



# GVB optimizes inventory of consumables and rotables

An implementation project of the Spare Parts Management Studio

GVB is the public transport company of Amsterdam. Gordian and GVB worked together to professionalize the inventory control of spare parts. GVB invested in the implementation of an optimization tool, training of their staff and made a start with setting up a continuous improvement cycle.



## The need for professionalization

GVB has been providing public transport in Amsterdam for over 120 years. GVB is responsible for the operation, social safety in and around public transport and the management and maintenance of both the vehicles and the entire rail infrastructure in the city. GVB continuously strives for improvement of its services, by training employees and improving performance and processes. GVB requested support from Gordian in optimizing the inventory by making use of an optimization tool.

## Implementation of the Spare Parts Management Studio

The Spare Parts Management (SPM) Studio is an optimization tool with analysis, reporting and export features. The amount of spares GVB has in the assortment of parts is large and diverse in nature. For example the process for parts that have been repaired differs from the process for consumables. Gordian implemented these processes within the SPM Studio.



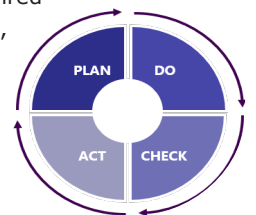
Gordian classified GVB's assortment based on price and demand frequency in order to apply different inventory strategies. The ultimate goal is to create an optimal balance between working capital, stock availability and operational costs. Expensive slow movers, for example, require another approach than cheap fast movers.

The reorder points and reorder quantities determined in the SPM studio are uploaded by GVB in their ERP System on a periodical base. Gordian built a KPI dashboard to enable GVB to measure their performances. The dashboard, for example, shows that the stock availability recently has been 98% or higher. The dashboard has drill down functions on part level, which simplifies the way to find root causes and initiate improvement measures.



## Ensure continuous improvement driven by a tactical planner

Ensuring improvements of results requires a continuous improvement cycle. Gordian trained GVB to implement a continuous improvement cycle for consumables. These acquired skills are used by the tactical planner to calculate inventory control parameters, analyse the performance and initiate improvement actions when necessary. In order to improve further, Gordian supports GVB to professionalize by means of a KPI report, optimization of rotables and by a provisioning model.



*"The Spare Parts Management Studio helps GVB to improve performance and to be in control of a wide range of spares."*

*Robin Verkerk, Team supervisor Supply Chain Rail materials*

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