



## Case Study

## Supply Chain Management

# Murphy Sarawak Oil Company Limited Warehouse & Inventory Control

K2 Technology provided technical support services and solutions to the Murphy Sarawak Oil Company Limited (MSOCL) warehouse and logistics facility. MSOCL's warehouse supplies the Sarawak offshore oil facilities consisting of three shallow water production platforms and an FSO. MSOCL were partially utilising the DATASTREAM D7i software package for purchasing and inventory management.

K2 personnel integrated into the MSOCL Supply Chain Department to conduct the following activities:

- Warehouse floor plan design/optimisation and installation of complete warehouse pallet racking system to improve warehouse efficiency including mezzanine section
- Verification and Cataloguing of entire warehouse stock item holdings including:
  - Analyzing and assigning min/max stock levels
  - Assigning commodity class coding

All of this was in preparation for inventory data to be entered into, and managed by the inventory control module of the CMMS, after which:

- Entire stock holdings were bar code labelled
- CMMS inventory module workflows mapped, including:
  - Stock Reival
  - Stock Issue
  - Stock replenishment/forecast
  - Repair processes
  - Disposal process
- Stocktake carried out, making adjustments to inventory stock levels in preparation for future stocktakes to be inventory system generated and managed
- Training – Inventory system and warehousing training documentation developed and MSOCL personnel trained in its use
- Inventory reports from CMMS initialized enabling tracking of required warehouse KPIs
- Reviewed and developed process for work order generation around preservation and inspection of stock equipment

MSOCL can now report on costs and warehouse stock usage, this could not be accurately achieved prior to this work.

Upon completion of the work carried out by K2, MSOCL now have a system (D7i CAMMS) which generates purchase orders triggered by stock usage based on the stock minimum/maximum levels, which are tied to the Maintenance work orders, and all stock is managed and maintained in good working order and ready for use.