

Red Wing Software specializes in providing software at a reasonable price to companies who are outgrowing their current software and need more functionality, especially where inventory is concerned. Through this experience we have discovered many ways that our customers have saved valuable resources by improving their inventory management. This article shares some of the insight we have learned over many years of customer communications.



### 1. Integrate order entry into your software system.

Do your processes include writing down your customers' orders, only to have somebody else enter the information again to create an invoice? If so, you are spending more money and time than necessary by paying two people to do virtually the same job. You can save time and increase the accuracy of your orders by implementing order entry into your system. Using order entry allows one person to enter and save an order, and that same order can then be turned into an invoice when ready. You will save money, and also reduce human error, increasing customer satisfaction.

### 2. Automate the selling of different units of measure.

Some customers want a case, others want a whole pallet, and still others only want one of that same item. Sound familiar? Do you have to 'trick' your software into handling this scenario, or end up doing inventory adjustments? You can solve this costly problem by setting up one inventory item with multiple units of measure. By setting up the selling units you need for each item, you can have your system calculate how many you have in stock by unit, and you can easily buy, sell and stock your items how you choose. This can save you significant time and will also give you a more accurate picture of how many items you really have in stock. Most importantly, you can quickly tell your customer how many you have available in the unit of measure they choose.

### 3. Set up and use assemblies to build or 'kit' items in your software instead of building them each by hand.

Do you put several items together and sell them as a kit? Or, do you manufacture something composed of many raw materials? Do you endure the painstaking process of entering each piece of the final item separately into your accounting system? If so, you can drastically cut down on time and increase accuracy by setting these items up as 'assemblies'. Setting up an assembly allows you to place a finished product on an order, and it will take all

of its components out of stock for you behind the scenes. This cuts down on data entry and keeps your inventory counts and costs accurate.

#### 4. Take a physical inventory more often.

Having an accurate count of the items in your inventory can save your company money, and your customers will be happy to get a quick and accurate answer on whether an item is available. You can make your physical inventory process easier by using a system that allows you to keep selling products while you take counts. The sales staff is happy because they can keep selling, the warehouse manager is happy because the counts are accurate, and the customer is happy to receive accurate information in a timely manner.

#### 5. Keep track of your inventory by location.

Is that item in the back warehouse? On the retail floor? Or is it out on one of the delivery trucks? If you store items in more than one location, you should quickly be able to see exactly where it is by location. You can accomplish this by setting up more than one inventory location in your software. If you have the ability to set up unlimited inventory locations, you can even set up (for example) a delivery truck as its own location. Setting up multiple warehouses saves you time searching, and can also reduce costly shrinkage.

#### 6. Automate the tracking of serial and lot-numbered items.

Still tracking your serial or lot-numbered items on paper or in a spreadsheet? Not only does this make the receiving of those items time-consuming, there is no trail associating your customers with the serial or lot numbers for the items they purchase. You can set up your system to capture and store the serial or lot numbers for your inventory upon receipt. Then when you enter your customers' orders, you can choose which serial/lot numbers they have purchased. Your company will save significant time by keeping track of those numbers in one system, and you'll keep your customer happy by being able to quickly access which serial or lot numbers for the items they have purchased. This also helps you keep easy track of warranty information.

#### 7. Let your software system keep track of your customer pricing.

Are you tired of flipping through files to find what your customer paid last time, only hoping that the page on top is the most up-to-date? You can eliminate this hassle by setting up your customer pricing in your software system. By setting up customer pricing in the software, you will ensure better accuracy, keeping your customers happy, and you'll also save yourself wasted time and hassle.

#### 8. Track profitability of your inventory items.

How easy is it for you to see which items are the most profitable? How do you know that the items you promote or sell the most are bringing in the most revenue? With the ability to run reports showing profitability (Gross Profit Margin) by each individual item, you can check often to be sure you are selling the right items. By easily accessing this information, you can focus your sales and marketing departments on selling and promoting the most profitable items, enabling you to improve your bottom line.

#### 9. Enter purchase orders directly from order entry.

Have you ever run out of an item, and forgot to put it on order for your customer? You can have your system prompt you to enter a purchase order directly from the order entry screen. By doing this, you will be sure to get the items for your order, keeping your customer happy. You will also save time by taking care of both functions at once.

#### 10. Know which items you have so you can keep just the right number in stock.

Are you surprised when you run out of an item? Or how about when you find a huge overstock? Set up your system to keep a minimum and maximum amount for each item. Then you can easily run a report at any time, showing what you are running low on so you can order more before you run out. You can be sure you don't waste valuable shelf space by overstocking any items. This will streamline the purchase order process too, saving your company hours of time.

**CenterPoint Accounting software** can help you streamline your inventory management by making the most of your accounting software. Sign up for a free, personalized demo today, to see if CenterPoint Accounting is right for you.