



What is the Foundations Playbook?

The essential knowledge needed to make better spare parts decisions.





Spare parts inventory is not the same as general inventory.

- Demand is different.
- Risk is different.
- The consequences of getting it wrong are different.

The Foundations Playbook gives you a structured starting point.



Five Focus Areas

Introduction to Spare Parts Inventory Management

- How to differentiate spare parts inventory from other types of inventories?
- Which common supply chain techniques should not be used with spare parts inventory?
- How does spare parts management fit into the big picture of operations management?
- What are the key financial principles for spare parts management?
- How do I calculate the cost of holding spare parts inventory?

Criticality and Deciding What to Stock

- How to identify critical spare parts?
- How to differentiate between machine critical and inventory critical spare parts?
- What is the relationship between the Planning Horizon and Lead Time?
- What questions need to be asked before deciding to stock an item in inventory?
- How do we select spare parts for new capital equipment (first time buy)?

Setting Stock Levels

- What are simple and logical techniques for calculating the ROP and ROQ?
- How do we calculate re-order points and re-order quantities?
- What are the problems with using traditional calculation methods for determining spare parts re-order points and re-order quantities?

Managing Obsolescence

- What is the difference between vendor-led and owner-led obsolescence?
- How do we develop an End-Of-Life (EOL) plan and calculate Last-Time-Buy requirements?
- What are the issues involved in managing spare parts disposal?
- What are the different disposal options and the benefits of each?

Spare Parts Management Best Practices

- What are best practices for spare parts inventory management?
- How many do we need to implement to make a difference to our results?
- How have best practices been defined and identified?
- What are squirrel stores and why are they important?



Who is it For?

The Foundations Playbook is for individuals and teams who need to build confidence and clarity to achieve consistent spare parts inventory decision-making.

It is suitable if you:

- Are new to spare parts or MRO inventory management
- Have been given responsibility for spare parts without formal training
- Work with spare parts decisions but are unsure what “good practice” looks like
- Need to understand why standard inventory rules often do not work for spare parts
- Want a structured starting point before moving into more advanced topics
- Need a practical, plain-English explanation of the fundamentals
- Need to build consistent spare parts decision-making across your organization

This playbook is not just for beginners. It is for anyone who needs a stronger base from which to make better spare parts decisions.





Capability Certificate

Successful completion of the Foundations quiz results in recognition of your new skills through awarding of the Foundations Certificate.

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

This provides evidence of your verified capability in the foundations of spare parts inventory management.





Foundations is designed to help you:

- understand the core principles of spare parts management
- why spare parts need to be treated differently, and
- how better decisions can reduce waste, improve availability, and support maintenance performance.

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