

Materials Management X-Ray

Sample Only

A Forensic Examination of Materials Management



This paper is a sample of the Materials Management X-Ray. While the full diagnostic tool contains 52 points of assessment this sample contains just 8. For each issue listed assess your materials management performance against the criteria and mark the one that best describes your situation. Just like an x-ray you will instantly see where you are performing and where things are broken. Examination of the levels above your performance provides insight into your actions for improvement.

No.	Area/Issue	Level 1	Level 2	Level 3	Level 4
1. Policy and Procedures					
Q4	Stocking Policies	No specific stocking policies.	Stock policies developed but not rigorously applied.	Broad stocking policies developed and applied.	Specific category based stock policies guide inventory decisions.
2. Culture, Accountability and Metrics					
Q11	Metrics	Purpose is to fulfill accounting needs. No formal goals.	Purpose is to 'keep score' against budget targets.	Purpose is to achieve process optimization. Goals relate to management effectiveness.	Purpose is to drive continuous improvement. Goals relate to customer needs and benchmarks.
3. Inventory Management & Reviews					
Q18	Inventory Reviews (Process)	No predetermined process.	Inventory reviews focus on single issue initiatives and/or data analysis (e.g. obsolescence reviews or software based optimization).	Inventory reviews focus on inventory management process analysis.	Inventory reviews at SKU level covering both process and data analysis.
4. Materials Processing					
Q32	Returns to Store	No RTS process.	RTS allowed but without quality inspection.	RTS controlled to ensure items meet expected quality.	RTS controlled to ensure items meet expected quality and that ordering is not doubled up.
5. Inventory Types					
Q42	Insurance Spares	No recognition of insurance spares.	Insurance spares identified but no maintenance/care plans in place.	Insurance spares identified maintenance/care plans not rigorously implemented.	Insurance spares identified maintenance/care plans rigorously implemented
6. Stores Management					
Q44	Inventory Labeling	Little or no labeling.	Labels show only stock code.	Labels include description and stock code.	Labels include description, stock code and max-min levels.
7. Outcomes					
Q48	Inventory Levels	Always increasing/over budget.	Steady but over budget.	Steady but on budget.	Reducing and beating budget.
8. Inventory Training					
Q51	Staff Training (Inventory Management)	All training is 'on the job' - no formal training provided.	Formal training only for IT system usage.	Formal basic inventory management training for key personnel.	Advanced training and regular updates to ensure skills are current.

For more information on how you can improve your materials management performance visit our website at www.InitiateAction.com or contact us directly at:

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