

Unit of Competency**Functional Area: Warehousing and Logistics**

Title	Review inventory plans
Code	105240L4
Range	This unit of competency is applicable to practitioners in the import and export industry. It involves the application to inventory control skills to review inventory plan.
Level	4
Credit	4 (for reference only)
Competency	<p>Performance Requirement</p> <ol style="list-style-type: none"> 1. Employ a range of skill inventory control <ul style="list-style-type: none"> • Describe the types of inventory (e.g., cycle stock, in-transit inventory, safety stock, speculative stock, seasonal stock, and dead stock) • Examine objectives of inventory management. e.g., increase profitability, minimise the total cost of logistics activities • Use a range of inventory management skills to review inventory plan 2. Review inventory plans <ul style="list-style-type: none"> • Evaluate relationship between inventory control systems and the business operations • Regularly review existing inventory control tools • Review stock control systems (e.g., minimum/maximum order quantities, economic order quantity, safety stock level) 3. Improve inventory plans <ul style="list-style-type: none"> • Establish performance standards (e.g., turnover rate, percentage of back orders, and change of inventory carrying costs) and review the standards on a regular basis • Evaluate the performance of inventory control • Identify ways to improve inventory plans • Record the review process
Assessment Criteria	<p>The integrated outcome requirements of this unit of competency are:</p> <ul style="list-style-type: none"> • Capable of reviewing inventory plans • Capable of evaluating possible alternatives and improving inventory plans continuously
Remark	