts and also helped them to prepare audit reports easily. Proper arrangement of tools and raw materials improved the working environment. It helped the

company to maintain necessary records for protecting against thefts, wastes leakages of inventories and to decide timely replenishment of stocks. It facilitated production scheduling, avoids shortage of materials and duplicate ordering. It enables the firms to take advantage of price record system done by keeping a notebook in store to write down the materials being taken out for the job.

IV. SCOPE OF THE PROJECT

This project study indicates a huge scope for an INVENTORY CONTROL AGENCY which will help the industry by making positive impact on their inventory system.

V. CONCLUSION

Company which doesn't have inventory management system will face problem while checking whether the products known from the brand or grades are available or not. Besides that, in the day to day activity, without inventory management system, sometimes employees need to check whole warehouse especially if the products are out of stock in shops and remember; checking to the warehouse will take longer time and idle hours in production will increase. So it wouldn't be efficient at all.

Benefit of inventory management system for day to day activity are to list the product that are still available in database, update the database by reducing the number of stock product has been sold or adding the number of stock if there were products come from the distributor or producer, and also keep the transaction history in database what happened in retail. Besides that, inventory management system will help employee in warehouse to know whether the product in store are available or not, so it can help to prevent stock minus of product in warehouse. By using inventory management system, it will be easier for an employee to check required product based on quantity, quality and price. So the activity of the employee will be more effective and more efficient and also the manger will come to know the closing balance of the product, according to it he can order and store in warehouse.

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