Simplify Your Business with Near-Perfect Inventory

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ERP SOFTWARE

We simplify your manufacturing.™

In a manufacturing business, few things are more frustrating – and costly – than having workers standing around idle and jobs falling behind schedule because the materials needed to make a part or assembly aren't on hand. Yet, that's just one of many problems that don't go away when you **can't track inventory accurately.**

WHEN YOU DON'T KNOW WHAT YOU HAVE IN INVENTORY, SCHEDULING BECOMES MORE DIFFICULT BECAUSE YOU AREN'T SURE IF YOU HAVE ENOUGH MATERIALS TO BEGIN PRODUCTION. WHEN YOU CAN'T SCHEDULE EFFICIENTLY, YOU OFTEN END UP HOPING, RATHER THAN KNOWING WITH CERTAINTY, WHETHER YOU CAN MEET THE CUSTOMER'S REQUESTED DELIVERY DATE.

Materials are often late getting to the job, and jobs are late due to frequent material stockouts, which makes customers unhappy. Not good. Inventory problems can lead to over-purchasing to make sure you don't run out of materials and parts, which can tie up too much cash in inventory. Expedited material shipping charges for incoming materials and finished jobs increase costs and reduce margins.

The inability to trace parts from start to finish makes it difficult to earn and maintain industry and government certifications. Physical inventory counts can take days to complete, are rarely accurate, and are usually out of date by the time you complete them.

The list of production woes tied to poor inventory management goes on and on, and at the end of the day you can only guess at your true inventory costs.

If you're still receiving and tracking inventory by hand; if shop floor personnel are constantly climbing over bins and shelves to find parts; if you're tired of a $10 part holding up a $50,000 job, it's time to bring your inventory processes into modern times.

Getting Inventory Under Control

Imagine having the ability to track every aspect of your material needs – from detailed inventory data to bill of material (BOM) cost buildups – all from one integrated program.

You can, and it's a lot simpler than you might think with the right ERP system. By turning inventory and materials management from a manual to a mostly automated process, you can save time, cut costs, and track your inventory with remarkable precision.

It starts with **barcoding** all incoming materials so they are instantly and automatically logged into inventory. Once a part or material is entered into the system, you know where it is at all times. Your inventory is always accurate and up to date. You always know what you have, how much, and where it's located. And you know exactly what it cost, making your **job costing** more accurate and reliable.

" Prior to installing our ERP system, locating the right mold for a job could take hours," says **Jay Jolly, co-owner of Advanced Plastiform**, a provider of custom plastic molding and fabrication services. "Now that everything from tooling to materials has its own barcode label, we find it in seconds. We know in real time the exact location of more than 4,000 items across three manufacturing facilities, and what's in transit between them. When a customer needs a case of 20, we pull it off the shelf, slap a label on it, and ship it. It's that simple. **"**

Barcode scanning is just the start. Wireless data entry using handheld printing and other **mobile technologies** transforms **materials management** into a lean, highly efficient process that can be managed from anywhere in the plant, at any time. Mobile lot-bin tracking makes material transfers a snap, while providing complete traceability of every part or material that passes through your shop floor. From physical inventory to shipments, purchase order receipts and more, wireless technology provides unprecedented speed, visibility and control over your inventory.

With mobile material management, you can automatically receive parts into your inventory default bin or stocking bin. Simply scan the label, and the data instantly goes on the inventory master.

Bin-to-bin transfers are quick and easy – scan the barcode label on the bin where you pull the part and scan again when the part goes into a different bin. Issuing material at the point of picking for a work order enables material handlers to process transactions and update inventory and WIP in real-time.

THE BENEFITS OF MOBILE MATERIALS MANAGEMENT EXTEND INTO ALL AREAS OF THE BUSINESS:

- **Faster, more accurate physical inventories.** Run cycle counts in real-time (without having to temporarily stop production), make on-the-fly adjustments to part and lot-bin counts, and print new barcode labels on the spot with ease.

- **Mobile tool tracking.** Simplify the tool tracking process through wireless receipt of purchase orders in the tool room and bin transfers to tool vending machines.

- **Finished goods tracking.** Scan the label on the finished good as you transact each step of the process, and the ERP system automatically records the data.

- **Print move tickets from anywhere.** Scan move tickets into the mobile application and print them on the spot with a portable label printer.

- **Error-free shipping and staging.** Scanning and validating as you pull the product ensures that you ship the right product and quantity.

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WITH MOBILE MATERIAL MANAGEMENT, YOU CAN AUTOMATICALLY RECEIVE PARTS INTO YOUR INVENTORY DEFAULT BIN OR STOCKING BIN.

"Since implementing a bin system and using mobile technology to manage materials and inventory in real time, we have completely transformed our material management process," says **Ann Marie Yates, IT/IS manager for MUM Industries**. "We now have fast, accurate inventory movements and bin-to-bin transfers in real time."

Achieving Near-Perfect Inventory

In addition to tracking inventory more accurately, **ERP Inventory software** keeps the shop floor humming by providing real-time inventory data for accurate management of materials needed for production. From multi-location inventory and history/usage reports to cycle counting and product line reports, you can perform detailed inventory tracking from one point of entry.

Having accurate, up-to-date inventory data allows you to always have the materials needed for production at the right time and in the right quantities. ERP also lets you integrate your material ordering system with your inventory and usage for fast, efficient purchasing based on material requirements, planning functions, purchase history or other criteria of your choosing.

Robust vendor material tracking capabilities provide exquisite detail when breaking down BOM costs and inventory status for multi-level BOMs. **Performance dashboards** provide performance ratings on vendors, including pricing and on-time delivery rates – all in real time, and all from one screen.

ERP inventory software reduces the need for physical inventory counts while making them faster and more accurate when you perform them. From a labor standpoint, ERP software reduces the time needed to perform inventory control by automating most or all of the activities currently being performed by hand. You perform fewer inventory counts, in less time with less people, and with a higher degree of accuracy.

ERP INVENTORY SOFTWARE REDUCES THE NEED FOR PHYSICAL INVENTORY COUNTS AND THE TIME NEEDED TO PERFORM INVENTORY CONTROL.

Automatic reorder levels prevent stockouts of critical parts and materials. On-time delivery rates increase as scheduling and production become more efficient. Expedited shipping charges become the exception rather than the rule. Cycle counting enables you to buy and use inventory more cost-effectively.

ERP also lets you categorize and track parts and materials in a manner that fits your production processes. It also saves time and reduces data entry errors by eliminating the need for multiple data entry.

Most important from a business management standpoint, you always know what your inventory costs, when you bought it, and why. You make better business decisions while lowering inventory costs, tracking inventory with near-100% accuracy, and a running a shop floor that doesn't suffer delays due to part or materials shortages.

Near 100%

YOU MAKE BETTER BUSINESS DECISIONS WHILE LOWERING INVENTORY COSTS, TRACKING INVENTORY WITH NEAR-100% ACCURACY.

" Since implementing ERP, we've reduced our raw materials and finished goods inventory value by 30%, while improving accuracy from 93.2% to 99.7%," says **David Hoover, Chief Operating Officer for WePackItAll®**. "Much of that improvement comes from having a system that tracks everything down to the lot/bin level with remarkable precision." "

You're Not Alone

Almost all manufacturers experience some level of inventory difficulties. At the same time, few process improvements have a bigger impact on every area of the business than getting inventory under control. Global Shop Solutions ERP software can help you do just that. Call us today at 800.364.5958, or **set up an appointment online**. We'll show you how to turn near-perfect inventory from a dream into a daily reality.
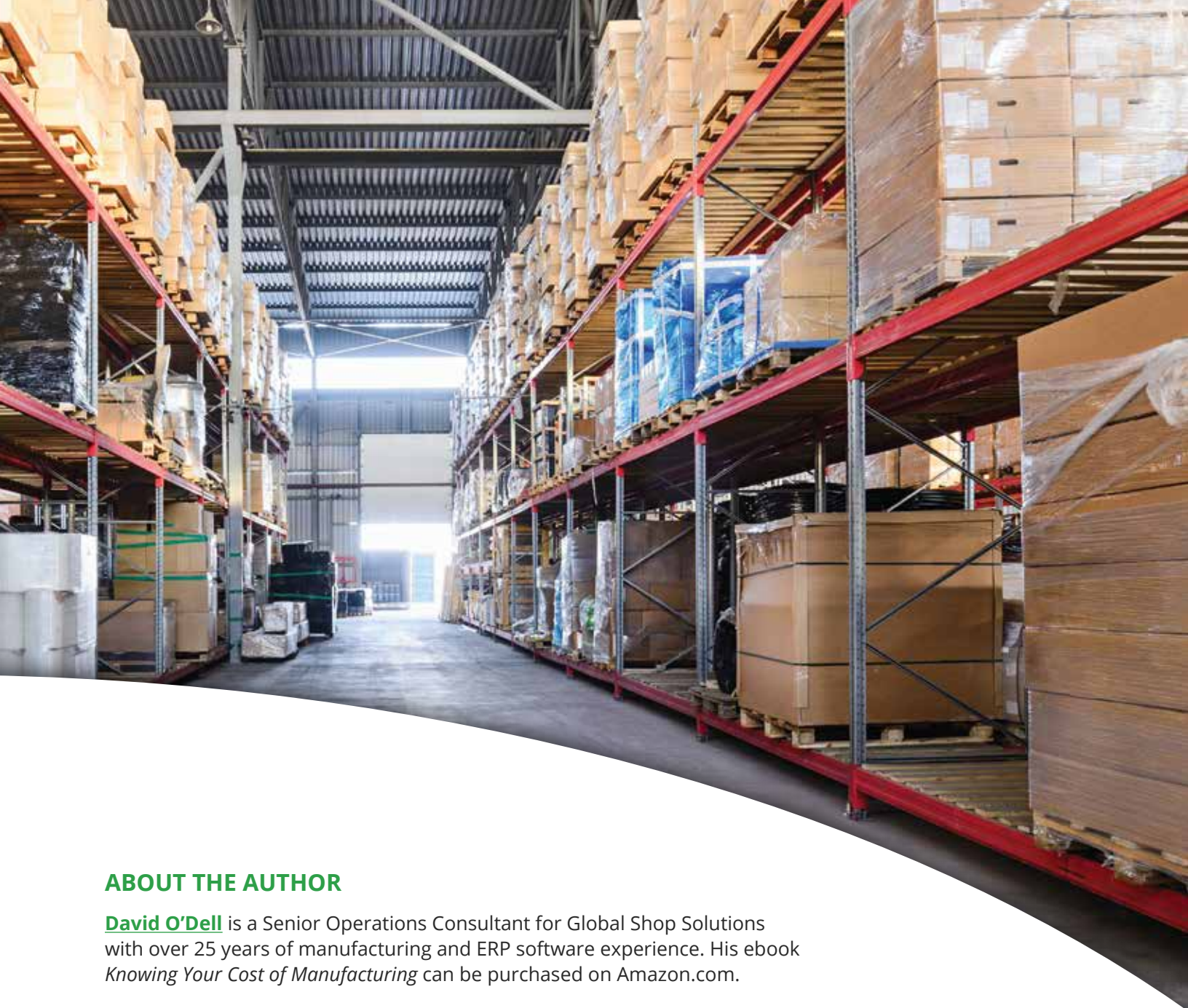
ABOUT THE AUTHOR

David O'Dell is a Senior Operations Consultant for Global Shop Solutions with over 25 years of manufacturing and ERP software experience. His ebook *Knowing Your Cost of Manufacturing* can be purchased on Amazon.com.

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