



Inventory adjustment

7933

SUPPLY CHAIN PROJECT

Date 

All 

Inventory adjustment

Stock Transfer Out

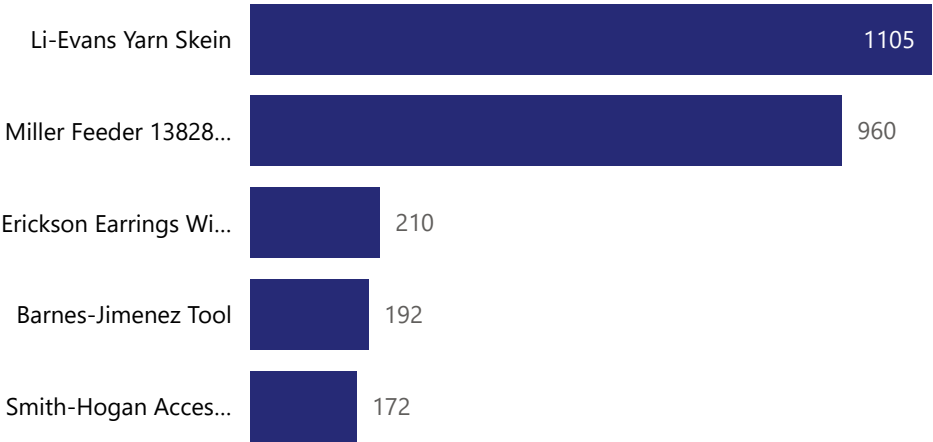
Stock Correction Remove

452

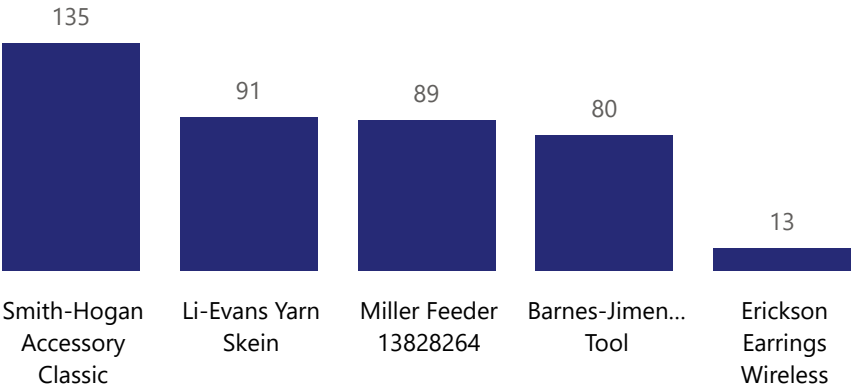
159

289

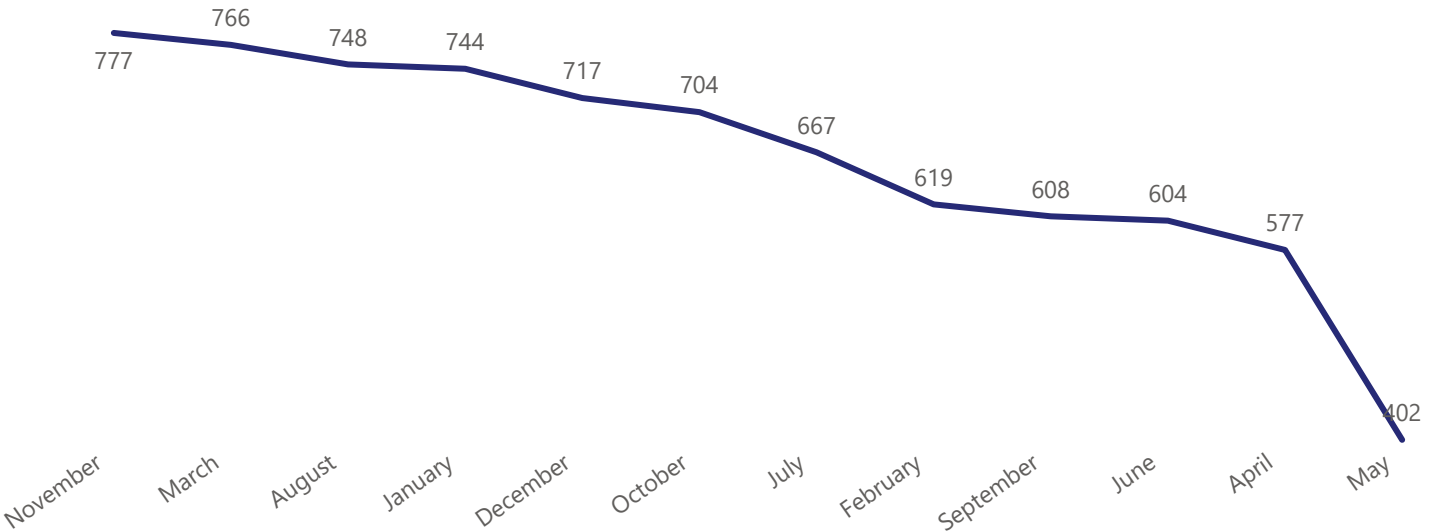
Top 5 Products with Highest Inventory changes



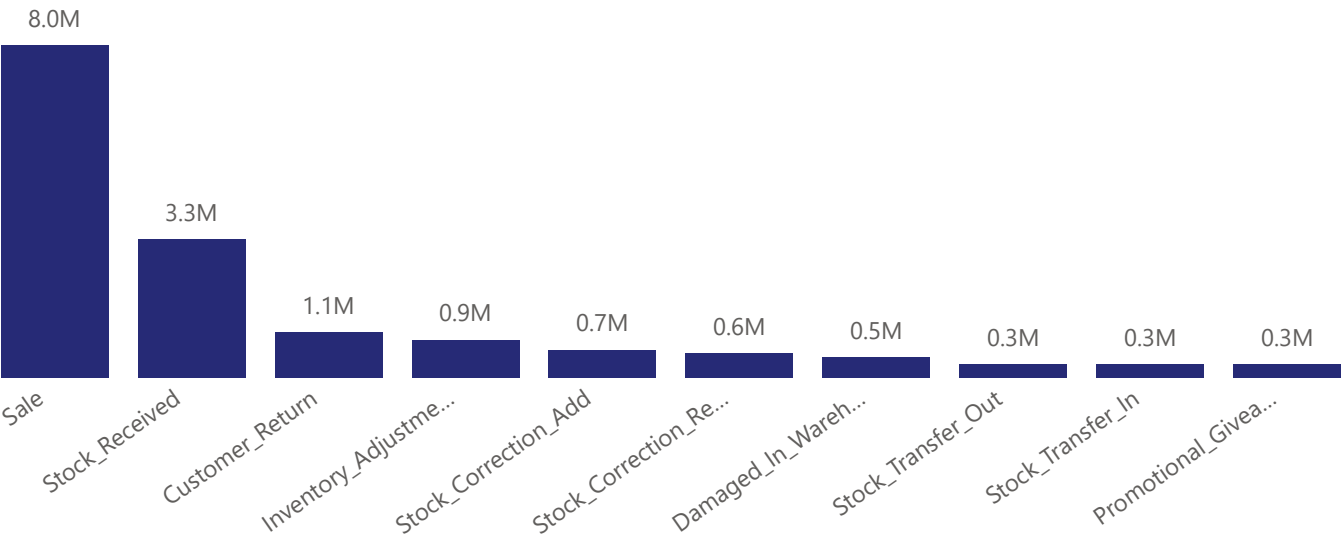
Price for Top 5 Products



Monthly Inventory Changes



Yearly Inventory Changes



OBSERVATIONS

1. Inventory adjustments (452) and corrections (289) together make up a large proportion of total changes.
2. Stock Transfers (159) are lower, suggesting fewer inter-location movements vs. internal adjustments/corrections.
3. The first two products are **extreme outliers**, accounting for far more changes than the others.
4. Li Evans Yarn Skein is high in changes **and** among higher price products.
5. Frequent changes in high-price items risk greater financial impact.
6. Stock corrections and adjustments together account for a significant chunk of changes, signaling operational issues.

RECOMMENDATIONS

1. Automate entire inventory processes, to eradicate manual adjustments and the detect when a product is added or removed.
2. Investigate frequent returns and defects and put measures in place to curtail it, for example checking supplier
3. Perform audit to check data accuracy, system accuracy.
4. Staff training
5. create automatic alerts on system to trigger investigation incase of products exceeding a certain threshold