

Module 2: Smart Production in Planning and Controlling Company's Operations Integrated Production Planning and Shop-flow Control System Concept

Lesson 2-2: Inventory Management under Real-time Situation



Curriculum Development of Master's Degree Program in

Industrial Engineering for Thailand Sustainable Smart Industry



Supply Chain Inventory Planning (1)

- 3 Types of Flows:
 - Material
 - Information
 - Finance
- Traditional Supply Chain:
 - Model with steady-state utilizing average parameters/conditions.
 - Dynamic characteristics were ignored such as demand fluctuations, lead-time delays, sales forecasting, etc.





Supply Chain Inventory Planning (2)



Forrester Supply Chain:

Simple four-level supply chain (consisting of factory, a warehouse, a distributor and a retailer).

Dynamic Supply Chain:

Interaction between the flows of information, materials, orders, money, manpower, and capital equipment, and states.

Co-funded by the Erasmus+ Programme of the European Union



Reference: Hamed Fazlollahtabar (2018), Supply Chain Management Models, CRC Press. Taylor & Francis Group



Enterprise Resource Planning (ERP)

- Managing Material Inventory: ERP Systems
- Problem of data in ERP systems:
 - Disorganized, disparate and inaccessible data.
 - Human errors.
 - To clean data is costly and time-consuming.

Data in real time are needed!!



Addressing materials inventory and data management challenges, keeping procurement in check and production running smoothly for supply chain efficiency.

> Co-funded by the Erasmus+ Programme of the European Union



Reference: Paul Nobel (2019) http://www.inboundlogistics.com



Industry 4.0 and Internet of Thing (IOT)

- Technical Innovations:
 - Smart Devices: RFID, Cloud Computing, Artificial Intelligence, Advanced Robotics, and 3D Printing.
- Device Communication:
 - RFID, Wi-Fi, Cellular Networks, or other technologies to communicate with each other and cloud to become the Internet of Things.
- Cyber-connected Systems: To maximize efficiency with 4 common characteristics
 - Interoperability
 - Information Transparency
 - Technical Assistance
 - Decentralized Decisions





Agile Supply Chain and the Al Advantage

- When AI was applied in material inventory management:
 - Harmonizes Disparate Inventory Systems Data.
 - Integrate wit ERP and disparate data sources from multiple systems or locations.
 - Controls Policy and Procedure for Proactive Material Management.
 - Presenting true qualities across the enterprise and not in local silos – to prevent over-purchasing.
 - Predicts Inventory Needs for Continuous Improvement.
 - Optimizing inventory allocation and procurement needs.





Real-time Supply Chain Planning and Control -- RFID

 RFID – Access real-time information by automatic real-time and continuous data acquisition.



Reference: Real-time Supply Chain Planning and Control

A Case Study from the Norwegian Food Industry

Heidi C. Dreyer¹, Ragnhild Bjartnes², Torbjørn Netland², Jan Ola Strandhagen¹

¹ Norwegian University of Science and Technology

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Figure 3: Supply Chain real-time control

Reference: Real-time Supply Chain Planning and Control

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Full Inventory Transparency: BOSSARD (1)

- BOSSARD Proven Productivity Solution
 - Not only tracking internal inventory via RFID.
 - Providing end to end solution to connecting with suppliers
 > Full Inventory Transparency
 - Five Keys Advantages:
 - Visibility
 - Inventory Management
 - Supplier Relationships & Customer Service
 - Loss Management
 - Operational Efficiency
 - Able to integrate with existing ERP software





Full Inventory Transparency: BOSSARD (2)

- Three Specific Solutions:
 - Customer-specific Evaluation
 - Intelligent Systems
 - Bid Data Software Transparency

SmartBin



SmartBin Flex



Co-funded by the Erasmus+ Programme of the European Union SmartLabel







Presentation 5 Feb 2020

Case Study of Inventory Management under the Concept of Industry 4.0



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