



Spare Parts Inventory Management

'Must Know' Training Course

Produced by Phillip Slater, Spare Parts Inventory Management Specialist

Course Description

Companies experience problems with their spare parts inventory because they unwittingly assume that 'the standard' inventory management tools and techniques apply equally to this type of inventory.

They do not.

Spare parts management is far more complex than most inventory management because of a range of factors, including the impact of equipment criticality and the need to hold insurance spares.

Our 'Must Know' training course teaches, as the name suggests, the absolute 'must know' information, tools, techniques required for effective spare parts management.

These are simple, effective, step-by-step strategies and tools to help you make better decisions and generate improvements in spare parts management.

This course provides the fundamental know-how for people who are engaged in spare parts inventory management on a day-to-day basis.

This includes:

- Storeroom & Warehouse Personnel
- Spare Parts Management
- Supply Chain
- Procurement
- Purchasing
- Maintenance
- Planning
- Finance

The lesson descriptions and learning outcomes are listed in the table included below.

Our 'Must Know' training is a 100% online and self-paced.

While some people have completed this training in a matter of weeks, we know that you are busy and so each user has 3 months to complete the course.

Feedback from past training participants

There is no doubt that Phillip is the global spare parts guru.

Phillip's ability to train people is extraordinary.

Phillip is not just a teacher; he is a mentor.

Phillip is a renowned subject matter expert in Spare Parts Inventory Management and has rich experience in a wide range of industries.

Course Process and Content

The training is provided in four lessons that are released sequentially - users cannot progress to the next lesson until they complete the current lesson.

The lessons address the four issues that are fundamental to spare parts inventory management:

- Identifying what to stock**
Our 'planning horizon', 7 questions, and identifying critical inventory approaches make it clear what you should, and should not, hold in your inventory.
- Deciding how many to stock**
Using a simple, clear, and immediately useable approach anyone can determine the right holding level in just a few minutes.
- Identifying and implementing best practice**
Through extensive research we have identified the 7 best practices that make a real difference to your results.
- Minimizing disposal and obsolescence**
With both 'first-time-buy' and 'end-of-life' management we show you how to avoid getting stuck with inventory you don't want or need

Each participant can download a 24-page workbook that:

- Guides the user through the lessons
- Includes places for notes and action planning
- Contains all the course exercises

Successful completion of the course quiz results in recognition of your learning through awarding of the 'Must Know' Training Certificate.

- The quiz includes 24 multi-choice questions.
- A 'pass' result is 20 questions correct.



About the Author



Phillip Slater is a spare parts inventory management specialist and the Founder of SparePartsKnowHow.com.

With more than 38 years' experience Phillip has helped rebuild and reorganise MRO stores and spare parts management systems for asset-intensive organisations in 38 countries.

While he is university qualified in both mechanical and maintenance engineering, Phillip's greatest lessons in spare parts management came from his time working as a maintenance engineer and operations manager.

Phillip is the author of nine books, including *Spare Parts Inventory Management*, *Smart Inventory Solutions*, and *The Optimization Trap*. For more information on Phillip, please visit PhillipSlater.com.

Course Outline

Lesson	Description and Learning Objectives	Activities
<p>Lesson 1 Introduction</p>	<p>The introductory session provides an overview of the spare parts inventory life cycle and identifies what are MRO and spare parts and why they are different to other inventory types.</p> <p>Learning Objectives:</p> <ul style="list-style-type: none"> <input type="checkbox"/> Identify the characteristics that differentiate spare parts inventory from other types of inventories. <input type="checkbox"/> Identify 5 common supply chain techniques that should not be used with spare parts inventory. <input type="checkbox"/> Explain how spare parts management fits into the big picture of operations management. <input type="checkbox"/> Explain the 5 key financial principles for spare parts management. <input type="checkbox"/> Calculate the cost of holding spare parts inventory 	<ul style="list-style-type: none"> <input type="checkbox"/> View introductory video. <input type="checkbox"/> Read allocated texts. <input type="checkbox"/> View explanatory videos. <input type="checkbox"/> Complete action planning exercise.
<p>Lesson 2 Deciding What to Stock</p>	<p>The most important issue at the beginning of the spare parts life cycle is asking whether to stock an item at all.</p> <p>This lesson covers spare parts criticality, deciding whether an item should be stocked, and selecting and stocking spare parts for new capital equipment.</p> <p>Learning Objectives:</p> <ul style="list-style-type: none"> <input type="checkbox"/> Explain the relationship between the Planning Horizon and Lead Time. <input type="checkbox"/> Discuss the 7 questions that need to be asked before deciding to stock an item in inventory. <input type="checkbox"/> Determine the requirements for selecting and stocking spare parts for new capital equipment (first time buy). <input type="checkbox"/> Identify critical spare parts and understand how to differentiate between machine critical and inventory critical spare parts. 	<ul style="list-style-type: none"> <input type="checkbox"/> View introductory video <input type="checkbox"/> Read allocated texts <input type="checkbox"/> View explanatory videos <input type="checkbox"/> Complete scenario exercise <input type="checkbox"/> Complete action planning exercise

Lesson	Description and Learning Objectives	Activities
<p>Lesson 3 Setting Stock Levels</p>	<p>The standard inventory management theory does not • provide realistic answers for determining the ROP and ROQ of spare parts inventory.</p> <p>This lesson explains why and covers a simple technique for determining these critical parameters.</p> <p>Learning Objectives:</p> <ul style="list-style-type: none"> <input type="checkbox"/> Explain the difference between theory and reality with determining spare parts requirements. <input type="checkbox"/> Explain the problems with using traditional calculation methods for determining spare parts re- order points and re-order quantities. <input type="checkbox"/> Apply a simple logical technique for determining appropriate re-order points and re-order quantities. 	<ul style="list-style-type: none"> <input type="checkbox"/> View introductory video. <input type="checkbox"/> Read allocated texts. <input type="checkbox"/> View explanatory videos <input type="checkbox"/> Complete calculation exercise <input type="checkbox"/> Compete action planning exercise.
<p>Lesson 4 Best Practices and Managing Obsolescence</p>	<p>Part 1: What does good spare parts management ‘look like’? This week we identify six practices that make a genuine difference to spare parts inventory outcomes.</p> <p>Part 2: End of life management is an often-neglected part of spare parts inventory management. This week we reveal the big lie of spare parts obsolescence and explain how to better manage the spare parts end-of-life.</p> <p>Learning Objectives:</p> <ul style="list-style-type: none"> <input type="checkbox"/> Explain the process used to identify best practices. <input type="checkbox"/> Identify six practices that are shown to make a genuine difference to spare parts inventory management outcomes. <input type="checkbox"/> Explain the difference between vendor-led and owner-led obsolescence and the implications of each. <input type="checkbox"/> Develop an End-Of-Life (EOL) plan and calculate Last-Time-Buy requirements. <input type="checkbox"/> Recognize the issues involved in managing spare parts disposal. <input type="checkbox"/> Identify 7 different disposal options and the benefits of each. 	<ul style="list-style-type: none"> <input type="checkbox"/> View introductory video. <input type="checkbox"/> Read allocated texts. <input type="checkbox"/> View explanatory videos. <input type="checkbox"/> Compete action planning exercise.