Oracle Cloud Inventory Management

Inventory is essential to the success of your company and its ability to grow revenue and maintain customer satisfaction. Oracle Fusion Cloud Inventory Management is a complete materials management and costing solution that enables you to gain full visibility and control of the flow of goods across your organization and global supply networks. It helps you increase customer satisfaction, decrease costs, and optimize inventory and working capital investment.

Complete Materials Management and Costing Solution

Inventory is critical to your company's manufacturing, logistics operations, and customer service levels. Oracle Inventory Management is a comprehensive solution designed to automate, streamline, and control inventory flows both inside the company and across complex global supply networks. It incorporates detailed costing and financial reporting capabilities that simplify and automate cost allocations for precise inventory valuation by applying inventory accounting methods that support global financial reporting standards. Oracle Inventory Management enables companies to orchestrate transactions combining end-to-end physical, financial, and transactional flows across the Oracle Fusion Cloud Supply Chain Management and Manufacturing (SCM) product family in the Ideate-to-Commercialize, Plan-to-Produce, Source-to-Settle, Order-to-Cash, and Maintain-to-Optimize integrated business processes.

Comprehensive Visibility and Control

Companies need to effectively manage their inventory from receipt through the point of utilization or order fulfillment in stock rooms, warehouses, and manufacturing plants. Oracle Inventory Management provides full insight into complex materials management operations through intuitive dashboards that provide a complete view of inventory status, stock levels, and the multiple transactions across locations. The infolets in the dashboard allow users to drill into the details behind them, view activities requiring attention, and take action within and across your facilities to resolve them.

Key Business Benefits

- Increase global inventory visibility

- Reduce costs, inventory levels, and cycle times

- Reduce cost of on-time fulfillment using partner capabilities

- Gain better insight into product costs and margins

- Manage with greater flexibility the trade between internal parties

- Optimize the flow of goods with configurable supply orchestration

- Improve warehouse efficiency and control cost with consistent fulfillment processes

Related Products

- The following products support Oracle Inventory Management:

- Oracle Cloud Inventory – Cost Management

- Oracle Cloud Demand Management

- Oracle Cloud Manufacturing

- Oracle Cloud Maintenance

- Oracle Cloud Warehouse Management

- Oracle Cloud Order Management

- Oracle Cloud Procurement

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With Oracle Inventory Management, you can:

- Access balances, monitor, and manage different material statuses, track lots and serial numbers, and manage proper stocking and handling of different types of materials.

- Initiate stock issues, receipts, counts, and transfers of material within and across facilities.

- Simplify classification of materials and identify problem products or handling in your facilities using flexible approvals and controls.

- Avoid costly delays with the robust min-max planning capabilities to replenish from your suppliers, manufacturing plants, other internal organizations, or from bulk stocking locations.

- Reduce your overall inventory cost by consigning inventory from your suppliers and only pay for what you use.

Oracle Inventory Management also provides visibility into different classes of inventory across locations such as project, task, country of origin, and ownership of consigned inventory from suppliers.

Consigned inventory from multiple suppliers can benefit your company by reducing inventory investment. However, it adds the additional complexity of managing stock levels, consumption, and supplier payments. Oracle Inventory Management simplifies this by providing complete visibility into consigned materials, internally or via a portal for your suppliers, and notifying your suppliers as you consume goods. With the addition of Oracle Supply Chain Collaboration, it also supports vendor managed inventory which allows your suppliers to self-monitor and maintain specific stocking levels of important materials in your facilities.

Inventory Replenishment

Stockouts can be costly to your business, leading to lost revenue and customer loyalty. Inventory replenishment ensures companies maintain enough stock on hand to fulfill expected customer orders and meet production schedules. Oracle Inventory Management provides robust Min/Max planning capabilities to replenish stock from your suppliers, manufacturing plants, or internal stocking locations such as warehouses and distribution centers. It also allows you to define replenishment policies that set the minimum and maximum inventory levels for each stocking and item location to meet required service levels.

Oracle Inventory Management also works in conjunction with Oracle Cloud Demand Management (a separately licensed solution) to enhance your replenishment planning processes with dynamic segmentation, inventory policy planning, and automated purchase order generation. Demand Management's replenishment planning capabilities determine optimal inventory levels for each item-location to meet target customer service levels. It also determines time-phased replenishment quantities for each item-location to meet expected demand. The

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process may be automated to minimize planner workloads, using inventory policies to determine replenishment requirements, and generating purchase or transfer orders when inventory levels fall below the minimum threshold value. Combined, Inventory and Demand Management ensure optimal stocking levels while minimizing your inventory investment.

Manage Perfect Order Fulfillment

Whether processing customer orders or internal transfers from within your organization, Oracle Inventory Management's capabilities skillfully manage fulfillment operations. It orchestrates order fulfillment through the ability to reserve on-hand or on-order supply, and pick goods using configurable rules designed to efficiently manage the flow of materials through warehouses to the staging areas and shipping dock. Inventory Management leverages Supply Chain Orchestration capabilities to manage complex fulfillment scenarios such as drop shipping directly from suppliers to your customer, or back-to-back fulfillment which links inbound shipments to customer orders while ensuring the designated items cannot be used fulfill other orders. Back-to-back fulfillment is especially critical when shipments need to adhere to specific schedules and meet high customer satisfaction requirements.

Executing the perfect order often requires companies to transfer inventory between internal distribution centers to satisfy shifting customer demand. Similarly, it might involve combining stock from several locations to fill an order comprised of multiple items. Internal material requests move inventory across your distribution network based on specific needs such as customer demand, advanced supply planning, replenishment needs, back-to-back supply requests or requests from internal users. Internal Material Transfers (IMTs) leverage execution rules to determine the best way to execute transfers between company locations. Oracle Inventory Management determines whether the requested transfer is an Inventory Transfer Order to facilitate supply transfers between stocking locations or a Purchase Order to acquire supply from internal profit centers. Inventory Management uses the same flexible, fulfillment processes used to fulfill customer orders to manage internal material transfers with precision and speed.

Executing the perfect order also depends on rapid delivery. Consumers expect delivery within days of placing an order and manufacturers depend on timely delivery to avoid production delays and lost revenue. Oracle Inventory Management integrates with Oracle Cloud Transportation Management to complete the order-to-fulfill cycle through transportation planning and execution. Combined, they save time and reduce costs by streamlining the workload of your operations workforce when releasing, picking, and packing orders. It also expedites fulfillment and reduces transportation costs by matching specific orders and required delivery schedules to carrier selection, load optimization, route planning, and other variables with customer expectations.

After delivery, customers often need to return goods due to issues like a product recall, failed quality inspection, or receiving the wrong product. Inventory Management simplifies the process of returning goods to suppliers to provide a seamless experience.

Goods Receiving: Efficient Inbound Operations

Whether receiving shipments from suppliers, outside service providers, or internal facilities, Oracle Cloud Inventory Management streamlines inbound operations including receiving, inspecting, and putting goods away. Standard integrations to mobile partner solutions help receiving agents increase their efficiency by allowing them to quickly scan newly arrived shipments which immediately updates source documents such as purchase orders, transfer orders or work orders to ensure full visibility into inbound shipments. This also ensures that inventory balances are fully up to date. Inventory Management's intuitive dashboards provide a complete overview of inbound shipments and receiving transactions and allow you to drill into the details behind each infolet to view status and take necessary actions on exceptions such as late shipments or those waiting at the receiving dock for inspection and put away.

The receiving process also helps enforce policies and agreements with configurable controls such as date and quantity tolerances while remaining flexible with receipt routings to enable multi-step receiving allowing warehouse operators to pick up goods at the receiving dock or inspection areas and put them away in the warehouse or route them to their final destination.

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Managing Distribution Networks

Many companies operate complex supply networks with warehouses and distribution centers located in multiple locations. From simple stock rooms to sophisticated distribution centers, managed internally or by third parties, the resulting intricacies can further complicate the ability to manage inventory, material movements across locations, and order fulfillment. Oracle Inventory Management simplifies complex distribution operations by operating as a hub and linking separate facilities and systems to provide full visibility and control across all facilities. Oracle Inventory Management provides pre-built integrations, utilizing Oracle Integration Cloud (OIC) to Oracle Cloud Warehouse Management, third-party warehouse management systems, third-party logistics (3PL) providers or contract manufacturers to ensure that your operations run seamlessly while providing excellent customer service.

Manage Internal Transactions and Financial Orchestration

Managing the flow of goods across your organization and complex supply networks requires precise orchestration. Inventory Management's Supply Chain Orchestration capability manages complex processes, coordinates transactional flows, and creates the required documentation to enable material transfers between internal locations and third-party providers. It also processes supply requests from Oracle Cloud SCM applications, such as Supply and Demand Planning, Manufacturing, Procurement, and Order Management, ensuring you have enough supply to fulfill requests and sustain operations.

Material movements across the company may require buying, selling or transferring inventory between different legal entities or profit and cost centers of your company. Inventory Management Supply Chain Financial Orchestration capabilities automate the financial flows for internal trade between parties independently from the physical movement of goods. This configurable capability streamlines inter-company financial transactions resulting from trade between business units. It provides flexible modeling of financial flows that define the parties involved, the nature of trade relationships and business rules for documentation. You can also define and configure transfer pricing rules with mark-ups and markdowns or support complex pricing for specific transactions.

Conclusion

A trusted partner for thousands of customers, Oracle has a global presence in more than 140 countries and is backed by unparalleled financial strength and technology leadership. Its comprehensive Supply Chain Management cloud offering spans Supply Chain Planning, Inventory Management, Manufacturing, Maintenance, Order Management, Logistics, Procurement, and Product Lifecycle Management.

For more information on this solution from Oracle, visit www.oracle.com/scm/inventory-management/

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