**Research Report: Inventory Management Statistics Prove You’re Not the Only One Struggling**

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There is no shortage of demand for inventory management systems. A hot topic in board rooms all across the world is supply chain management. The cost of human error is very significant and must be accounted for, and costly delays propagate through the chain. Businesses large and small will have different needs, and there is a market for these systems. It is an issue in all sizes of companies, though it may express itself differently in the context of the customer’s needs.

Norasaeng cites a study done by WASP Barcode in 2016, which after surveying many small businesses, barely over half responded that they are currently using computers to assist their business management, and the number slims to one out of three that use an inventory management system. Also WASP Barcode while analyzing failed startups, a common rationale given for the failure of a business was mismanaged inventory.

To hedge against the likelihood of a failure or delay in a link in the supply chain, businesses have been increasing their overhead to be able to make a sale if production is sufficiently delayed by waiting for components and assemblies to arrive. The figure given by Norasaeng was that across many companies, on average for each dollar of sales made, companies were stocking 1.43$ of components on hand.

Tying up this amount of capital in stock has on a surface level is a loss of opportunity due to having to purchase and store components and assemblies. We have a lasting concern where the top of the chain will require larger batch sizes as the hedge mentioned previously.