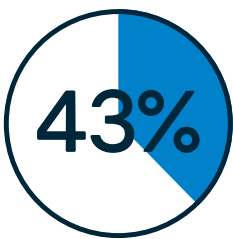# kinspeed

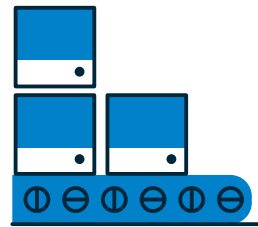# 6 Tips for Tackling Physical Inventory Counts

Physical inventory counts are a necessary evil for just about any company that manufactures, distributes or sells products. They're critical to a business understanding and managing its inventory position and creating accurate financial statements. But that doesn't mean your physical counts need to be as time-consuming and painful as they are today.

43%

43% of small businesses track inventory manually, or don't track it at all

Retailers average only **65% inventory accuracy**

Manufacturers have **$1.40 in inventory** for every $1 of sales

Companies that ditch the pen and paper for inventory and warehouse management systems (WMS) can expect to vastly improve those numbers. With a better understanding of inventory and how it's allocated, businesses can:

• Confidently rely on a demand-based production model

• Keep less inventory on hand

• Decrease overhead costs associated with storage

Mobile Scanners

A WMS that supports mobile devices with scanners allows employees to scan bins and the items within them, generating far more accurate counts than manually recording them. Using a scanner also allows for tracking by lots and serial numbers.
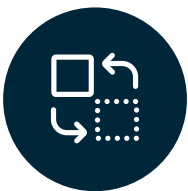
Path Sequencing

Mobile devices also guide workers through their physical or cycle count, laying out the most efficient path based on item locations. That's much faster than wandering around the warehouse trying to find the next product on your list.

Warehouse Layout

Setting up your count based on the geography of your warehouse will make your count quicker and less hectic. With everything labeled down to the zone, aisle, shelf and bin you can create a physical count plan that follows your warehouse layout and maximises your efficiency.

Generate Recounts Quickly

Once a physical count is complete, the system will immediately identify any products with discrepancies between the counted and recorded inventory. You can then generate a recount for those items to double check.

Automatic Inventory Counts

An inventory management system lets you set up parameters and reminders on inventory counts, including which products to count and how frequently. Reminders can be assigned and sent to staff, automatically prompting them to complete the required counts.

Frequent Cycle Counts

Regular cycle counting ensure accuracy of your most important inventory and an inventory management system can generate cycle counts on a daily or weekly basis which should limit the need for physical counts and minimise discrepancies when they happen. By incorporating cycle counting into your staff's regular schedule, you can ensure your inventory accuracy without disrupting production.

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