**BUSINESS CASE ANALYSIS – 3 (Inventory Control)**

**(50 points)**

**Case –** Refer to the case document provided on Canvas

**Instructions:**

* *Read the business case and provide your response as outlined in this document.*
* *Provide your responses in a word document and show your calculations in the same word document.*
* *Your analysis must be comprehensive. Provide explanations and calculations to support your analysis.*
* *Submit the word document. Include a cover page for the word document with your name on it.*
* *You can work individually or in teams of 2.*

***Rosa Chang is facing a few issues in her role as inventory manager at Mark’s Computers. Your task is to identify those issues, analyze them and propose solutions. As part of this task, you are required to:***

* ***Provide a comprehensive evaluation of the ordering policies for the two parts - A233 and P656. Compute the EOQ and re-order points as part of your evaluation. Use the data provided in the case. Compare the present total cost of the inventory system with that of the new EOQ system and determine which is better.***
* ***Evaluate the price break being offered for the circuit board and provide a recommendation. Should Rosa take the price break or not? Support your analysis with appropriate calculations.***
* ***Develop a plan to help Rosa get the inventory back under control.***

**Structure of the report:**

**Section 1 – Executive Summary**

* Max. 1 page
* Executive summary is the first part of the report. However, you will write this at the end after everything else.
* Please refer to the document titled “Guidelines for Writing an Executive Summary.pdf” available on Canvas.

**Section 2 – Problem statement**

* Briefly explain the issues / problems on hand.

**Section 3 – Analysis and Discussion**

* This is where you will show your analysis, calculations, explanations, rationale etc.
* You will outline your approach to addressing the problem and then proceed to address the problem.
* Show your numerical calculations and formulas.
* Address all the requirements identified in this document (in red).

**Section 4 – Recommendations and Conclusion**

* Provide your recommendation and a brief conclusion.
* Any recommendation you provide should be logical, practical and based on accepted principles of operations / supply chain management.