

IDEA OF IMPLEMENTATION

INVENTORY MANAGEMENT SYSTEM FOR RETAILERS

1. Inventory management system is an application which is helpful for business operate. Inventory management is a challenging problem area in supply chain management. Companies need to have inventories in warehouses in order to fulfil customer demand, meanwhile these inventories have holding costs and this is frozen fund that can be lost. Therefore, the task of inventory management is to find the quantity of inventories that will fulfil the demand, avoiding overstocks. This paper presents a case study for the assembling company on inventory management. It is proposed to use inventory management in order to decrease stock levels and to apply an agent system for automation of inventory management processes. Inventory management system (IMS) use for a departmental store. This system can be used to store the details of the inventory based on the sale details, generate sale and inventory report periodically etc. this is one integrated system that contains both the user component(used by sales persons , sales managers inventory managers) and the admin component (used by the administrators for performing admin level function such as adding new item to the inventory) etc.

2. A huge retail store could run out of supply of a critical item if inventory is not properly managed. When it's time to reorder, an effective inventory management system will notify the retailer. This inventory management system is also useful for tracking huge shipments automatically. Counting each pair of stocks by hand will almost certainly result in a mistake. The risk of human error can be reduced by using an automated inventory management system. An Inventory Management System also aids in the tracking of retail product theft, providing useful information regarding store revenues and the need for theft-prevention devices. Scanning a barcode on the item or a barcode scanner is how Automated Inventory Management Systems function. The central computer system then keeps track of this data. The purchase order can also include a list of items that need to be pulled for packaging and shipping. In this situation, the Inventory Management System can perform a range of tasks. It can assist a warehouse worker in locating things on an order list, encoding shipment information such as tracking numbers and delivery addresses and removing purchased items from the inventory tally to maintain a correct count of in-stock items. All of this information works together to give firms real-time inventory tracking data. The simple search in a database makes it easy to find and look at inventory information in real-time.

3. Inventory management is a challenging problem area in supply chain management. Companies need to have inventories in warehouses in order to fulfil customer demand, meanwhile these inventories have holding costs and this is frozen fund that can be lost. Therefore, the task of inventory management is to find the quantity of inventories that will fulfil the demand, avoiding overstocks. The relationship between the inventory management and company performance was determined based on inventory days and return on asset (ROA) analysis. The research found that company X had a few inventory problems such as unorganized inventory arrangement, large amount of inventory days / no cycle counting and no accurate records balance due to unskilled workers. The study also proved that there was a significant relationship between return on asset (ROA) and inventory days. This paper also provides recommendation to the company and for further research.