

Course Title: Spare Parts Inventory Reduction

Description

The Spare Parts Inventory Reduction course teaches you how-to reduce and optimize your spare parts inventory – without increasing operational risk.

The course takes you through the basics of inventory management and then teaches you, step-by-step, how to apply the Inventory Cash Release® (ICR®) Process.

The ICR® Process effects inventory reduction by identifying what works for specific parts rather than applying a 'one size fits all' technique such as a software program. This radically improves the options for identifying viable and lasting solutions.

The course specifically focusses on MRO and spare parts that are held in support of equipment operations and maintenance.



Objective

The Spare Parts Inventory Reduction course teaches the key skills:

- The general principles of inventory management
- How to treat critical spare parts in an optimization program
- How to correctly analyse and segment spare parts using the Pareto Principle
- How to apply the ICR® Process to optimize your spare parts inventory
- How and when to apply alternative inventory optimization techniques
- How to implement a program of spare parts inventory reduction

Process and Resources

- The course is self-paced and 100% online
- There are 5 learning modules
- Each student has 6 months to complete the training
- The course structure enables you to work through the content in 'bite-sized' chunks
- Each module consists of a combination of reading and online video
- Each module includes a multi-choice online quiz to test the students' know-how and learning
- A certificate is awarded with the achievement of a minimum 80% pass mark for each module quiz
- The course includes 3 x 30-minute one-to-one live video sessions:
 - One on-boarding session when you start the course
 - Two further 'tutorial sessions' to answer specific questions and get direction
- In addition, the course includes our online email-based coaching service

Activity	Description and Learning Objectives
On-Boarding Session	This session will provide you with guidance on site navigation, accessing course content, and the best approach for completing this program.
Module 1 Introduction to Spare Parts Inventory Management	<p>The introduction module provides the critical understanding required to put spare parts management into the business context.</p> <p>Learning Objectives:</p> <ul style="list-style-type: none"> • Why maintenance spare parts inventory is different from other types of inventory • How maintenance, spare parts management, and procurement fit into the big picture • The 5 key financial principles for spare parts management.
Module 2 Critical Parts and Stock Level Decision Making	<p>This module reviews techniques for identifying critical spare parts and from that setting justifiable ROP and ROQ levels.</p> <p>Learning Objectives:</p> <ul style="list-style-type: none"> • How to decide whether or not to stock an item in inventory • How to select spare parts for new capital equipment (First-Time-Buy) • How to identify and manage critical spare parts • How to determine both the most appropriate re-order point (ROP) and re-order quantity (ROQ)
Tutorial Session 1	We recommend this point in the program for the first tutorial session. This will help set up your study through the next three modules.
Module 3 Inventory Optimization	<p>This module explores three different techniques for optimizing spare parts inventory and explains why some don't optimize at all.</p> <p>Learning Objectives:</p> <ul style="list-style-type: none"> • Segment spare parts inventory using the Pareto Principle • Apply the Inventory Cash Release Process for reviewing and reducing spare parts inventory holdings • Identify when to use and how to apply a short-cut for inventory reduction
Module 4 Best Practices	<p>What does good spare parts management 'look like'? In this module we identify seven practices that make a genuine difference to spare parts inventory outcomes.</p> <p>Learning Objectives:</p> <ul style="list-style-type: none"> • Explain the process used to identify best practices. • Identify seven practices that are shown to make a genuine difference to spare parts inventory management outcomes.
Module 5 Program Implementation	<p>Achieving your goals with spare parts requires the management of change and program implementation.</p> <p>Learning objectives:</p> <ul style="list-style-type: none"> • Why and how to use pilot programs to manage risk and roll out for spare parts management initiatives • How to implement a program of spare parts inventory reduction • Identifying who to involve in an inventory review program
Tutorial Session 2	We recommend this point in the program for the second tutorial session. This will provide the opportunity to ask clarifying questions before you commence implementation of your inventory reduction project.