



Aptean Food & Beverage ERP

Accurate Inventories: The Power of Knowing What You Have

Improving operational efficiency with well-developed
inventory management procedures





When it comes to supply chain issues for your food business, what concerns and possible causes jump to mind?

Poorly trained employees or equipment malfunctions are frequently the first considerations in situations like these, but if you really want to find the answer, you need to dig deeper.

What you may find is that inventory management, as important as it is, is actually the root of the problem. Raw materials being lost or otherwise mismanaged is a serious drain on food businesses—in fact, waste service provider RTS reported that 80 billion pounds of food, or nearly 40% of total supply, is wasted each year.

Within the food manufacturing industry, loss of raw ingredients is the second-highest cost to companies (at 25%), just behind labor and well ahead of the third-highest cost at 4%. It persists, despite its severity, in large part because businesses don't have the tools they need to properly manage their inventory.

The devil is truly in the details in this matter, as nearly undetectable errors can cause much larger problems in the future. That being said, it pays to invest the time, staff, expertise and resources in finding a solution that ensures precision and control in inventory management.

The Costs and Benefits of Inventory Management

Simply put, inventory management is the proper acquisition, tracing and storage of ingredients throughout the supply chain, from purchasing to finished product. Because it is a complicated and sizable issue, it can't be approached in an on-the-fly fashion—it takes creating a sound strategy and implementing a thorough plan.

Before we get to that process, though, it's worth looking at some of the costs that food businesses pay as a result of not being prepared in this area. For one, employees will be left scrambling when ingredients reach insufficient levels, resulting in lost time and money.

And these problems can't be solved by simply purchasing more inventory to make up for losses that have been deemed "inevitable." That not only entails more purchasing—which decreases your profit margins—but also results in wastage when the overbought ingredients can't be used.

Good inventory management, on the other hand, comes with a host of benefits.

When you make the investment of putting a good system in place, it pays for itself by saving your business from potential drains on resources down the road. Your staff can do their jobs more effectively, too, with complete confidence that raw materials and ingredients are being accurately accounted for and tracked.



Improving Inventory Management in the Supply Chain

With a daunting and involved task like putting a new inventory management system in place, just getting started is often the hardest part. Employees may be reluctant to adopt new practices if they're not kept fully informed every step of the way.

To reassure your staff that the process is worthwhile, involve them in the decision-making. Assure them that automations that may come with the implementation are not threats to their jobs, but instead ways to make their jobs easier and more convenient to perform.

As you begin exploring your options for a solution, consider your food business's unique needs. If you need to count inventory on a daily or weekly basis, then you certainly don't want to use a manual method. And if your company uses hundreds or thousands of different raw materials, spreadsheets won't cut it for data capture.

Industry-specific enterprise resource planning (ERP) systems – like [Aptean Food & Beverage ERP](#) – are the best tools for achieving full control and visibility over your ingredients and the pertinent information associated with them. The best among them come packed with other vital features and functions, allowing you to achieve greater efficiency and reap a significant return on investment once they've been properly installed.

Another key benefit of purpose-built ERP solutions is their ability to integrate all of your departments and processes on one platform. That, combined with the automations that ERP platforms enable and the robust data visualizations they provide, can streamline your operations and ensure that inventory concerns are a thing of the past.



A complete, accurate view of your inventory will give you the confidence you need to invest in Research and Development and stay a step ahead of the competition.

Realizing Results and Reaching New Heights

What can you expect at the end of your inventory management system implementation? With the matters of material and ingredient levels and tracking taken care of, your business can be more proactive and act with greater agility.

You'll be more capable of reacting to changes in pricing and consumer demand knowing that your current procedures have been optimized to minimize waste. A complete, accurate view of your inventory will give you the confidence you need to invest in Research and Development and stay a step ahead of the competition.

This sort of undertaking isn't only for large businesses, either—small- and mid-sized food businesses can set themselves apart in a crowded marketplace by preventing unnecessary losses and passing along the savings to potential retailer clients. But regardless of your company's size, the matter of ensuring proper inventory management is one that can't wait.

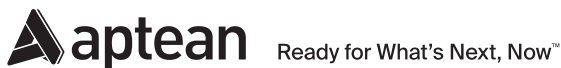
Reach out to us to hear more how our Aptean Food & Beverage ERP can empower your business to realize the results you want.



Are You Ready to Learn More?

Interested to see how Aptean Food & Beverage ERP can help you better manage your food company?

Contact us at info@aptean.com or visit www.aptean.com.



About Aptean

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