**Consolidation**

# True or false?

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| **Question** | **True or false?** |
| JIT aims to minimise inventory levels by producing goods only when needed. |  |
| MTO involves producing goods in anticipation of customer demand. |  |
| MTS is suitable for products with high demand variability. |  |
| Lean manufacturing is often associated with JIT. |  |

# Case study analysis

1. A company is considering switching from MTS to JIT for its product line.
2. What are the potential benefits and risks of this transition?
3. What factors should be considered when making this decision?
4. How can the company mitigate the challenges associated with JIT implementation?
5. A company is experiencing high inventory costs and frequent stockouts.
6. Which production system might be more suitable for this company?
7. What changes would need to be made to implement this system?
8. How can the company measure the effectiveness of the new system?

# Knowledge check

1. What are the key principles of JIT?

2. How does MTO differ from MTS?

3. What are the potential challenges of implementing JIT in a traditional manufacturing environment?

4. How are rolling averages used in stock control?