

Step away from the PROBLEM

STOCK AND STOREROOM MANAGEMENT DOESN'T JUST AFFECT YOUR STORES. YOUR SUPPLY CHAIN CAN TANGLE UP YOUR WHOLE BUSINESS. AND PURCHASING CAN COST EVERYONE. KNOCK-ON EFFECTS FROM THESE AREAS ARE FELT RIGHT ACROSS YOUR BUSINESS'S EFFICIENCY, PRODUCTIVITY AND PROFITABILITY. BUT ALL YOU HAVE TO DO IS STEP AWAY FROM THE PROBLEM – WITH THESE FIVE STEPS THAT REPRESENT BEST PRACTICE.

All too often, storerooms contain more than just parts and supplies. Somewhere in the chaotic, mismanaged depths, they're also storing up trouble.

It may be when there's a catastrophic machine failure and a critical part isn't in stock. It may be when an audit discovers money has been wasted re-ordering parts, when there are still several in stock – just wrongly labelled. Or perhaps when the right part is in stock in the right place, but because it hasn't been stored and cared for correctly it's unserviceable.

Or maybe there won't ever be a 'lightbulb' moment (or a 'need a lightbulb and there isn't one in stock' moment). Instead, you'll just wonder why a simple maintenance job takes longer than it should, why your engineers are spending less time engineering and more time sourcing supplies, and why productivity is slowly but surely falling.

That's when it's time to start taking five simple steps to address the problem.

1 What's what, and where is it?

Critical parts need to be clearly identified and stored where your engineers can find them, quickly and easily. Otherwise, a breakdown can become a major downtime disaster.

There could be a number of reasons why your critical parts are not currently easy to find. It could be because no-one has ever bothered to identify which are critical and which are not. Or perhaps when they're delivered, there's no proper process in place to receive them, identify them, label them and store them away in the right place.

Sort out those issues and you've taken the first step towards a better organised, more efficient storeroom – and a more efficient, more productive plant too.

2 A part by any other name

One man's 200mm pneumatic cylinder is another man's 'Machine One Thruster', and another's 'Part No. DNC 100-200'. Which is fine when the first man's pneumatic cylinder is in stock when he needs it. Not so fine if a different engineer needs the same part, but knows it by a different name, thinks it isn't in stock, and orders a new one. And so on, and so on.

You could end up with three times as many parts as you need, each one only accessible by the engineer who ordered it and named it. And if some of the over-stocked parts are left unused because the first engineer doesn't know they are there, they could become unusable through age before anyone discovers them.

The simple step to take is to name parts consistently, and ideally with a name which contains all the important information (such as: 'Cylinder, pneumatic, 100mm bore, 200mm stroke').

3 Supply chain or millstone?

The more suppliers you have, the more resources you tie up in managing an unwieldy and inefficient supply chain.

In fact, if your business is anything like average, 65% of your purchasing resource will be dedicated to controlling just 10% of your purchases – usually your MRO spares.

However, if you take the important step of consolidating your supplies with one vendor, you not only reduce the resources needed to manage the supply chain, but you can also realise numerous other benefits. Such as raising fewer purchase orders (at an estimated cost of £50 each), paying fewer invoices, and incurring lower or no carriage costs.

And the more experienced and efficient the supplier – with knowledge beyond the storeroom – the more opportunity you have to realise even greater efficiencies in your wider organisation. Especially if you locate the supplier's representative on-site, for instant access and support that's always available.

4 One step, less walking

Some engineers may look like humans, but they're actually squirrels – storing parts in their own secret stash, so they don't have to deal with lengthy walk-and-wait times or poor service from a mismanaged storeroom.

It's an unorthodox solution but in many ways it's the right one. So what you need to do is take the step of legitimising it and controlling it, by providing an authorised 'secret stash' in the form of a lineside vending solution.

You know what stock is where, who accesses it and when. Downtime is minimised. And your engineers become human again. Though they may be even more bright-eyed and bushy tailed.

5 Talk your way out of trouble

The final step away from the problem is to talk. Talk to the people who deal with stock and storeroom management all day every day, and who also know something about your business – because they deal with that every day too. In other words: your suppliers.

Talk to them about all the other steps above, and you may find they are the ones who can help you to achieve them all successfully.

But make sure you talk to a supplier who has knowledge beyond the storeroom. Who has application, engineering and technical know-how. Who has MRO expertise, and a process re-engineering capability. And who can deliver benefits you'll see quantified with signed-off cost savings.

In fact, talking to ERIKS could be a step in the right direction. knowhow.eriks.co.uk/onsite



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