

## **What to look for if you need *ADVANCED INVENTORY MANAGEMENT***

### **Introduction**

Many small and medium-sized businesses are looking for smarter ways to operate in order to survive in this changing economy. After gaining control of your finances (generally with QuickBooks), the next areas for efficiency improvement include order management, inventory control, warehouse management, and manufacturing. In the past, this meant leaving QuickBooks and buying software systems costing upwards of \$100,000 with reoccurring costs of \$20,000 a year. Most small and medium-sized companies can't afford such high prices. Additionally, these systems can be complicated and cumbersome to use. Finding employees that are knowledgeable in the new system adds to both these costs and your frustration.

Fortunately, you have more affordable options available to you that can let you stay with QuickBooks and avoid a lot of other costs and issues. Simply find software with advanced inventory management features that integrates with QuickBooks. There are several things you should look for in software to supplement QuickBooks' features and help your business make the best use of its resources.

### **Common Inventory Control Issues Faced by Small Businesses**

The cost of purchasing and/or manufacturing product to sell is often a company's largest expense. With the stakes so high, it is essential for you to know how much of a product is available to sell and where it is located.

Keeping too much inventory on hand may tie up cash that could be put to better use in other areas, such as marketing, new stores, employees, etc. You also risk having your products expire or go out of style before they are sold. Cash-flow problems are a major cause of business failures. Keeping too little inventory on hand risks frustrating customers with out-of-stock items, which results in losing sales and repeat customers.

Manufacturers worry about production line constraints. Inventory sitting on the production line between processes needlessly ties up cash and storage space. It also points to areas where improvements can be made to increase the speed and throughput of your manufacturing process.

Shrinkage is a concern for anyone with raw goods and products to sell. Whether from theft, damage, material losses, obsolescence, or changing demand trends, inventory has a way of decreasing in value over time. Companies need to be aware of these issues and improve processes to minimize them.

Determining ideal inventory levels is a constant balancing act and is key to a healthy, growing business. It is highly beneficial to use a software solution that can help you accurately determine the most important variables to track in your business.

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## **Order Management**

Tying your order entry system into your inventory management functions is critical when it comes to controlling inventory and satisfying customers. Quickly entering customer orders and tracking them throughout your company is crucial to providing a good customer experience. Having an integrated system that tracks purchasing, receiving, stocking, picking, packing, shipping, and accounting brings cohesiveness to your organization as you increase your bottom line and move up to the next level.

### **The following is a list of software features that growing businesses often need:**

- *Ability to track and report on inventory in multiple locations/warehouses/storefronts*
- *Single data entry point for multiple systems*
- *Insightful reports enabling better decision making*
- *Ability to track parts using serial number, lot number, revision date, and/or expiration date*
- *Pricing rules for various customers or sales events*
- *A Product Configurator that allows customers or production managers to customize a product, thereby increasing customer satisfaction and reducing quoting errors (e.g., assemble-to-order and build-to-order)*
- *Tools for purchasing, receiving, selling, picking, packing, and shipping*
- *Ability to land costs*
- *Optional accounting costing methods. (e.g., LIFO, FIFO, Standard, or Average Costing)*
- *Manufacturing with multiple bills of materials per part*
- *Work orders to track progress and assign tasks*
- *Barcodes to increase the speed and accuracy of working with inventory*
- *Ability to accept credit cards and other forms of payment*
- *Multi-currency features so they can receive and convert payments into any currency*

## **Warehouse Management**

A robust warehouse management system provides inventory control through the process of receiving inventory, putting it into stock locations, and moving it to production stations, as well as facilitating selling, picking, packing, and shipping. This helps you rotate through inventory before it becomes old, obsolete, or out of style/season.

Your warehouse management system should be able to identify and label inventory items with industry-standard ABC codes to help in laying out your warehouse in a more efficient manner for quickly picking orders. It should also help calculate the ideal reorder levels for your products and automatically generate purchase orders based on those key metrics.

## **Multiple Locations**

As companies grow, they discover the need for tracking inventory at multiple locations, whether it is multiple warehouses or inventory kept in bins, trucks, etc. Your inventory management features should allow you to track inventory across unlimited locations and provide transfer orders to move inventory between sites. You may pick, pack, and ship your inventory from one warehouse and receive it in another across town or across the country.

## **Multi-currency**

If you buy or sell products in more than one country, you need to have a system in place to make sense of all of those differ-

ing currencies. For example, you can't report Canadian dollars as U.S. dollars in your accounting numbers because they have different values in relation to each other. Your inventory management features should have the ability to generate sales orders and purchase orders in whatever currency you choose, and it should automatically convert incoming currencies into your home currency and then pass the updated amounts along to your accounting software. That way, you won't overpay or underpay on your taxes and you'll have an accurate picture of your revenue and expenses.

### ***Traceability***

Some companies require the ability to track inventory all the way from the purchase of raw materials to the manufacturing of the product, to the final customer delivery. Serial numbers, lot numbers, revision numbers, and expiration dates are common attributes that facilitate this.

Look for a solution that provides an unlimited number of custom fields for orders, customers, vendors, parts, and products. These custom fields are different from the tracking fields mentioned above because they don't enforce inventory divisions. They provide the ability to attach other attributes to objects.

### ***Product Configurator***

Product customization has become increasingly expected, as customers want things their own way. Being able to quickly and accurately give quotes to customers and have those quotes flow into the production process reduces lead times, increases customer satisfaction, and saves time for engineers and sales reps who normally calculate these things by hand. If your product can be sold in multiple colors, sizes, or with other custom options, you need a solution that has a way to define and use them.

### ***Manufacturing***

Look for three big things in a manufacturing solution. First, the manufacturing features are designed to simplify the arduous task of organizing work, materials, and processes. Second, its Manufacture Orders, Work Orders, and Bills of Materials give users the ability to streamline manufacturing processes and optimize custom jobs. Third, it can be customized to meet most assembly, job shop, and manufacturing needs.

Manufacture Orders are powerful tools that allows a user to create and track assembly, disassembly, or repair work orders. They also help you keep track of your customers' information, including sales order data, scheduling data, and costs. Manufacturers can use software with advanced inventory features to automatically create work orders for handling multilevel assemblies, tracking stages, tracking locations for work orders, and providing detailed instructions and travelers for your shop floor.

### ***Custom Pricing***

It is often advantageous to be able to offer different prices to different types of customers. It is important that during the order creation process, the prices established for a particular customer are the prices actually used for that customer. In other industries it is important to be able to statically or dynamically update prices as the price of raw materials may change from month

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to month and/or day to day. A robust system will allow businesses to create these price books (or pricing catalogs) based upon the customer, customer group, a specific product, or a product group.

### **Costing Methods**

The Average Cost and First In First Out (FIFO) costing methods used in QuickBooks are not always the best ones for a business. Manufacturers often prefer Last In First Out (LIFO), or Standard Costing accounting methods to better understand the dynamics of their operations. Make sure your software solution has the ability to use LIFO, FIFO, Average Cost, or Standard Cost methods. Your inventory solution should keep track of the costs and push the correct values to the corresponding accounts in QuickBooks. Cost of Goods Sold is appropriately updated depending on the chosen costing method.

### **Reconciling**

Software with advanced inventory features facilitate the reconciliation of purchase orders. After an item has been received into your inventory and your vendor's bill is sent to you, you have the option to reconcile your costs to match the vendor's bill.

### **Landed Costs**

If you deal with tariffs or other shipping costs and want to see them reflected in the total cost of your parts, you need a solution that provides a way to accomplish this during reconciliation.

### **Barcodes and Mobile Inventory Management**

A wireless inventory solution can significantly increase inventory accuracy and worker productivity in your warehouse. Reduce your frustration by eliminating errors and always knowing your on-hand inventory. Being able to access detailed inventory information on a handheld device prevents inventory loss by keeping accurate counts of inventory, correctly assigning inventory locations, and making inventory audits feasible—improving your bottom line along the way.

### **Fishbowl Manufacturing® and Fishbowl Warehouse®**

As a company continues to grow, so must its systems and processes. Fishbowl provides many of the features that are otherwise only found in much higher-priced systems. Fishbowl also enables companies to keep using QuickBooks for their accounting needs. Fishbowl and QuickBooks provide the ability for small to medium-sized companies to move to the next level.

Fishbowl, as the name implies, allows you to view and analyze your business processes from whatever angle you want. Known for its ease of use and clean user interface, Fishbowl helps companies gain control over many areas of a growing business, and it does so at a fraction of the cost of what most companies expect. **Fishbowl Manufacturing** and **Fishbowl Warehouse** are the #1 requested manufacturing and warehouse management solutions for QuickBooks users.

The fact that Fishbowl integrates with QuickBooks is a plus for business owners and accountants because it means you can

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continue with the accounting program you are accustomed to using. It allows back-office workers to make inventory, warehouse, and manufacturing entries into Fishbowl rather than requiring them to have access to the accounting details in QuickBooks. Fishbowl also provides user rights so that employees only see the areas of the system to which they need access—access to cost values. By restricting access, you keep your data safer and reduce the potential for errors.

Fishbowl allows you to know your on-hand inventory at a given location—as well as where to find it. Since Fishbowl integrates with QuickBooks, there is no need to reenter the same information in QuickBooks and your shipping application. When exported from Fishbowl, invoices and bills are automatically created in QuickBooks. This saves you a step and ensures your data matches up across applications.

Being able to analyze the data stored in a business software system is absolutely mandatory. Fishbowl has, as one customer put it, a “*myriad of useful reports*” to gain insight into your business. Custom reports can also be created through Fishbowl and its partners. Fishbowl can run on Linux systems, providing another low-cost option for businesses. The desktop portion of Fishbowl can also run on Macs. Fishbowl is also available on tablets and smartphones through an app provided by one of Fishbowl’s partners.

Fishbowl is flexible to use in a host of different situations due to its Software Development Kit (SDK) as well as its ability to import and export Comma Separated Value (CSV) files. The SDK allows developers to integrate Fishbowl into e-commerce stores, Customer Relationship Management (CRM) systems, and other systems and processes. Fishbowl provides many features designed to help businesses move up without moving away from their core accounting system—QuickBooks.

### **About Fishbowl**

Fishbowl and its cornerstone products, **Fishbowl Manufacturing** and **Fishbowl Warehouse**, make it possible for every business to have the level of flexible and mobile inventory management solutions large organizations enjoy. It is especially popular among manufacturers, wholesalers, e-commerce companies, and retailers. Fishbowl offers advanced features, including multiple location tracking, seamless QuickBooks integration, order management, and pick/pack/ship functionality.

**Sign up for a personalized product overview by calling [1.800.774.7085 ext. 2](tel:18007747085)  
or visit our website at [www.fishbowlinventory.com](http://www.fishbowlinventory.com)**



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