

# PERFORMANCE IMPROVEMENT: Inventory and warehousing

9-step checklist to increase the profitability and simplify your business.



### Know your ideal inventory level

Understanding where your inventory level should sit at any point in time will give you the peace of mind of knowing if you are over (or under) spending.



### Establish a sales forecast

Establishing a robust, dynamic, sales forecast that ties into your purchasing methodology can ensure that you have the right product in the right place at the right time.



### Negotiate with your suppliers

It's essential to track how your suppliers have been performing for you and treat them as strategic partners. Having frequent calls with your suppliers and sacrificing performance on some SKUs for a performance gain on others is a great way to improve your bottom line.



### Evaluate your SKU performance

You need to standardize your process for tracking SKU performance so you know where to invest and how much obsolete or excess inventory you're carrying. Standardized evaluation removes experiential knowledge from the equation and gives you the data you need to make effective decisions.



### Strategic Workforce Planning

In an era of aging workforces and a shortage of skilled labour, your mandate is to remain competitive despite resource constraints. This means efficiently allocating resources to deal with both slow and busy periods.



### Streamline your inventory count process

Too many businesses use an inventory count process that is long and labour-intensive to complete and yields low accuracy. Taking a deliberate approach to the counting process and implementing cycle counts throughout the year will improve accuracy and reduce the headache.



### Manage top selling winners and low selling SKU's

Outdated methods of categorizing SKUs can still leave you making decisions based on gut feeling rather than data. ABC analysis is critical to segment your business into bite-sized chunks; being able to replicate the process is even better.



### The 3 A's (agile, adaptable, and aligned)

If your inventory practices feel rigid, invest the time and resources to adopt "agile, adaptable, and aligned" (AAA) methodologies.



### Leverage data

Leverage in-depth data analytics capabilities for your supply chain so you can constantly identify ways to improve it. Set up consistency in your analytics and build tools that follow the AAA principle.

## How MNP can Help

Because of our practitioners who specialize in the industry, countless inventory and warehousing businesses throughout Canada rely on MNP to improve their operations permanently. Take our *Performance Improvement Health Check* to see how your organization measures up against industry best practices — and uncover opportunities to grow, improve your client experience, and increase profitability.

