

# Just-in-Time Inventory Management

Everything you Need to Know About it

## What is JIT Inventory Management?

- ▶ A strategy used by businesses to optimize their inventory levels & minimize carrying costs.
- ▶ **Objective:** To maintain appropriate inventory level, time, and location to meet customer demand.
- ▶ This strategy emphasizes minimizing waste & enhancing efficiency through streamlined supply chain processes.



## Invention of JIT Inventory Management

Originating in Japan, JIT gained prominence in the

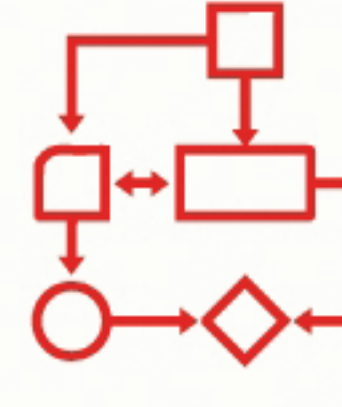
**1970s**  
**1980s**

JIT is linked with the Toyota Production System, although its principles were collectively developed by various Japanese companies and individuals.

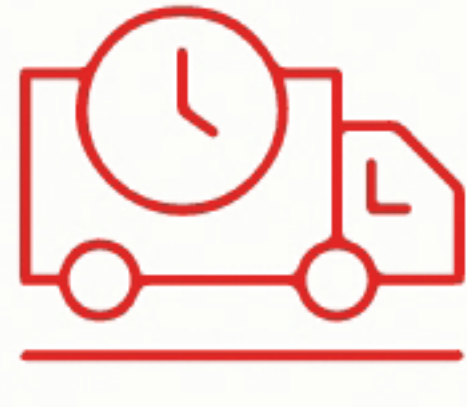
## Key Principles Of JIT Inventory Management



Operates on a demand-driven system to mitigate overstocking or understocking risks.



Embraces lean production to eradicate waste and enhance production efficiency.

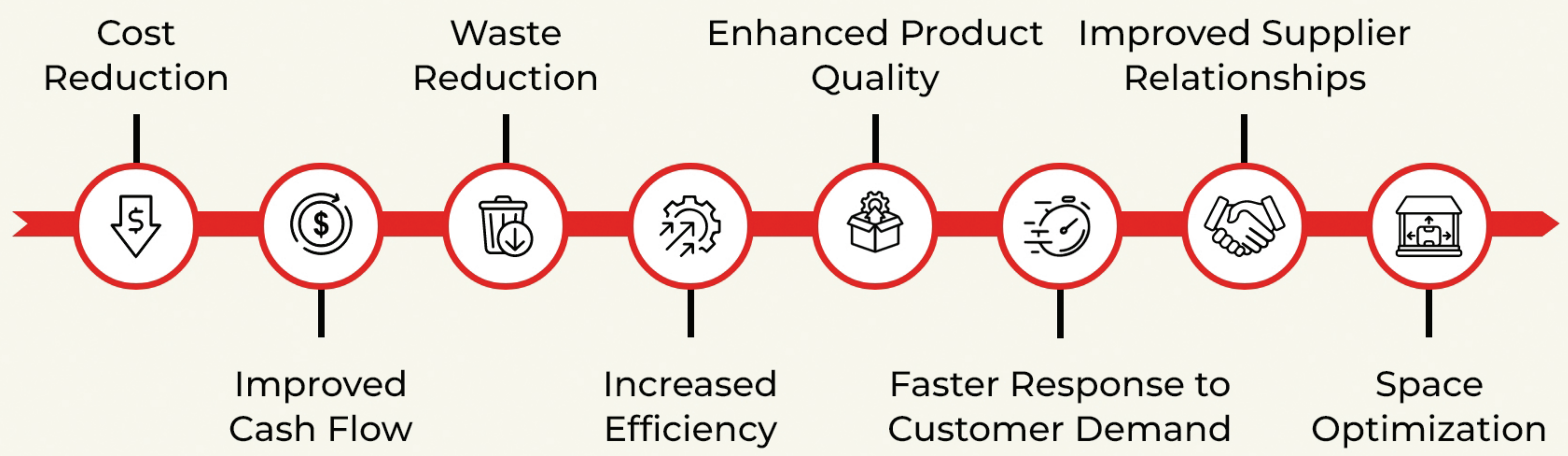


Relies on dependable suppliers for timely delivery of materials and components.



Engages in a continuous improvement process, identifying and eliminating inefficiencies.

## Advantages Of JIT Inventory Management



## How To Continue Using JIT Inventory Post Pandemic?

### Diversify Suppliers

Diversify your supplier base to include options from different regions or countries to mitigate supply chain disruptions.

### Risk Assessment

Regularly assess the risks associated with your supply chain and inventory practices. Develop contingency plans for various scenarios, such as supplier disruptions, natural disasters, or economic crisis.

### Demand Forecasting

Accurate demand forecasting can help you adjust inventory levels more efficiently and reduce the risk of stockouts or overstock situations.

### Safety Stock

JIT aims to minimize excess inventory. Having some safety stock can help bridge supply gaps during unforeseen disruptions or sudden surges in demand.

### Leverage Technology

Embrace technology such as Internet of Things sensors, data analytics, and automation to monitor inventory levels in real-time and make rapid adjustments as needed.

## Industries That Use JIT Inventory Management



Apparel



Aerospace



Automotive



Construction



Fast Food



Florists



Healthcare



Manufacturers



On-demand Publishing



Publishing



Retail

## Forget Fulfillment & Logistics Woes with Archway

As a leading 3PL provider specializing in expedited delivery, Archway can greatly assist companies in their just-in-time inventory management. Partnering with us ensures a strong network, streamlined logistics operations, and prompt, efficient delivery, contributing to overall customer satisfaction.

LET'S CONNECT AND GROW YOUR BUSINESS