

1 Executive Summary

Sheem Steel Construction Supply, a local business in the construction materials industry, currently suffers from inefficient and error-prone manual processes for sales recording, profit calculation, and inventory management. These practices result in operational delays, financial inaccuracies, and limited access to reliable business data, ultimately hindering the company's growth and scalability.

This project proposes the development of a custom, web-based **Sales and Inventory Management System (SIMS)** designed to automate Sheem Steel's core business operations. The system will provide real-time sales recording, automated profit calculations, and centralized inventory tracking with low-stock alerts.

The implementation of SIMS will deliver the following key benefits:

- Elimination of manual data entry and calculation errors
- Significant time savings for staff
- Accurate, real-time access to business data
- Proactive inventory management and improved decision-making

The target users of the system are the ownership and staff of Sheem Steel Construction Supply.

1.2 Problem Statement

Current Situation

Sheem Steel Construction Supply currently operates using fully manual processes. Sales transactions are recorded in physical ledgers, profits are calculated daily using calculators, and inventory levels are monitored through daily manual stock counts.

Pain Points

- **Inefficient and Error-Prone Processes**

Manual data entry and calculations are time-consuming and highly susceptible to human error, leading to inaccurate financial records.

- **Reactive Inventory Management**

Daily manual stock counting is labor-intensive and does not provide advance warnings for low stock levels, resulting in frequent stock-outs or excess inventory.

- **Lack of Real-Time Insights**

The absence of a centralized system prevents the generation of timely reports, forcing management to rely on outdated or incomplete information.

Impact

These challenges lead to financial discrepancies, missed sales opportunities, capital being tied up in excess inventory, reduced staff productivity, and an overall inability to scale the business efficiently.

1.3 Project Goals and Objectives

Goal 1: Automate and Streamline Core Business Operations

- **Objective 1.1:** Reduce the time required to record a sale and update inventory from more than 5 minutes to under 30 seconds.
- **Objective 1.2:** Eliminate 100% of manual calculation errors in daily profit reporting.

Goal 2: Achieve Proactive and Accurate Inventory Control

- **Objective 2.1:** Provide real-time inventory level updates across all storage locations.
- **Objective 2.2:** Ensure 100% of low-stock situations are flagged through automated alerts before items run out.

Goal 3: Provide Actionable Business Intelligence

- **Objective 3.1:** Automatically generate daily sales reports and monthly inventory status reports with a single click.
 - **Objective 3.2:** Achieve a user satisfaction rating of at least **4.0 out of 5** from Sheem Steel staff regarding system usability.
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1.4 Scope and Limitations

Project Scope

In Scope

- **Features:**
 - User Management (login, roles)
 - Product Management (product database)
 - Sales Transaction Processing (POS)
 - Inventory Management (tracking and adjustments)
 - Reporting Dashboard
 - Low-Stock Alert System
- **User Base:**
 - Admin/Owner
 - Sales Staff
- **Data Sources:**
 - Manual entry of sales and inventory data

Out of Scope

- **Features:**
 - Advanced accounting functions (Accounts Payable/Receivable, payroll)
 - E-commerce platform integration
 - Dedicated mobile application

- **Platforms:**
 - Native mobile applications (system will be web-based only)
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Constraints and Limitations

- **Technical Constraints:**
 - System accuracy depends on correct manual data entry by staff.
 - Hardware such as barcode scanners and receipt printers is not included.
- **Assumptions:**
 - Users have basic computer literacy.
 - The client will procure, manage, and maintain the hosting environment after deployment.
- **Known Issues:**
 - The initial version of the system will not support barcode scanning integration.