

Inventory Management Overview

Managing your inventory is one of the most important tasks of running your business. With effective inventory management, you can streamline your stock levels to reduce costs and maximize revenue and profits.

Good inventory management begins with having accurate, accessible information about your inventory. Quality information is crucial to answering inventory questions that arise on a daily basis, such as:

- How many items do I have and where?
- How many items have I committed to sell?
- Should I order more items or materials now?

Your answers to these questions direct your inventory management decisions. Using reports and inventory analysis, you can answer these questions accurately and respond with better decisions.

Basic Inventory Management

Using inventory features, you can monitor real-time information about your inventory costs, quantities, and asset values. With this information, you can make informed decisions about buying and selling your inventory.

Because the [Inventory Workflow](#) is integrated in your account from procurement to sales, each transaction updates inventory records. It also reports immediately to give you precise, real-time information about your inventory. You can always access current stock information.

For example, when an employee sells or receives items, the quantities available are updated on item records when you enter the transaction. You do not have to re-enter information to adjust your inventory records.

See [Basic Inventory Management](#).

Advanced Inventory Management

Keeping track of quantities of stock lets you know if orders can be fulfilled, when to reorder more, and report on inventory quantities. If you use Advanced Inventory Management, accurate stock data helps you automate demand-based inventory replenishment.

Plan inventory based on supply and demand calculations using [Demand Planning](#) and [Available to Promise](#).

Expand inventory commitment calculations to consider future and on-hand inventory on supply orders using [Supply Allocation](#).

See [Advanced Inventory Management](#).

Inventory Reporting

NetSuite reports enable you to access data about your inventory. The real-time information in the following reports can be used to assess whether stock levels and profit margins are where you want them to be.

- Examine stock levels using the [Current Inventory Snapshot Report](#). The [Inventory Activity Detail Report](#) details item activity per transaction.
- Examine merchandise turn rates using the [Inventory Turnover Report](#). This can help you determine how frequently you should order stock.
- The [Physical Inventory Worksheet](#) lets you do a physical stock count to be sure the physical stock matches the quantities showing in your account records.

- Examine inventory values and profitability with the [Inventory Profitability Report](#), [Inventory Valuation Report](#), and [Inventory Revenue Report](#).
- Find out which items are ready to be fulfilled on the [Items Pending Fulfillment Report](#) and which items are not yet available to fill orders with the [Inventory Back Order Report](#).

See [Inventory Reporting](#).