Inventory management, also called as Supply Chain Management, signifies the management concerning the flow of materials from the dealers, and the distribution of the product to consumers.

**Importance Of Inventory Management Systems**

Realizing and applying several inventory management systems is essential in a business environment since inventory and resources are associated intimately with each other. For instance, greater the inventory, the more will be need of resources. Cost control by an efficient inventory management system is a great challenge for the project managers, and production units. The inventory management systems are based on professional techniques that have been developed over the years.

**Materials Tracking**

Inventory management conceptual framework considers the factors like purchasing, manufacture, promotion, and its methods plan to balance the conflicting objectives. The technique is based on logical philosophy, and employs the modern tools of forecasting. Procurement KPIs are employed for the efficient tracking of inventory control. The models consist of techniques that continuously monitor the reorder points, to initiate timely demands.

**Inventory Management Techniques**

There are several methods for inventory control, and the significant are as under:

- Optimal order quality technique: This type is based on some assumptions, like:
  - Demand is steady
  - Costs of ordering and holding do not change
  - Complete lot is delivered simultaneously
  - Deficiency in stock is not permitted
Inventory Management Conceptual Framework

- Silver-Meal model: It is basically a chronological technique that determines delivery in the initial phase, and concurrently considers the succeeding demands.

- Wagner-Whitin algorithm: It offers a precise solution with the employment of algorithm standards.

**Conclusion**

Being vibrant in disposition, and susceptible to cost limitations, inventory management methods have developed over the time. All the techniques look to maintain inventory to cater for the production activities, and simultaneously reduce the blocking of capital. For this purpose, the concept of just in time inventory control JIT has been developed, and is being practiced globally in the inventory management conceptual framework. The procurement KPIs contribute to the efficient control of inventory management.