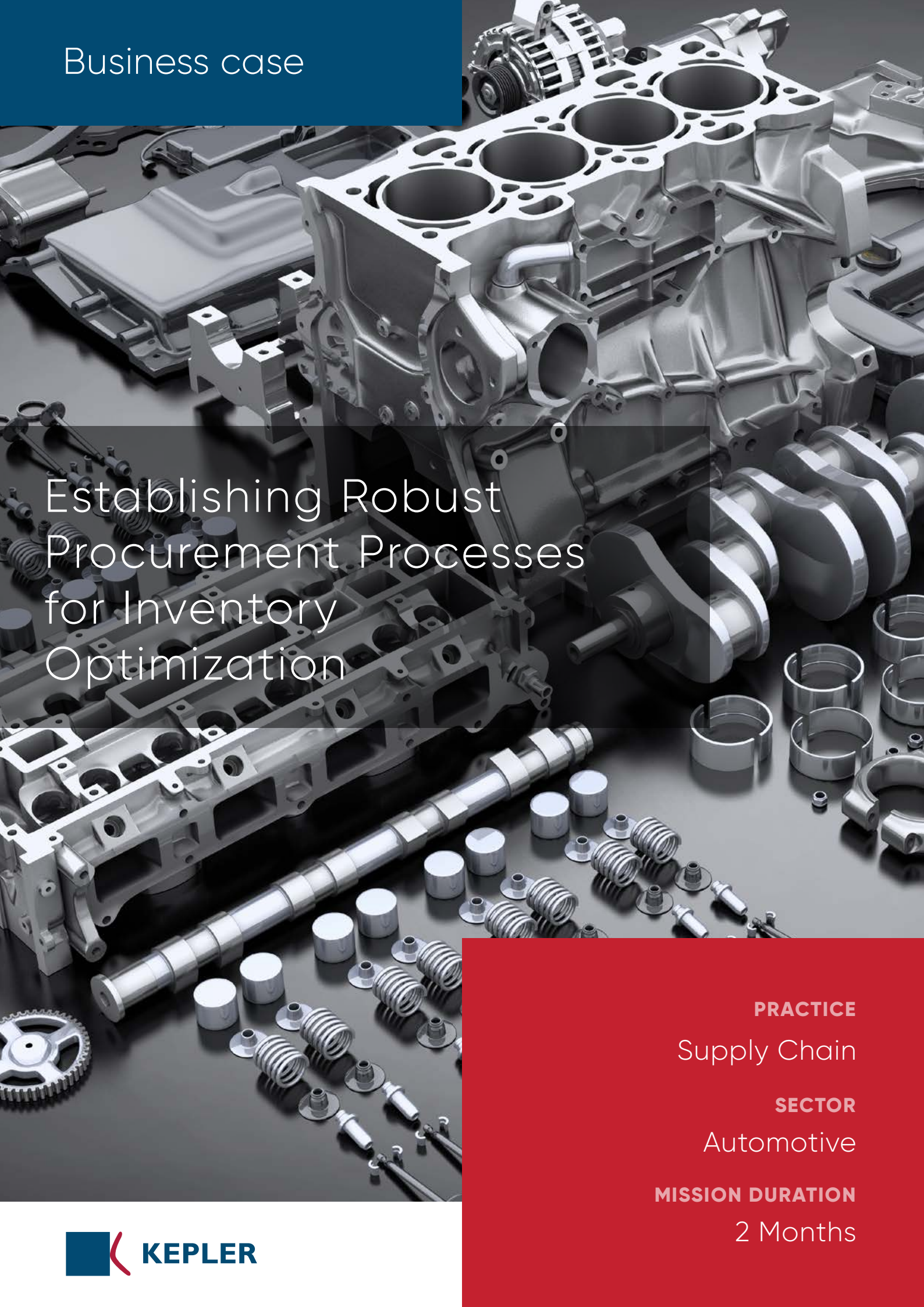




Business case

Establishing Robust Procurement Processes for Inventory Optimization

PRACTICE

Supply Chain

SECTOR

Automotive

MISSION DURATION

2 Months

Our client, an automotive manufacturer, wants to set up robust procurement processes to optimize its inventory.

KEPLER offers to conduct a revision of the stock management rules and animation rituals to optimize inventory performance and strengthen responsiveness to the risk of stock shortages.

Context

- Two factories in France for unlicensed and utility vehicles
- Over 1250 components common to the two sites, with local supplies, generating high stock coverage
- Inventory levels amplified by the Covid context
- Several Asian suppliers with long delivery times and imposing minimum orders
- Saturated teams managing supplies in «firefighter mode»

Objective(s)

Improving Responsiveness and Securing Availability

- Updating supply parameter settings
- Challenging replenishment thresholds
- Setting up robust coordination supported by visual management (boards) allowing group synergies

Our Approach

Automotive
Mission: 2 months

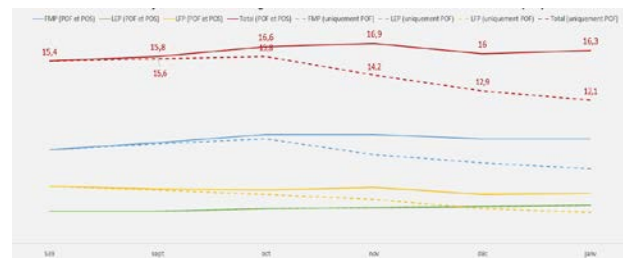
Methodology

- 1 Analysis of Current Procurement Practices**
- 2 Implementation of Automatic Dashboards with Relevant Indicators:** Stock Coverage, Valuation of Addressable Stocks
- 3 Coaching of Procurement Teams** to Standardize their Workflow and Sustain Good Practices
- 4 Review of Supply Parameters** and Correction of Article-Site Sheets
- 5 Formalization of Specifications** for Development of the Information System

Levers and Tools

- **Supply Coaching**
- **Dashboards and KPIs**
- **Simulation of Projected Stocks**

Procurement Dashboard



-10% of **inventory**
valuation



**Standard
procurement**
procedure
formalization



Supply rituals and
management tables
establishment

*Beyond the analysis
carried out on inventory
management rules and the
coaching of supply teams,
visual management allows
to decompartmentalize
local procurement initiatives
and share good practices,
generating group synergies.*

Lysiane Bessonnet

Director, Supply Chain Practice Leader

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