

Inventory Management Overview

Defining a process to add products, purchase those products from various suppliers and then sell them at point of sale is the basis of inventory management. *Enforcing* this process in your business will help maintain optimum stock levels, better meet your customers' needs and ultimately improve cash flow.

Objectives

- Inventory Workflow
- Physical Inventory and Price Review

Inventory Workflow

Products are entered in the **Add New Product** page along with a *retail* price and a *cost*. The retail is how much you charge your customers, and the cost is how much it costs *you* to purchase the item.

For this example, a garage door opener is entered into inventory under the category **Garage Openers**. This product can be sourced from *this* supplier and is sold for a retail price of \$199.29.

Once the product is entered, you can create purchase orders to send to your supplier. From the main menu, select **Purchasing** and **Purchase Order**. For our example, we'll order the garage door opener.

Refer to the help articles, videos, and guided learning material to learn more about adding and maintaining purchase orders.

When the stock from your suppliers arrives you may have questions – *is everything here? Did the supplier make any substitutes? Is this really what I ordered?* Receive your purchase order to answer those questions on the **Purchase Order** screen. You can identify if you received **all** items you ordered or if there are some discrepancies.

The total **quantity on hand** and the *available quantity* of a product can be viewed in the **Stocking & Activity area** of the **Stock & Sell tab**. We now have *1 garage door opener* on hand ready for sale. Notice that these values *cannot be* manually edited. They are only updated by the sales, purchasing and physical inventory functions.

Let's create a sales transaction for a customer who wants to buy a garage door opener. From the main menu, select **Sales > POS**. Use the search field to find *the product*. Enter the quantity and tap **Add**. Tap **Make Payment** to complete the sales transaction.

The **Total QOH** value in the **Stock & Sell tab** automatically updates when the sale completes. The *garage door opener* count is now down to 0.

Physical Inventory and Price Review

Maintaining accurate inventory figures is a critical part of inventory management. Use **Physical Inventory** to make sure your data is correct.

Count single items or a list of items to get an accurate count and address any variances. Best practice is to set up Location Codes and count a location at a time.

If there is any theft or product damage, it needs to be reported in **Physical Inventory** too. Setup categories for shrinkage in **Setup > Shrinkage Reasons** *before* you update your inventory's count and variance values.

From the main menu, tap **Products > Physical Inventory**. Use the filters to limit your results or tap **Search** to view all. You can view the items that are *not counted*, *counted*, the items that have had *a manual variance added*, or *all*.

Check out the Help documentation, videos and Guided Learning flows for assistance when conducting your physical inventory.

It's also important to maintain the cost and update the retail prices of your stock. **Price Review** allows you to update prices in bulk, create alternate selling prices, and have a full history of price change activity. You can easily print new labels after calculating and finalizing price changes.

Recap

Inventory Management more than just key strokes, its an overall strategy that helps ensure you have the *right* products, at the *right* price, at the *right* time.

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