

## **PROBLEM STATEMENT**

Using manual inventory tracking procedures across different software and spreadsheets is time-consuming, redundant and vulnerable to errors. Even small businesses can benefit from a centralized inventory tracking system that includes accounting features.

Inventory management controls at the warehouse is labor-intensive and involves several steps, including receiving and put away, picking, packing and shipping. The challenge is to perform all these tasks in the most efficient way possible.

Customer demand is constantly shifting. Keeping too much could result in obsolete inventory you're unable to sell, while keeping too little could leave you unable to fulfill customer orders. Order strategies for core items, as well as technology to create and execute an inventory plan, can help compensate for changing demand.

One of the most common challenges to sound inventory management is preventing the overselling of products and running out of inventory. Using historical and seasonal data trends can help you accurately predict customer orders.

Being understocked is also one of the inventory management problems. In manual systems, the flagging of materials that need to be reordered is dependent on the vigilance of the people managing inventory. When there is a slip-up, the company may find itself understocked to meet demand. In a supply chain, inventory management feeds the entire production process. Understocking can slow down production or even bring it to a halt. Not utilising the available warehouse space is also money wasted. Improper inventory management does not make the best use of all the available warehousing space that the company is paying for or bearing overheads on.