Developing Inventory Performance Metrics and KPIs Training Course



02 - 06 Nov 2026

Munich

5100 € (Per Person)

Ref: #IM8499_160162

Course Introduction / Overview:

Effective inventory management is the cornerstone of a resilient and profitable supply chain, directly impacting cash flow, customer satisfaction, and operational efficiency. This course provides a comprehensive framework for moving beyond basic stock-taking to a strategic, data-driven approach to inventory control. It delves into the critical art and science of developing, implementing, and analyzing robust performance metrics and Key Performance Indicators (KPIs). As discussed by experts like Edward Frazelle in his seminal work "Supply Chain Strategy", the ability to measure what matters is what separates leading organizations from the rest. This program, offered by BIG BEN Training Center, is meticulously designed to equip professionals with the skills to not only calculate essential metrics like inventory turnover and carrying costs but also to design custom KPIs that align directly with their organization's strategic goals. Participants will learn to translate raw data into actionable insights, create compelling performance dashboards, and foster a culture of continuous improvement, ensuring their inventory serves as a strategic asset rather than a liability. This training empowers you to optimize stock levels, reduce costs, and enhance service levels through the power of precise measurement.

Target Audience / This training course is suitable for:

- Inventory Managers and Planners.
- Supply Chain Analysts and Professionals.
- Warehouse and Operations Supervisors.
- Procurement and Purchasing Specialists.
- Logistics and Distribution Coordinators.
- Financial Analysts and Controllers.
- Operations Managers.
- Demand Planners.

Target Sectors and Industries:

- Manufacturing and Production.
- Retail and Consumer Goods.
- E-commerce and Direct-to-Consumer Businesses.
- Pharmaceuticals and Healthcare.
- Third-Party Logistics (3PL) and Distribution.
- Automotive and Aerospace.
- Government and Public Sector Operations.
- Food and Beverage.

Target Organizations Departments:

- Supply Chain Management.
- Inventory Control and Management.
- Warehouse and Distribution Operations.
- Procurement and Sourcing.
- Finance and Accounting.
- Operations Management.
- Logistics and Transportation.
- Planning and Forecasting.

Course Offerings:

By the end of this course, the participants will have able to:

- Distinguish between performance metrics and Key Performance Indicators (KPIs).
- Calculate and interpret fundamental inventory metrics such as turnover, DSI, and GMROI.
- Develop SMART KPIs that align with specific business and supply chain objectives.
- Implement inventory segmentation techniques like ABC analysis to prioritize efforts.
- Establish a robust cycle counting program to improve inventory accuracy.
- Design and build effective inventory performance dashboards for management reporting.
- Analyze KPI trends to identify root causes of inventory-related problems.
- Optimize safety stock levels to balance service levels against holding costs.
- Communicate inventory performance insights effectively to key stakeholders.
- Create an action plan for continuous improvement of inventory management processes.

Course Methodology:

This training course from BIG BEN Training Center employs a dynamic and interactive learning methodology focused on practical application and skill mastery. We believe that adult learning is most effective when it is experiential and directly relevant to the participant's professional challenges. The program is structured around a blend of expert-led presentations, real-world case study analyses, and interactive group discussions that encourage peer-to-peer learning and knowledge sharing. A significant portion of the training is dedicated to hands-on workshops and practical exercises where participants will work with sample data to calculate metrics, design KPIs, and sketch out performance dashboards. These activities are designed to bridge the gap between theory and practice, ensuring that concepts are not just understood but can be confidently applied in the workplace. Facilitated problem-solving sessions will challenge participants to tackle common inventory dilemmas, fostering critical thinking and strategic decision-making skills. Continuous feedback from the instructor and a collaborative environment ensures a supportive and engaging learning journey from start to finish.

Course Agenda (Course Units):

Unit One: Foundations of Inventory Performance Management

- The Strategic Role of Inventory in the Supply Chain.
- Understanding the Different Types of Inventories.
- Key Costs Associated with Holding Inventory.
- The Difference Between Metrics, KPIs, and Key Results.
- Linking Inventory Objectives to Overall Business Strategy.
- The Financial Impact of Poor Inventory Management.
- Introduction to the SCOR Model for Performance Measurement.

Unit Two: Core Inventory and Warehouse Metrics

- Calculating and Interpreting Inventory Turnover Ratio.
- Understanding Days Sales of Inventory (DSI).
- Measuring Gross Margin Return on Inventory (GMROI).
- Analyzing Carrying Cost of Inventory Components.
- Tracking Inventory Accuracy and Discrepancy Rates.
- Evaluating Stock-Out Rates and Backorder Levels.
- Measuring the Perfect Order Rate and its Components.

Unit Three: Developing and Implementing Strategic KPIs

- The Process of Selecting the Right KPIs for Your Business.
- Defining SMART (Specific, Measurable, Achievable, Relevant, Time-bound) KPIs.
- Establishing Baselines and Setting Realistic Performance Targets.
- Cascading KPIs from Strategic to Operational Levels.
- Gaining Stakeholder Buy-in for New KPIs.
- Designing a KPI Implementation and Rollout Plan.
- Avoiding Common Pitfalls in KPI Development.

Unit Four: Advanced Inventory Analysis and Control

- Applying ABC Analysis for Inventory Segmentation and Prioritization.
- Implementing an Effective Cycle Counting Program.
- Methods for Calculating and Optimizing Safety Stock.
- Introduction to the Economic Order Quantity (EOQ) Model.
- Analyzing Slow-Moving and Obsolete Stock (SLOB).
- Evaluating Supplier Performance Metrics related to Inventory.
- Techniques for Improving Demand Forecasting Accuracy.

Unit Five: Reporting, Dashboards, and Continuous Improvement

- Principles of Effective Data Visualization for Inventory Metrics.
- Designing and Building an Inventory Performance Dashboard.
- Techniques for Presenting Performance Data to Management.
- Conducting Root Cause Analysis for KPI Deviations.
- Using KPIs to Drive Continuous Improvement Initiatives.
- The Role of Technology in Automating KPI Tracking and Reporting.
- Developing a Personal Action Plan for Post-Course Implementation.

FAQ:

Qualifications required for registering to this course?

There are no requirements.

How long is each daily session, and what is the total number of training hours for the course?

This training course spans five days, with daily sessions ranging between 4 to 5 hours, including breaks and interactive activities, bringing the total duration to 20 - 25 training hours.

Something to think about:

How might the increasing focus on supply chain sustainability and the circular economy necessitate a completely new set of inventory KPIs beyond traditional financial and operational metrics?

What unique qualities does this course offer compared to other courses?

This course distinguishes itself by moving beyond the theoretical definition of inventory metrics to focus intensely on the practical development and strategic implementation of KPIs. While many programs simply list common metrics, this training provides a structured methodology for selecting, designing, and aligning KPIs with unique organizational goals, ensuring that measurement drives meaningful business outcomes. The curriculum emphasizes the critical link between operational inventory control and high-level financial strategy, empowering participants to communicate the impact of their work in the language of executive leadership. Furthermore, the course dedicates significant time to the art of data visualization and dashboard design, a crucial skill for translating complex data into clear, actionable insights for stakeholders. Rather than just presenting formulas, our approach, facilitated by seasoned experts, uses interactive workshops and real-world case studies to build confidence and competence. Participants leave not just with knowledge, but with a clear action plan and the ability to build a robust performance measurement framework from the ground up, fostering a culture of data-driven decision-making within their teams.