

THE BENEFITS OF STOCK CONTROL

If you hold stock then the chances are you have a 'system' which tells you how much you have. Many of the businesses we meet use Excel to record their sales, keep track of their purchasing and monitor their stock levels, it's something they've done for a long time and used to work fine when the business started out. Lets face it, Excel is widely available, widely used and the chances are you'll already have it so its natural to start using it when starting out.

We normally get a call when this process starts breaking down. As a business grows, it's processes get harder to manage. More suppliers, more stock on hand and more staff (all signs of a thriving business) need 'more system'. A stock control system works by reducing the amount of admin needed to sell. How? Firstly a good stock control system will eliminate double entry, you only have to enter a sale once, the stock is updated automatically purchasing is advised and invoices are transferred to an accounts package such as Sage with just a few clicks.

Secondly, integrating itself with your customers, suppliers, website and carriers further reduces the double entry. If your customers can place an order online, you then import it automatically, allocate stock or place orders with your supplier and finally advise your carrier to make the delivery with a single click (or less), you will soon see that fulfilling sales can be the slickest part of your business. This level of automation is what a good stock control system can achieve, quite simply.

The next key benefit of stock control is better cash flow. If you have hundreds or thousands of stock lines it becomes impossible to predict your stock requirement. This often leads to over ordering and over stock and cash tied up in slow or non moving stock can seriously impact a company's ability to react to fluctuations in sales or purchasing. A stock control system can calculate thousands of movements on thousands of stock lines in seconds, not only speeding up the purchasing process but reducing the normal human tendency to over order.

Not all stock systems are the same, some are quite happy to count stock but the real benefits come from managing the supply chain as well. Knowing the lead times, alternative suppliers and seasonal trends take a simple stock count and turn it into a tool you can use to scale your business up without the extra resources you'd otherwise expect.

If you are considering a stock control system for your business, make sure you get the best (not the cheapest or most expensive) solution for your business. The best way to achieve this is by making sure the system is 100% customisable, that way you know it will always work for your business, as you grow and diversify.