

GW: Leveraging the Supply Chain through Inventory Management

Gratton Warehouse on using inventory management to make the supply chain easier to navigate.

OMAHA, NE, US, March 24, 2023 /EINPresswire.com/ -- Gratton Warehouse is a [third-party logistics warehouse](https://www.grattonwarehouse.com/) serving the Omaha area with superb inventory management.

The importance of inventory management in the supply chain is often underestimated. Negligent inventory management can have far-reaching effects on an organization's productivity and profitability. Suppose a hospital chain's supply chain manager, for instance, fails to ensure a sufficient supply of syringes or other essential medical supplies. In that case, this could compromise the hospital's ability to provide medical care.

Problems with inventory management can also arise if there is too much stock on hand. When businesses over-order, they tie up cash. This makes it harder to keep track of inventory. Furthermore, it increases the risks of losing money when their stock expires before it can be used or sold.

Let's say a clothing manufacturer's supply chain manager doesn't pay enough attention to customer demand. The business might



Gratton Warehouse provides logistical services in Omaha, Nebraska.



be left with unsold inventory from a previous season if no stores place orders for it. Furthermore, the company's bottom line and reputation, in the eyes of consumers, could take a serious hit.

Effective inventory management, on the other hand, can increase profits, boost supply chain visibility, and better manage operations. The holy grail for a modern supply chain is inventory optimization.



Gratton Warehouse is an Omaha leader in warehousing and logistics.

What is Inventory?

What a business has in stock is what is called inventory. It's made up of the things the company either bought or made. Therefore, the inventory consists of everything that can generate revenue when sold. When something is sold, the money made from the sale is considered revenue. For this reason, stocking up at just the right times is fundamental to the smooth operation of any company. Supply should always be just enough to meet demand in the market at any given time.

It is important that businesses don't overstock. In doing so, they will tie up funds into inventory that is just sitting on the shelves. Furthermore, it is important that the company has enough stock to fulfill the demand. This is a very delicate balance.

Furthermore, it's important to keep in mind that "inventory" encompasses more than just unsold goods in storage. If goods are manufactured by the company, this term can also be used to describe the supply of raw materials. Having insufficient widgets, glue, nuts, or screws on hand prevents a business from making the products for which there is hopefully demand.

However, keeping an excessive supply of raw materials creates an economic deficit until they are transformed into finished goods. This makes the already difficult problem of inventory management that much more so. When issues are factored in, such as packaging supplies, inventory can seem to be pretty broad. Essentially, it is anything that is needed to provide an end product to a customer.

Inventory Management

There are a few components of inventory management that should be considered.

Inventory Optimization

Optimization of stock levels is very important. The term "inventory optimization" refers to the process of ensuring a steady supply of goods by not overstocking or running low. Keeping the right amount of each item in stock requires a flexible approach to inventory management.

Supply chain visibility, from raw materials to sales data, is essential for effective inventory management. It necessitates flexible supply chain planning, where adjustments can be made rapidly in response to shifts in customer demand or interruptions in global logistics operations.

Logistics of Inventory in an [Omaha warehouse](#)

Managing inventory and logistics are inseparable. A business's supply chain's transportation link carries goods primarily from the production facility to the distribution center or warehouse where they will be stored and processed.

Warehouse Management

The management of a third-party logistics warehouse encompasses all phases of warehousing. This includes stocking, shipping, and customer service. Satisfying customers requires careful planning and execution of fulfillment operations.

Optimal warehouse locations are also included to meet the need for quick shipment. If the warehouse has proper management, the inventory has better tracking. Furthermore, less theft occurs.

Benefits of Proper Inventory Management and the Supply Chain

Adopting a management strategy is a great way to turn things around if a business's inventory practices are suffering or not keeping up with demand. Let's take a look at some of the benefits of having a proper inventory management system in place.

Efficient and Accurate

Surprisingly, the number of retail businesses that have accurate inventory is actually very low. Order accuracy is one of the issues. When a wrong part or widget is shipped out, this can make their inventory off for both the incorrect item as well as the correct item. By repeating this problem, the inventory can quickly get off balance and cause all kinds of issues. Furthermore, this can lead to upset customers. It's always important to take the time to have an accurate inventory count done to ensure that everything is exactly as it says it is within whatever system is being utilized.

Inventory tracking's primary advantage is its ability to cut down on stock on hand while simultaneously boosting order precision. Furthermore, with an accurate count of products, there

are many cases when the 3PL warehouse space utilized can be combined. If the business understands its supply and demand, the need for additional warehouse space for a product that is simply sitting on the shelves is reduced.

With inventory management getting easier due to technology, many companies have adapted "just-in-time" or lean inventory strategies. This means there is less inventory sitting on the shelves, less need for more warehousing, and better control of the inventory levels. With a just-in-time or lean inventory strategy, businesses only keep on hand the items that will be used within the next few months.

Cutting Expenses Across the Board

Having an accurate inventory can reduce all kinds of expenses. Companies will need less warehouse space, have a better handle on theft, and have a better overall picture of what their inventory includes.

This helps with supply to not only end customers, but also companies that are using products for production. When the inventory is accurate, there is peace of mind that everything will go as smoothly as possible. This will eliminate the need for rush production or scrambling to find the product at the last minute to fill the demand, which will have definite overall cost savings for that customer.

Many times inventory management is done with specialized software, which can keep track of inventory properly without the need for people to physically count everything. Fewer people are needed for tasks such as picking, packing, and shipping preparation, resulting in lower costs.

Improved Visibility and Planning

When the inventory is up to date and proper, it's easier for businesses to look at their needs. This will allow them to order properly, as well as have what they need in storage, ready to ship out.

Gratton Warehouse is a 3PL warehouse that does an excellent job of ensuring that everything is easy to pull up and see as far as inventory. This allows businesses to plan ahead better for the coming months. From end products shipped out to their customers to components shipped to produce products, everything is affected by inventory. Having a better visible inventory only makes sense for a better supply chain.

With the help of bar code scanning and other features, companies improve their ability to analyze business performance with greater precision. Insights gained from this data help businesses address issues like figuring out which locations are receiving shipments and which clientele are being served.

Stopping Overstocking and Running Out of Supplies

Warehouses face a formidable challenge every day when attempting to maintain a stable stockpile. If inventory levels aren't monitored on a regular basis, they can quickly become either too high or too low. Either way is undesirable, as running out of a popular item will inevitably result in dissatisfied customers if not enough of it was ordered. Having an excess of a product that isn't moving out of storage is a waste of valuable warehouse space.

Fortunately, these potentially devastating events can be avoided through careful inventory management.

Upgraded Quality of Service for Customers

Customers who are satisfied are more likely to leave positive feedback and come back. Also, businesses earn their customers' trust by promptly and precisely meeting their order needs. Furthermore, this will improve the business's reputation in the industry. The goal of effective inventory management is to raise the business's profile in the eyes of its customers.

The automation of routine tasks, such as email tracking, allows customers a better user experience. Customers can be updated on the status of their shipment from the moment it leaves the warehouse until it arrives, thanks to the real-time update features. This will put the end customer's mind at ease while also saving everyone from an onslaught of questions.

Cut Down on Time-Consuming Tasks

To cut down on overhead expenses and make better use of employees' time, businesses constantly seek new methods to streamline their operations. For this purpose, inventory management is a useful tool.

Scannable barcodes and other forms of quick inventory processing are commonplace in the best systems. This has the potential to automate a number of previously manually performed tasks, such as entering product or box numbers. Employees or robots equipped with this technology can significantly increase the number of scans performed in inventory management.

By freeing up resources and automating routine tasks, the warehouse staff will have more time to focus on important work and higher-value activities.

How Improvements in Inventory Affect The Supply Chain

By strategically improving their market responsiveness and profitability, successful retailers can achieve even better financial results by capitalizing on shifting consumer-spending behaviors and cost volatility through the supply chain.

Inventory control is among the most important facets of supply chain management. In order to maximize profits, supply chain management relies heavily on careful inventory control. Furthermore, the goal of inventory control is to increase customer value and give the business an advantage over its rivals.

Before setting organizational objectives, the business must first establish inventory needs. The current stockpile needs to be compared to the desired total. In addition, warehouses must be able to monitor stock levels to prevent waste. Finally, the warehouse in should be able to send reports to the business to help them with this process.

What Are Some Strategies for Enhancing Supply Chain Inventory Management?

The inventory management system is a big component of the supply chain. While most people don't think about it, what is stored in the warehouses is determined by the inventory.

If inventory is moving quickly, it will show as such in the reports from the warehouse. This will indicate that more of that inventory should be ordered to ensure there is enough to keep up with demand. However, when there isn't as much movement, then the ordering should slow down to ensure there isn't an overstock of that product.

Furthermore, inventory can be tracked according to the age of the inventory. This will help businesses understand the speed at which the inventory moves. When determining where to spread their cash flow, businesses count on this information to make decisions. When the inventory information is off, this can lead to poor decisions that could affect the overall stability of the company.

That's why it's so important that businesses have accurate information regarding their inventory. This not only allows them to be better at customer service for their business, but also helps them make future decisions. In the past, inventory was done by companies on a physical level in many cases. This means that there were actual people going in and counting all the inventory, little bits at a time. This was super time-consuming, and they only did this once or twice a year to get a good, accurate count.

However, many Omaha, Nebraska warehouses, such as Gatton Warehouse, specialize in inventory accuracy. This accuracy is critical in helping businesses with their supply chain. Understanding what is needed before the need is critical allows the business to maintain inventory levels to keep up with demand.

How Does [Inventory Management Affect Supply Chains](#)

As we have stated before, there are many businesses that can rely on their inventory to support their supply chain. These could be components that are required for the company to produce products to send out finished goods to their customers. All of this has a direct effect on the

supply chain, depending on what supply chain is being discussed.

Supply chains are the chain of products down the line. While their chain is much longer for those producing products than it actually is for those sending finished goods, they are all directly affected by inventory. When the inventory of the finished goods is off, this problem rolls downhill. This can create a chain of events that will directly impact all sorts of things, from suppliers or components to the production line.

That's why it is so important that the supply chain be involved with the inventory levels. This is also why inventory levels must be accurate in order for businesses to make appropriate decisions. It just makes sense.

What Happens When Inventory is Off?

Inventory management practices directly impact supply chain operations. There is no way to effectively manage inventory without also managing the supply chain. Supply chain management relies heavily on accurate inventory counts; without them, businesses would have no idea what supplies they have on hand and which ones they need to order.

Material needs can be decided on and ordered more precisely with precise inventory control. When inventory is not counted accurately, the supply chain will fall apart. Managing a business's supply chain effectively requires management to anticipate their company's demands and act swiftly to meet them.

However, if the inventory numbers are not accurate, then a business will not be able to accurately predict the needs of the company. This can lead to supply chain issues that go all the way down the line. This can not only affect the end user, but also other component manufacturers that are relying on the inventory count for their own future need predictions.

Check Out Gratton Warehouse - An Omaha 3PL Warehouse.

When looking for a reliable warehouse for inventory storage, finding a company that takes pride in its inventory management is key. Businesses need to be able to rely on inventory in order to better predict the future need for supplies. When choosing a warehouse, it's important that businesses take the time to better understand how the warehouse keeps updated inventory and reports it. When having inventory reported in a safe and easy-to-read manner, management can make better decisions on what to place on order and what to hold off on.

Omaha, Nebraska, warehouses are not all the same. Find out how they work with their clients and their inventory. Businesses cannot take any chances when it comes to inventory management. Let Gratton Warehouse help with their 3PL Warehouse that services many businesses for a variety of warehousing needs.

Michael Wohlgemuth
Gratton Warehouse Company
+1 402-339-0846

[email us here](#)

Visit us on social media:

[Facebook](#)

[Twitter](#)

[LinkedIn](#)

This press release can be viewed online at: <https://www.einpresswire.com/article/623958101>

EIN Presswire's priority is source transparency. We do not allow opaque clients, and our editors try to be careful about weeding out false and misleading content. As a user, if you see something we have missed, please do bring it to our attention. Your help is welcome. EIN Presswire, Everyone's Internet News Presswire™, tries to define some of the boundaries that are reasonable in today's world. Please see our Editorial Guidelines for more information.

© 1995-2023 Newsmatics Inc. All Right Reserved.