THE STUDY ON THE CURRENT INVENTORY MANAGEMENT ACTIVITIES IN CELCOM. EFFICIENCY MEASUREMENT AND ITS EFFECTIVENESS

A Graduation Exercise Submitted As A Partial Fulfillment For The Requirement Of Advanced Diploma In Business Administration (Transport)

> By SHAHRIN BIN NASIR

School of Business And Management Mara Institute of Technology Shah Alam

ACKNOWLEDEGMENTS

Firstly, I would like to express my gratitude to the Al-Mighty who has made it possible for me to complete this report. I also would like to thank my family especially my parents for all the morale and financial support to me

To Encik Mohd. Ghazali, Zainal Baderi, Fairuzi and all Celcom's logistics (Bukit Raja Warehouse), your help and commitment in helping me during the industrial attachment is very much appreciated.

To all my friends, thanks for everything.

Lastly my special thanks to Puan Norminsham in giving me her guidance in assisting me to complete this report.

PREFACE

Cellular Communication Network (Malaysia) Sdn. Bhd. (CELCOM) was established in 1988. It is one of the Technological Resources Industries (TRI) company. The commercial operations started in 1989. Celcom is the first company to provide the mobile telecommunications services in Malaysia. By providing services on 900 MHz frequency, ART 900 is the only service available until 1993. Since then Celcom has upgraded the ART 900 coverage to compete with new competitors. Due to that, more telecommunication sites have to be set up to provide wider coverage area for ART 900 services.

As a result, effective inventory management has to be in tandem with the development. Before the site could be set, logistics will play its role first. Inventory management activities have to be efficient and effective, from receiving, storing and issuing the items to the site. Every thing starts from the warehouse, if items are not available, this will result in the site not being built. From the observation that was made, the result showed that all the inventory management activities in Celcom created problems that give impact on the level of effectiveness in inventory management.

Analysing all the findings, problems were detected. From there a few things are recommended for Celcom to improve the situation.

TAB	LE OF CONTENTS	PAGE
Acknowledgements		i
Preface		ii
Table of Contents		iii
List of Abbreviations		v
List	of Tables	vi
List	of Charts	vii
PAR	T ONE	
CHA	APTER ONE	
INT	RODUCTION	
1.1	Celcom's background	1
	Problem background	3
	Problem Statement	5
	Objectives of the study	6
	Methodology	7.
	Hypothesis	7
1.7	Literature review	8 _
600 000000	APTER TWO	
	CORETICAL VIEW	1.0
2.1	Introduction	16
2.2	Receiving	17
2.3	Storing	20
2.4	Issuing	28
PAI	RT TWO: CURRENT SITUATION IN CELCOM	
	APTER THREE	
	ENTORY FLOW IN CELCOM	
3.1	General view	
	3.1.1 Introduction	33
	3.1.2 Definitions of documents	34
	3.1.3 Inventory management activity process	36
3.2		39
3.3		42
3.4	300	44

CHA	PTER FOUR			
EFFICIENCY MEASUREMENT AND ITS EFFECTIVENESS				
4.1	Efficiency measurement 47			
	4.1.1 Receiving	47		
	4.1.1.1 Strengths	-		
	4.1.1.2 Weaknesses	48		
	4.1.2 Storing	50		
3	4.1.2.1 Strengths	50		
	4.1.2.2 Weaknesses	51		
	4.1.3 Issuing	50		
es.	4.1.3.1 Strengths	52		
	4.1.3.2 Weaknesses	53		
4.2	Effectiveness	54		
	4.2.1 Inventory control			
	4.2.2 Delivery/Fulfill request	57		
	*			
PAR	RT THREE			
CHAPTER FIVE				
	NCLUSION	59		
001		2		
-	CHAPTER SIX			
REC	COMMENDATIONS	62		
RIF	BLIOGRAPHY			
LIAL				

APPENDIX