

COMPUTER - ASSISTED INVENTORY CONTROL

**A PAPER SUBMITTED TO THE MARA INSTITUTE OF TECHNOLOGY
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PREFACE

As a requirement in completion of the Advanced Diploma In Accountancy, the author had chosen "Computer-Assisted Inventory Control" as the topic of her project paper. The reason is due to the tremendous increase in the use and importance of computer technology nowadays, especially in the application of inventory control.

In the initial part of this project paper, the author mentioned the problems that are generally faced by an organization in inventory control, the importance of controlling the inventories and justification of the efficiency of using computerization based on a case study. Also included are the objectives, scope and limitation of the project paper.

In the literature review, various texts and journals were reviewed to provide readers with views on computerization by several authors.

In the main body, the author mentioned on the theory part of inventory control, computerization of the system and the comparison between it and the manual method. Also included are the benefits and weaknesses of computerization which is supported with the existing system of MASTERS in the Malaysian Airline System.

The recommendation was based on the journals, books and the analysis of the existing system.

ABSTRACT

The organization which has recognize the impact of capital tied up in inventories will install automation that is the use of computers in controlling inventories. Inventory is the only factor which have impact on both the Balance Sheet and Profit and Loss account. In the Balance Sheet, it stands out as the most visible current assets in terms of dollar amount and liquidity value. While on the Profit and Loss account, the cost of goods sold is mainly comprised of materials.

In this environment, any organization must protect its equity wisely, buying materials when needed and in sufficient quantity. Conversely, avoid excessive purchases.

With computerization system, it can facilitate this activity by processing a high volume of transactions within a tight time frame so that the information is available on a continuing basis. It also eliminates data redundancy within the related groups.

To further support the secondary data, the author has selected a case as an example to highlight the computerization of inventory control.

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