

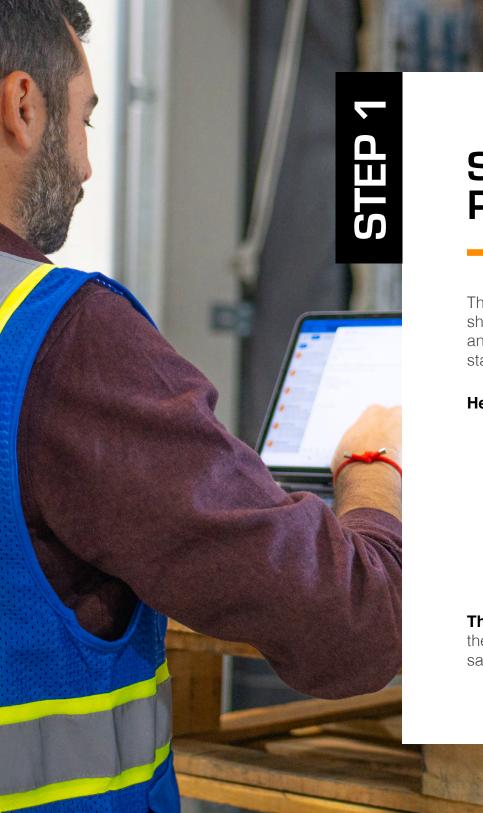
THE INVENTORY BLUEPRINT: 5 PROVEN STEPS TO ENSURE ACCURACY AND DRIVE GROWTH

Every miscounted item, every delayed shipment, and every out-of-stock notification affects more than just your operations—it affects your bottom line and your reputation. For scaling businesses, inventory accuracy isn't a luxury; it's a necessity.

But here's the good news: achieving accurate inventory doesn't have to be complicated. With the right steps in place, you can transform your inventory process into a competitive advantage that supports growth, enhances customer satisfaction, and protects your brand.

This guide walks you through the five proven steps to master inventory accuracy and unlock the potential of your operations.





START STRONG WITH PRECISE RECEIVING

The foundation of accurate inventory begins the moment a shipment arrives at your facility. If items aren't properly verified and recorded, errors will ripple through every subsequent stage of your operations.

Here's how to get it right:

- Verify incoming shipments against purchase orders to ensure correct quantities and quality.
- Use barcode scanning systems to immediately log items into your inventory system.
- Train receiving staff on detailed documentation to eliminate miscounts and mislabels.

This is why it matters: Accurate receiving sets the tone for the entire inventory process, reducing errors downstream and saving time on corrections later.



USE UNIQUE TAGS TO TRACK INVENTORY MOVEMENT

Once inventory is received, the next step is ensuring it's easy to locate, track, and manage. Unique identifiers like barcodes or RFID tags allow for seamless tracking as products move through your facility.

Here's how to get it right:

- Assign a unique tag to every item, carton, or pallet.
- Use technology to pair each tag with its specific location in your warehouse.
- Implement real-time tracking to monitor inventory movement.

This is why it matters: With a well-tagged system, you can locate products instantly, reduce search times, and maintain an accurate record of inventory levels.



IMPLEMENT REGULAR CYCLE COUNTS

Cycle counts are the key to maintaining ongoing inventory accuracy without halting operations. By auditing small sections of your inventory regularly, you can catch and correct discrepancies before they grow into major issues.

Here's how to get it right:

- Divide your inventory into manageable sections and create a schedule for counts.
- Randomize counting locations to ensure thoroughness and prevent bias.
- Use software to track and flag discrepancies for immediate reconciliation.

This is why it matters: Cycle counts minimize disruptions while providing an ongoing pulse check on your inventory's accuracy. They're the backbone of a scalable inventory strategy.



CONDUCT FULL PHYSICAL INVENTORIES WHEN NEEDED

While cycle counts are essential for day-to-day accuracy, full physical inventories are invaluable for capturing a detailed snapshot of your inventory. They're especially critical for year-end reporting, financial reconciliation, and establishing baselines.

Here's how to get it right:

- Schedule physical inventories during slower operational periods to minimize disruption.
- Use a double-count method, with two teams verifying each other's results.
- Invest in technology like handheld scanners to streamline the process and reduce human error.

This is why it matters: Full physical inventories provide a clear, accurate baseline, helping you identify trends, discrepancies, and areas for improvement.



RECONCILE DISCREPANCIES QUICKLY

Even with the best systems in place, discrepancies can occur. The key is to resolve them quickly and systematically to avoid downstream effects.

Here's how to get it right:

- Investigate discrepancies immediately to determine their root cause.
- Correct inventory levels in real-time and document the resolution process.
- Use analytics to identify recurring issues and adjust your processes accordingly.

This is why it matters: Fast reconciliation ensures your inventory remains accurate, builds trust with your team and customers, and reduces inefficiencies in your operations.



BUILD A SCALABLE SYSTEM

Inventory accuracy isn't just about avoiding mistakes—it's about creating a system that supports your growth. When your inventory is accurate, your operations run smoother, your customers are happier, and your business has the foundation it needs to scale confidently.

Start implementing these steps today to turn your inventory process into a strength that drives your success. And if you're looking for tailored logistics solutions to make it even easier, schedule a discovery call.

For more resources and support on how IDS can help your business optimize logistics, visit <u>our website</u>, contact us directly at (866) 232-6533, or email at <u>sales@idsfulfillment.com</u>.