

INVENTORY MANAGEMENT PRACTICES DURING COVID 19 PANDEMIC TO MAINTAIN LIQUIDITY INCREASING CUSTOMER SERVICE LEVEL IN AN INDUSTRIAL PRODUCTS COMPANY IN MEXICO

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This work presents the development and improvement obtained by implementing inventory managing practices during the COVID 19 pandemic in a mexican company. To overcome the effects on its economy due to constrained market and maintain liquidity to preserve employment, we increased its customer service level to ensure the availability of finished products and improve delivery time in its distribution center from receipt of the customer's order, order picking, shipment preparation, to invoicing and final delivery to the customer. The areas involved are commercial, demand and materials planning, purchasing, manufacturing, logistics, and operations of the distribution center. The deployment process considered ABC, analysis of the historical demand, product inventory coverage days, analysis of lead time components of the distribution center, to implement a minimum and maximum inventory control policy for products A and manufacture products classified as B and C on a make-to-order basis. An audit was performed of its distribution center, to identify opportunities for improvement in their processes to reduce the delivery time to customer. The company was not in compliance with the service level with 89% performance due to the low availability of the finished product inventory, affecting the customer's delivery time in the distribution center with a time of 5 hours versus the goal of 90 minutes per event. The improvement achieved an increase in the service level up to 5% starting the fourth quarter of 2019, the savings in inventory optimization at an annual base represented USD 530,785.00, and the company has implemented this good practice nationwide in other manufacturing plants and distribution centers as part of the strategic corporate policy deployment.