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1. Introduction

With over 50 years of experience Gatehouse Source & Supply (GSS) offers an extensive collection of tiles, mosaics and bathrooms. Based in South Wales, the company operates in wholesale market alongside supplying its sister company (Tile & Bath Co.) with its 12 stores located around Wales (Tile&Bath Co , 2016). GSS works with manufacturers worldwide to sources quality products in latest trends, styles and designs to meet the needs of retailers, distributors, architects, home builders and growing online distribution (Gatehouse Source & Supply , 2016). GSS's extensive warehouse facility holds large quantities of stock with receiving deliveries weekly (Gatehouse Source & Supply , 2016).

2. Project justification

As GSS's operations fall under wholesale and distribution of durable goods such as building materials, tiles and bathrooms, this type of industry is often facing different challenges when it comes to managing inventory turnover (Toomey, 2012). As the inventory turnover slows down due to old management systems, the company could face some serious problems such as: cash-flow problems, managing fashionable inventories with short life cycle, managing obsolete inventory items, high carrying costs of inventories and storage costs (Toomey, 2012). Therefore an effective inventory system that can help GSS to control, manage and increase the speed of stock turnover is highly beneficial. This would effectively decrease the amount of capital tied up in stock which is a vital function to help and protect the continued success of distribution of goods to company's stores, trade and online customers. As a distribution company the effectiveness of inventory control is related to the overall competency and performance of the company and typically in this sector this is measured by how successful a company is at reducing inventory costs, meeting its customer service goals and accomplishing maximum throughput and cost containment (Toomey, 2012). By offering GSS a range of different inventory management solutions this consultation would assist the company to achieve mentioned goals and efficiencies in the near future.

2.1. Aims and Objectives

- This project aims to analyse the current inventory system by undertaking SWOT analysis to identify inefficiencies associated with key activities, inputs and outputs; thereafter to offer solutions where possible and propose a different range of inventory systems.
- This project also aims at helping the business to achieve the goal of becoming a major online player in the market by implementing a new inventory system that is more compatible with web-based retailing that can handle large amounts of data on daily basis.

2.2. Recommendation

For this project to achieve its aims and objectives as mentioned, the consultancy team is aimed at recommending a range of new inventory management system that is suitable for serving GSS's needs and wants for current operations and future expansion. This project will use System Development Life Cycle (SDLC) concept to design and implement this change. SDLC is made up of six clearly defined stages in this manner: Initiation, Feasibility study, Analysis of business requirements, System design, System build and implementation, Review and maintenance (Roebuck, 2012). By using this concept consultants can design a high quality, fully planned recommendation for the change of the inventory system, which then can be presented to the management of the GSS for approval.

3. Business Case and Project Approach

3.1. Inventory Management

By offering new inventory management systems such as Barcode and Radio Frequency Identification, GSS can improve the speed of stock movement which could lead to becoming a more efficient company in core activities at distribution and stock management in the market (Sage, 2016). These systems include close coordination and synchronisation of information and stock movement between different stores, suppliers for better management of inventories and also to reduce the capital tied up in stock for a better cash flow (Salzarulo, 2006). Therefore a new and suitable stock control system which would have a big positive impact on GSS's performance within a short period after implementation at a relatively low cost will be offered by the consultation team.

3.2. Advantages

Potential benefits associated with proposed inventory management systems are:

- Quicker and more informative decision making.
- Identifying and reducing the sources of inventory shrinkage.
- Tie sales to inventory counts.
- More accurate, prompt report generation (data extraction) and reduced human error.
- Checking actual inventory against vendor claims.
- Increased speed and efficiency of the warehouse.
- Reduced risks of fraud.
- Reduced employee training time.
- Reduced risk of stock-outs and lost sales.
- Better management of obsolete inventory items.
- Increased stock turnover.

3.3.Potential Issues

The concept of inventory management seems easy enough but unfortunately this is much more challenging in practice. Some of potential issues can be named as:

- Conflicting objectives across different departments of the company: some departments within the firm might seek to increase inventory and other departments to decrease it (Sage, 2016).
- Uncertain nature of both supply and demand during implementation of the project.
- Resistance to change: this issue can be one the most challenging problem to overcome, such resistance may affect the output for a short while (Lawrence, 1969).
- Staff training: it is important to design a well-balanced training program that is within budget and at the same time provides enough support and learning to keep staff motivated (Arrenberg, 2012).
- Potential funding problems at implementation phase.

4. Research methodology

This consultancy project demands both primary and secondary research methods combined together to succeed. By combining both sources the team can produce high quality and more consistent research output that can have a big impact on the result of this consultancy (Bryman & Bell, 2015).

Over the past decade the volume and quality of secondary data available to researchers has augmented and at the same time has become easier to access (Vartanian, 2010). Consequently many consultants have taken the opportunity to use these resources with great success to help their clients (Vartanian, 2010). By basing most of the research and findings on secondary data this project aims to use primary sources to tailor the data, findings and the options gathered from secondary sources to suite GSS's needs.

4.1. Primary Research

The primary research in this project is concentrated on qualitative basis and will be conducted in the form of individual interviews and observations. The list as follows:

- In depth unstructured interviews will be conducted with the director of the company on request throughout the project.
- Semi-structured interviews will be conducted with the warehouse manager and the head of accounts to collect a wider range of views across the company to overcome conflicting objectives.
- Observation will involve studying warehouse employees in naturally occurring settings. The consultant will listen to conversations, ask questions, observe behaviours and patterns of work.

4.2.Secondary research

Secondary research in this project will be from credible and academically approved sources. In addition to external sources this consultation will be using GSS's internal reports to collect more relevant data to the company. These sources can be named as:

- Company's internal reports
- Academic journals and articles
- Academic text books
- Credible newspapers
- Inventory management companies websites.

5. Project team

Consultants have the role of solving problems that are causing business inefficiencies; this is done by assessing business operations looking for solutions to problems, to improve productivity and also to cut unnecessary costs. These solutions are then presented to the management for approval and implementation (Adams & Tovey, 2012).

By having a historical prospective on the business during a year of work placement and having the opportunity of working part time afterwards (2 years of experience), I see myself equipped with skills such as understanding of accounting practices with good analytical judgement mixed with core business expertise which I gained through studies for my degree in Swansea Business Campus at UWTSD; I feel that I have the ability to swiftly identify performance deficiencies, identify problems and the ability to cut through the internal politics that are frequently linked with organisational change. Therefore I see myself as a strong candidate to take this opportunity as an internal consultant who has deep and expert knowledge of the industry who has more intimate information and insight into how GSS runs on the daily basis. In addition by having internal contacts I have the advantage of setting a strong communication channel from within for the success of this consultancy project.

5.1. Costs

Project costs, similar to project plans are a reflection of project work and the timing of it. As with any research and consultancy there are costs involved in the process and it is important to have an estimate of project budget in hand to provide to the management for understanding of how funds will be utilized and expended over time period of the project. This consultancy project will have two stages that costs will incur and they are as follows:

- Research phase: in this phase of the project costs are at minimum, this is due to authorised access of the project team to library resources at UWTSD and authorised access to GSS's internal information relating to stock control system.
- Implementation phase: in the final consultancy report which is due to be presented to the management on the 28th of April 2016, managing director will be presented with different options of inventory management systems suitable for GSS, therefore the cost of final phase is dependent on the decision of management whether to choose the low cost option or high cost. Depending on the chosen option training costs and other costs such as down times and potential disruptions may vary.

5.2. Quality management

- Ethics form: In research phase of the project consultants are often focused on the aims and outcomes of the project but it is crucial that the way they collect data is ethically sound. The idea is that to minimise the risk of harm to people who take part in the research while being fully compliant with UK law (UCL, 2016). Therefore by gaining ethical approval the consultant will receive advice from UWTSD that will help the project develop a robust methodology and avoid potential pitfalls of primary research which helps to increase the overall quality of the research and reduce risks associated with it (UCL, 2016).

5.3.Planned communication strategy

As mentioned in section 4.1, the consultant will be communicating with key management figures from different departments such as the managing director, head of accounts and warehouse management through regular meeting. These meetings are used as the main communication channel which can help in overcoming some conflicting objectives and increasing the speed of communication via direct contact (CIPD, 2016). Also by being in contact with various departments the final report will contain much more consistent data as in interviews some answers of management can be biased to favour their department not the company as whole.

6. Project plan

One of the most important aspects of a project refers back to planning which help the project to be delivered on time within the agreed terms. Often a smoothly run project can get bad publicity because of problems that crop up during implementation. Therefore it is important to expect the un-expected and plan for the complexity of deploying solutions (Richman, 2006). This can be achieved by planning for research and implementation before the company actually goes ahead with the project. As mentioned in section 2.2 this project will be using SDLC as project plan and the 6 stages as follows:

1. Initiation
2. Feasibility
3. Analysis of business requirements
4. System design
5. System build and implementation
6. Review and maintenance

6.1. Timeframe required

It is important to carefully plan a project timetable to produce an accurate budget plan within that period, as any increases to length of the project could lead to higher costs and disruptions. The timeframe for this project is divided into two segments, planned research and implementation.

- Planned research: in this phase of project consultants undertake an in depth analysis of current inventory management system and potential solutions to improve this system as a whole. Estimated time for this phase to be completed is 7 weeks, with a deadline on the 28th of April 2016.
- Implementation phase: Estimated time frame for implementation phase is 5 weeks after the official approval by the management.

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