Certified in Planning and Inventory Management

Distribution Plans

CPIM On-Demand Training for Self-Study Professionals

Are you preparing for the CPIM certification through self-study? As an experienced supply chain professional, you already have strong practical knowledge—but some topics may still need expert clarification. Fhyzics Business Consultants bridges that gap with on-demand, topic-oriented CPIM training sessions designed specifically for self-learners.

Whether you need guidance on a single concept or an entire module, our focused training helps you master complex areas quickly and confidently. Get personalized support, strengthen your exam readiness, and elevate your supply chain expertise—on your schedule.

Mobile: +91-900-304-9000 (WhatsApp)
Email: Certifications@Fhyzics.net

Distribution Plans

1. Distribution Requirements Planning (DRP)

DRP is a time-phased planning technique used to determine when and how much inventory should be replenished at each node in a distribution network. It uses forecasts, on-hand balances, scheduled receipts, and lead times to calculate planned order releases. DRP ensures the right products are positioned at the right locations to meet customer demand. CPIM emphasizes how DRP aligns distribution with production, improves service levels, and reduces stockouts. Understanding its logic, inputs, and outputs is fundamental for managing distribution plans.

2. Time-Phased Order Planning

Time-phased order planning breaks planning into discrete time buckets—daily, weekly, or monthly—allowing planners to map future supply and demand at each location. It supports proactive scheduling of replenishment orders and highlights shortages or surpluses. CPIM stresses that time-phasing is essential for maintaining accurate distribution plans and synchronizing inventory flows across the network. Proper use of time-phased records avoids last-minute expedites and supports balanced inventory.

3. Demand Forecast Integration

Distribution plans depend heavily on accurate SKU-location forecasts. Integrating forecasting into distribution planning ensures replenishment decisions reflect expected customer demand and seasonal variations. CPIM highlights the importance of forecast accuracy, forecast error measurement, and collaboration between sales, marketing,

and supply chain teams. Strong integration reduces the bullwhip effect, minimizes excess inventory, and improves customer service.

4. Inventory Position and Projected Stock Levels
Distribution plans rely on understanding inventory status, including on-hand quantity, allocated stock, work-in-transit, and safety stock. Projected stock levels (PSL) show how inventory will change over time as demand and receipts occur. CPIM emphasizes calculating PSL accurately to trigger replenishment orders before stockouts occur. This enables planning teams to balance cost and service-level commitments.

5. Lead Time and Transit Time Planning
Lead times—including order processing, picking, packing, transportation, and receiving—directly impact replenishment timing. Distribution plans must incorporate variable lead times to avoid late replenishments or inflated safety stocks. CPIM highlights managing lead-time uncertainty, evaluating carrier performance, and using realistic planning parameters. Proper lead-time planning ensures timely product availability across the network.

6. Safety Stock in Distribution
Safety stock protects against uncertainties in demand and supply. In distribution planning, safety stock must be calculated for each location based on its unique demand variability, lead-time variability, and service-level targets. CPIM emphasizes using statistical formulas, ABC classification, and multi-echelon approaches to optimize safety stock levels. Proper safety stock placement prevents stockouts while minimizing inventory carrying cost.

7. Distribution Network Structure

The structure of the distribution network—plants, central warehouses, regional distribution centers, and retail locations—determines how products flow. Distribution plans must align with the network's design, transportation routes, and consolidation points. CPIM highlights understanding multi-echelon networks, centralization vs. decentralization, and how structural decisions affect inventory levels, replenishment logic, and service commitments.

8. Replenishment Policies

Replenishment policies define how inventory is refilled—using min-max systems, reorder point (ROP), periodic review, or demand-driven replenishment. CPIM stresses how each policy impacts inventory turnover, stock availability, and total cost. Distribution plans must choose replenishment methods appropriate for product characteristics, demand patterns, and service requirements. Effective policy alignment ensures steady inventory flow throughout the network.

9. Push vs. Pull Distribution Strategies

Push strategies rely on forecasts to drive inventory deployment across locations, while pull strategies rely on actual demand signals. CPIM emphasizes understanding when each strategy is appropriate: push is useful for stable, predictable items; pull is beneficial for high-variability or fast-moving items. Hybrid strategies are common in modern distribution. The right approach enhances responsiveness and reduces excess inventory.

10. Order Consolidation and Load Optimization
Distribution planning includes decisions on shipment frequency, load building, and consolidation. Consolidating orders reduces transportation costs but may increase lead times. Load optimization ensures vehicles are used efficiently while meeting service expectations. CPIM stresses the importance of balancing transportation cost, delivery speed, and warehouse workload. Effective consolidation supports cost-efficient and reliable distribution plans.

11. Distribution Capacity Planning
Distribution centers must have adequate capacity for receiving, put-away, storage, picking, packing, and shipping. Distribution plans must consider labor, equipment, storage space, and handling capabilities. CPIM highlights evaluating peak periods, promotional events, and seasonal surges to ensure capacity matches demand. Proper capacity planning prevents bottlenecks and maintains service-level performance.

12. Allocation and Deployment Rules
Deployment rules dictate how available stock is allocated among different locations or orders. Techniques include fair-share allocation, priority-based allocation, and service-level-driven deployment. CPIM emphasizes understanding how allocation policies affect customer service, stock imbalances, and inventory utilization. Proper deployment ensures the right products reach the right markets without overloading specific facilities.

13. Transportation Planning Integration

Transportation is critical in distribution planning. Decisions about route planning, mode selection, shipment timing, and carrier contracts must align with replenishment plans. CPIM stresses analyzing transportation costs, transit times, reliability, and carrier performance. Integrating transportation planning with DRP improves on-time delivery, reduces safety stocks, and enhances overall network efficiency.

14. Collaboration Across the Supply Chain

Effective distribution planning requires strong collaboration among procurement, production, warehousing, transportation, and customer service teams. CPIM highlights the role of S&OP in aligning supply and demand, sharing market insights, and coordinating inventory strategies. Collaboration prevents misalignment, reduces variability, and ensures consistent execution of distribution plans.

15. Multi-Echelon Inventory Planning

Multi-echelon planning considers inventory levels across the entire network rather than optimizing one node at a time. CPIM emphasizes risk pooling, coordinated safety stock placement, and synchronized replenishment across echelons. This approach lowers total inventory investment while maintaining or improving service levels. Multi-echelon planning is essential for complex networks with multiple warehouse layers.

16. Performance Metrics for Distribution Plans

Performance metrics evaluate how well distribution plans

support customer service and cost efficiency. Key indicators include fill rate, order cycle time, inventory turnover, forecast accuracy, shipment reliability, and distribution cost. CPIM stresses using metrics to identify improvement opportunities and sustain continuous improvement. Effective KPIs ensure distribution plans remain aligned with organizational goals.

17. Exception Management and Alerts

Exception management focuses on identifying and responding to disruptions in the distribution plan—such as shortages, delays, capacity issues, or demand spikes. CPIM emphasizes the use of alerts, dashboards, and automated workflows to highlight deviations from the plan. Rapid resolution of exceptions minimizes service disruptions and avoids costly expedites.

18. Scenario Planning for Distribution

Scenario planning evaluates how changes in demand, lead times, transportation capacity, network structure, or supplier risk impact distribution plans. CPIM highlights this as a key planning tool, allowing organizations to test alternatives before implementing changes. Scenario planning strengthens resilience and ensures that distribution decision-making is fact-based and robust under uncertainty.

19. Integration with ERP and WMS

Distribution plans rely heavily on system integration. ERP systems generate DRP outputs, while WMS handles execution activities like picking and shipping. CPIM stresses the importance of accurate master data, synchronized

transactions, and seamless information flow. Proper integration ensures planned orders are executed correctly and inventory records remain accurate across the network.

20. Customer Service Level Planning

Distribution plans must support defined service levels, such as delivery lead times, fill rates, and availability targets. CPIM highlights balancing service-level goals with cost and inventory investment. Too high a service level increases carrying cost; too low a level risks customer loss. Distribution planners must align service expectations with inventory strategies, network design, and transportation capabilities.

*****

Micro-Learning Programs in Supply Chain Management & Procurement

Enhance your professional edge with Fhyzics Business Consultants' Micro-Learning Programs in Supply Chain Management and Procurement. Designed as focused, two-hour Executive Development Programs, these sessions deliver practical insights and tools to solve real-world business challenges. Conducted in small batches for personalized learning, participants gain a deeper understanding of key supply chain and procurement strategies that drive efficiency and profitability. Each participant receives a certificate of completion, adding value to their professional profile and career growth. Whether you aim to advance in your current role or explore new opportunities, this program equips you with the knowledge and confidence to excel.

Micro-Learning Programs in Supply Chain Management

1. Fundamentals of Supply Chain Management
2. Supply Chain Planning and Optimization
3. Demand Forecasting Techniques
4. Inventory Control and Management
5. Distribution and Logistics Strategy
6. Warehouse Layout and Operations Efficiency
7. Supply Chain Risk Management
8. Supply Chain Performance Metrics (KPIs)
9. Lean Supply Chain Practices
10. Agile and Responsive Supply Chains
11. Sales and Operations Planning (S&OP)
12. Supply Chain Network Design
13. Supply Chain Digital Transformation
14. AI and Data Analytics in Supply Chain
15. Supply Chain Sustainability and Green Logistics
16. Reverse Logistics and Returns Management
17. Supply Chain Collaboration and Integration
18. Supplier Relationship Management in SCM
19. Global Supply Chain Strategy
20. Transportation Management Systems (TMS)
21. Inventory Optimization Models
22. Demand-Driven MRP (DDMRP) Concepts
23. Blockchain Applications in Supply Chain
24. Supply Chain Cost Reduction Techniques
25. SCOR Model and Process Improvement

Micro-Learning Programs in Supply Chain Management …

26. Capacity Planning and Resource Allocation
27. Managing Supply Chain Disruptions
28. End-to-End Supply Chain Visibility
29. Cold Chain Logistics Management
30. Supply Chain Compliance and Ethics
31. Import–Export Procedures and Documentation
32. Managing Third-Party Logistics (3PL) Providers
33. Supply Chain Collaboration Technologies
34. Production Planning and Scheduling
35. Strategic Supply Chain Design Using Case Studies
36. Circular Economy in Supply Chain
37. Vendor-Managed Inventory (VMI)
38. Transportation Optimization Techniques
39. E-Commerce Supply Chain Models
40. Omni-Channel Fulfillment Strategies
41. Warehouse Automation and Robotics
42. SCOR DS Roadmap for Supply Chain Excellence
43. Customer-Centric Supply Chain Strategies
44. Supply Chain Finance and Working Capital Management
45. Supply Chain Data Visualization Using Power BI
46. Strategic Sourcing in Supply Chain Context
47. Supply Chain Benchmarking and Best Practices
48. Integrated Business Planning (IBP)
49. Supply Chain in Crisis Management and Recovery
50. Future Trends and Technologies in Supply Chain

Micro-Learning Programs in Procurement

1. Fundamentals of Procurement Management
2. Strategic Sourcing and Category Management
3. Supplier Selection and Evaluation
4. Contract Management Essentials
5. Cost and Price Analysis in Procurement
6. Negotiation Strategies for Procurement Professionals
7. E-Procurement and Digital Tools
8. Procurement Planning and Budgeting
9. Risk Management in Procurement
10. Supplier Relationship and Performance Management
11. Sustainable and Ethical Procurement
12. Total Cost of Ownership (TCO) Analysis
13. Make-or-Buy Decision Frameworks
14. Procurement Policies and Governance
15. Procurement in Public vs. Private Sectors
16. Procurement Audit and Compliance
17. Procurement Data Analytics and Reporting
18. Procurement Scorecards and KPIs
19. Strategic Supplier Partnerships
20. Category Strategy Development
21. Managing Global and Offshore Procurement
22. Negotiation Simulation Workshop
23. Contract Law for Procurement Managers
24. Cost Reduction Strategies in Procurement
25. Supplier Risk Assessment Models

Micro-Learning Programs in Procurement …

26. Procurement Process Mapping and Improvement
27. Procurement Automation and AI Applications
28. Managing Procurement Teams Effectively
29. Procurement Ethics and Transparency
30. Procurement in the Digital Supply Chain
31. Vendor Consolidation Strategies
32. Spend Analysis and Optimization
33. Demand Forecasting for Procurement
34. E-Auction and Reverse Bidding Techniques
35. Inventory and Procurement Alignment
36. Procurement in Project-Based Organizations
37. Supplier Onboarding and Development
38. Procurement Market Intelligence
39. Measuring Supplier Innovation
40. Procurement in Times of Supply Disruption
41. Cross-Functional Collaboration in Procurement
42. Writing Effective RFPs, RFQs, and RFIs
43. Contract Negotiation Best Practices
44. Green Procurement and Circular Economy
45. Legal Aspects of Procurement Contracts
46. Performance-Based Contracting
47. Procurement Leadership and Strategic Influence
48. Cost Avoidance and Value Creation in Procurement
49. Managing Procurement with Power BI Dashboards
50. Future Skills and Trends in Procurement

Fhyzics Business Consultants Pvt. Ltd.

Professional Training Partner of ASCM, USA

www.Fhyzics.net

ASCM Referral Code

XEFHYZ88

Certifications@Fhyzics.net

+91-900-304-9000

CPIM aspirants may buy the CPIM Learning System and Examination Credits directly through ASCM Portal. When purchasing CPIM Examination Credit, please enter Referral Code **XEFHYZ88** to receive CPIM Recertification Guidance for life.