



LPM 303

UNDERSTANDING BASIC Forecasting Techniques

Course Introduction:

Inventory Management Techniques is the essential skill for managing inventory in the supply chain. Participants are shown how to evaluate procedures and make needed changes to methods to improve customer service whilst achieving reductions in inventory; eliminate wasteful costs; avoid internal problems that limit performance and obtain added value for money. Therefore, a successful Inventory Manager is able to predict changes before they occur in order to be able to adjust the control parameters within the system.

Course Objectives:

At the end of the course participants will be able to:

- Make your demand forecasts more accurate and more useful
- Understand different forecasting methods, including the basic techniques as well as some of the more complex models
- Produce demand forecasts more efficiently
- Use your knowledge of potential future demand to keep your level of inventory right, improving stock availability, creating cost efficiencies and reducing obsolescence
- Establish your overall inventory management policy and management framework
- Address any day-to-day problems that can occur.

Who Should Attend?

- Those new to managing inventory
- Those non-inventory people who need to gain an awareness of the issues and key drivers of stock control operations
- Inventory, stock supply chain, logistics, warehouse and distribution supervisors/managers
- Owners, operators and directors of companies who hold stock and inventory

Course Outline:

Introducing Basic Forecasting Techniques

- Basic principles of short-term forecasting
- Methods of short-term forecasting
- Simple averages
- Weighted averages

- Moving averages – simple and with trend
- Exponential smoothing – simple and with trend
- Seasonal forecasting

Simple and Weighted Averages Formula

- Simple Average
- Ease of calculation
- Selecting database samples
- Ignores trends
- Including individual / customized demands

Weighted Average

- Ease of calculation
- Caters for trends
- Increased emphasis on recent data
- Selecting database samples
- Trend time lag

Simple Moving Averages

- Smoothes random fluctuations
- Identifies trends
- Does not provide trend forecasts
- Selecting time periods to calculate moving averages

With Trend' Moving Averages

- Additional calculations to establish trend corrected moving averages
- Previous trend forecast for one or more periods ahead
- Significant variations probabilities

Exponential Smoothing and Seasonal Forecasting

- Exponential Smoothing
- Retention of historical data
- The significance of recent data
- Limited data storage requirement
- Ease of calculation
- Seasonal Forecasting
- To calculate environmental or event factors
- Features of seasonal forecasting: base series and actual demand ratio

- Smoothed estimate of trend
- Trend corrected demand ratio

Course Certificate:

International Center for Training & Development (ICTD) will award an internationally recognized certificate(s) for each delegate on completion of training.

Course Methodology:

A variety of methodologies will be used during the course that includes:

- (30%) Based on Case Studies
- (30%) Techniques
- (30%) Role Play
- (10%) Concepts
- Pre-test and Post-test
- Variety of Learning Methods
- Lectures
- Case Studies and Self Questionnaires
- Group Work
- Discussion
- Presentation

Course Fees:

المركز العالمي للتدريب والتطوير
International Centre For Training & Development

To be advised as per the course location. This rate includes participant's manual, and-Outs, buffet lunch, coffee/tea on arrival, morning & afternoon of each day.

Course Timings:

Daily Course Timings:

08:00 - 08:20	Morning Coffee / Tea
08:20 - 10:00	First Session
10:00 - 10:20	Coffee / Tea / Snacks
10:20 - 12:20	Second Session
12:20 - 13:30	Lunch Break & Prayer Break
13:30 - 15:00	Last Session