
University of Macau
Faculty of Business Administration

**A Study on Inventory Management of a Manufacturing
Company in Zhuhai (China)**

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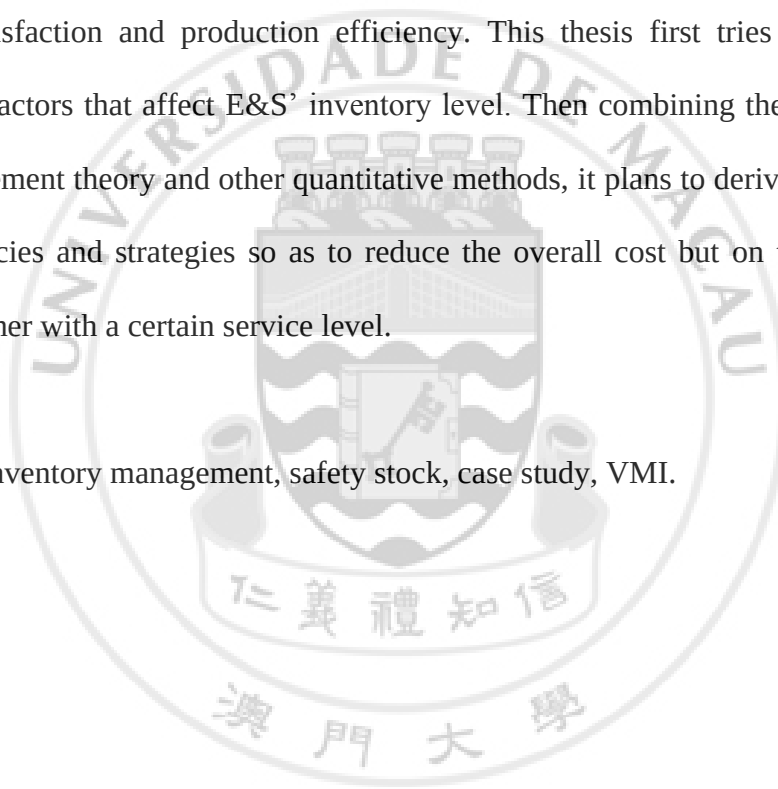
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Abstract

How to manage the inventory becomes a more and more crucial issue for most of manufacturing companies. E&S is a foreign direct investment (FDI) company engaged in producing electronic components. As the increase of prices of raw material and operation cost, E&S is challenged to maintain a smooth relationship among level of inventory, customer satisfaction and production efficiency. This thesis first tries to discuss the relative key factors that affect E&S' inventory level. Then combining the update supply chain management theory and other quantitative methods, it plans to derive some optimal ordering policies and strategies so as to reduce the overall cost but on the other hand, satisfy customer with a certain service level.

Keywords: inventory management, safety stock, case study, VMI.



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