INVENTORY MANAGEMENT

INTRODUCTION :

Inventory Management is a science primarily about specifying the placement of stocked goods. It is required at different location within a facility or within many locations of a supply network to precede the regular and planned course of production and stock of materials.
It is the overseeing and controlling of the ordering storage and use of component that a company will use in the production of the items it will sell as well as the overseeing and controlling of the quantities of finished products for sale. An inventory is one of its major assets and represents an investment that is tied up until the item is sold or used in the production of an item that is sold. It also costs money to store and insure inventory. Inventories that are mismanaged can create significant financial problems for a hospital, the mismanagement results in an inventory guilt or an inventory shortage.

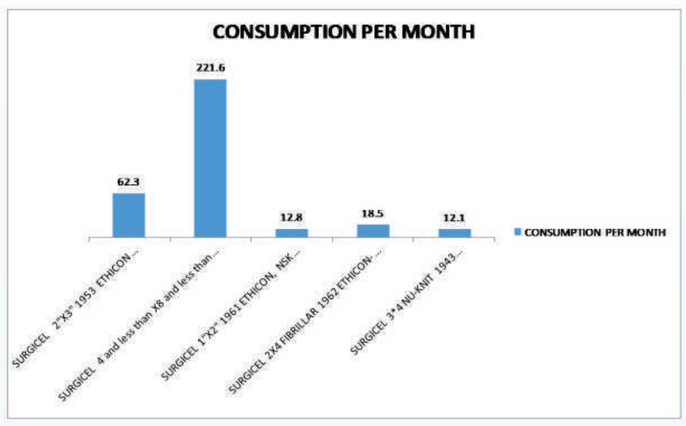
OBJECTIVES :

To find the minimum level of the stock.
To find the maximum level of the stock.
To find the consumption per month.
To find the consumption per day.
To find the re order level of the stock.
To find the re order quantity of the stock.

RESEARCH METHODOLOGY :

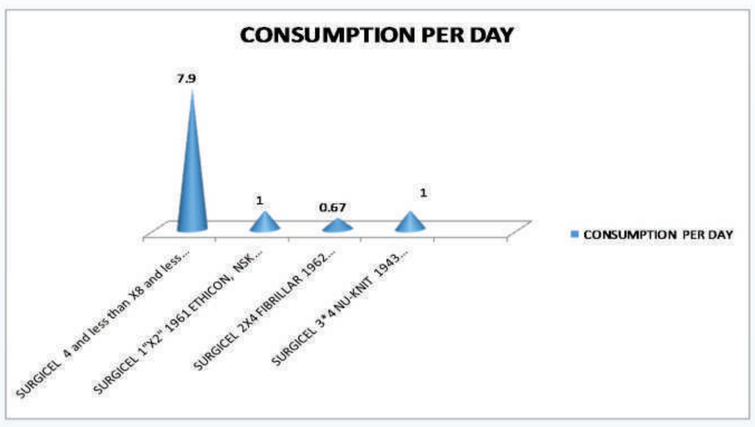
Study Type: Cross Sectional Study
Study Participants: Staff of Apollo Hospital
Study Technique: Observation
Procedure: To arrive the ROL & ROQ
Study Tool: Previously compiled data of 1 year
Analysis: Done with the aid of MS-Excel sheets.

ANALYSIS & FINDINGS :



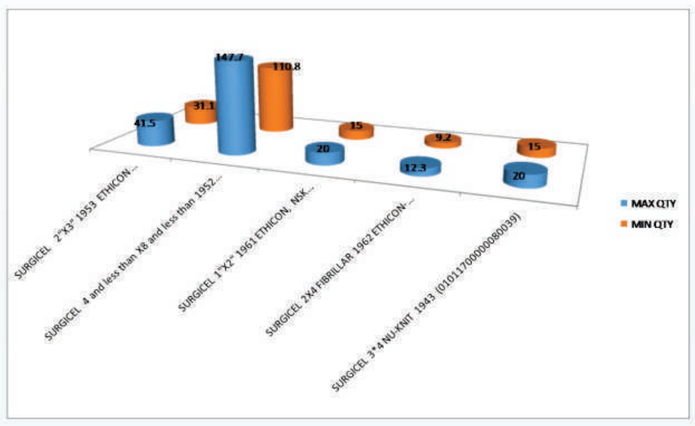
Findings:

A) Consumption per day of surgicel suture size 2" x 3" is 62 units per month.
B) Consumption per day of surgicel suture size 4" x 8" is 221 units per month.
C) Consumption per day of surgicel suture size 1"x 2" is 12 units per month.
D) Consumption per day of surgicel suture size 2" x 4" is 18 units per month.
E) Consumption per day of surgicel suture size 3"x 4" is 12 units per month.



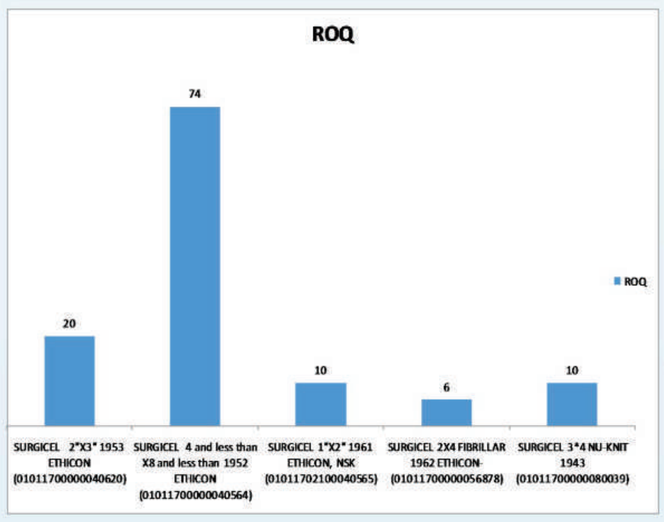
Findings:

A) Consumption per day of surgicel size 4" x 8" is approx 8 units per day.
B) While consumption per day of other surgicel size 1" x 2", 2" x 3" & 2" x 4" is less approx 1 unit per day.



Findings:

A) The calculated maximum quantity of suergicel 2" x 3" is 41 and the minimum is 31.
B) The calculated maximum quantity of suergicel 4" x 8" is 147 and the minimum is 110.
C) The calculated maximum quantity of suergicel 1" x 2" is 20 and the minimum is 15.

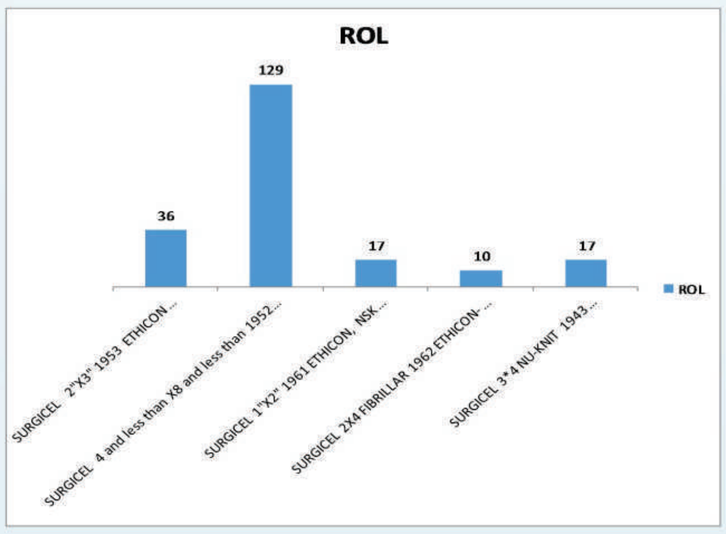


Findings:

A) The calculated Re Order Quantity of suergicel 2" x 3" is 20.
B) The calculated Re Order Quantity of suergicel 4" x 8" is 74.
C) The calculated Re Order Quantity of suergicel 1" x 2" is 10.
D) The calculated Re Order Quantity of suergicel 2" x 4" is 6.
E)The calculated Re Order Quantity of suergicel 3" x 4" is 10.

Findings:

A) The calculated Re Order Level of suergicel 2" x 3" is 36.
B) The calculated Re Order Level of suergicel 4" x 8" is 129.
C) The calculated Re Order Level of suergicel 1" x 2" is 17.
D) The calculated Re Order Level of suergicel 2" x 4" is 10.
E)The calculated Re Order Level of suergicel 3" x 4" is 17.



REFERENCES :

A)Material Management Book - By R. K. Sharma
B)Material Management - By S. D. Aphale
C) www.inventory.com

CONCLUSION :

Inventory is the physical asset of the hospital that create problem of shortage and supply, inventory constantly changing as quantities are sold or replenished.

Hence it can be understood that positive inventory control can take the hospital to new heights otherwise it ruins it. Hospitals are highly in tensed on domestic market and it increase the market level of the hospital because domestic market is changing very fast.

This study provides insights to the management of high value items. Analysis was carried out to identify the fast moving, non-moving and important item the hospital has to periodically review the inventory to avoid production loss.

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