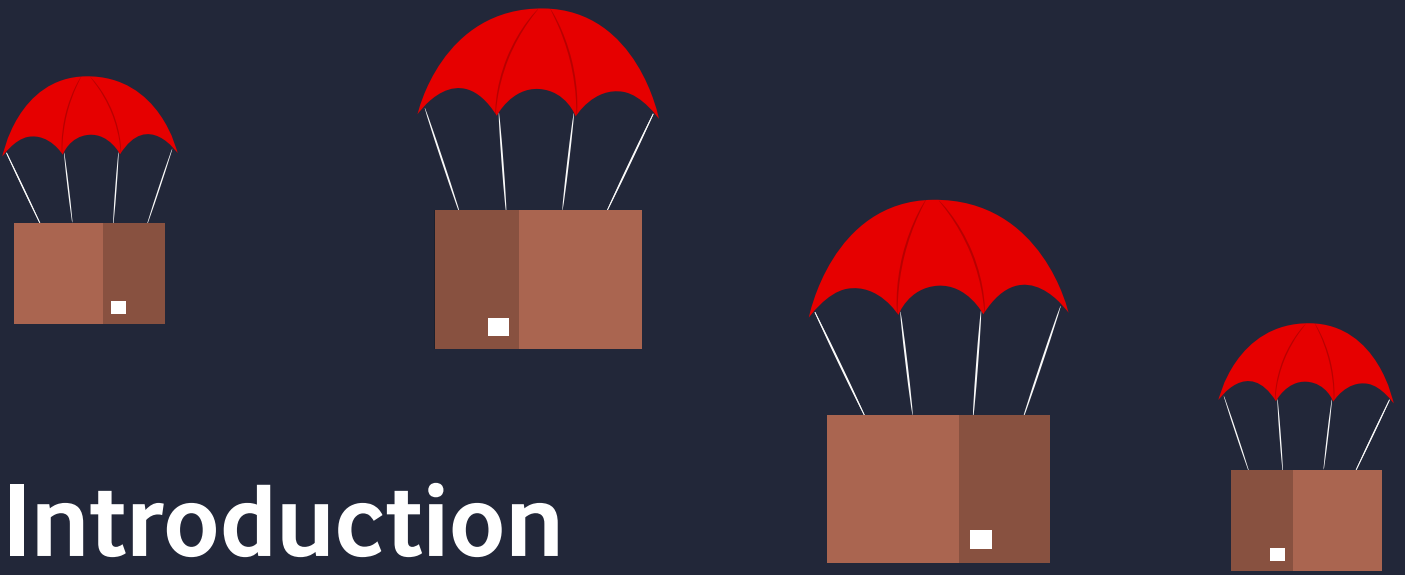




How to **keep** **customers happy** without **overstocking**

An **essential** inventory management guide



Introduction

A big part of running a small business is staying connected. Your team needs you, your customers need you, and so do suppliers. But keeping everyone in the loop can get expensive fast—phone contracts, mobile plans, internet, various apps, maybe even a clunky desk phone collecting dust. And let's not forget about the cost of data. It's a lot. And not just in money—it's the headache of managing it all as well. Fortunately, there's a way to make it easier for yourself and the team while saving some cash. It's called a unified communication system, and it's a game changer for businesses. Let's break it down, along with the components that can improve it.



So, why not **just** stockpile everything?

On the surface, it sounds like a no-brainer. Stock up on plenty of inventory, and even if your supplier runs late, there's no disruption. You've got backups, and business carries on as usual.

Except it's not that simple. Stockpiling might feel safe but...



it's got some costly side effects:

Storage costs pile up:

More stuff means paying for more storage space. It's an unnecessary expense.

Stock goes to waste:

Products and materials can expire and get damaged. That's money down the drain.

Cash gets stuck:

All that capital tied up in boxes collecting dust? You could've used it to grow instead.

Sure, extra stock might dodge a delay or two, but it's like putting a Band-Aid on a broken leg. You're just trading one problem for a bigger one down the road. There's a better fix:

Lean Inventory Management.

What's this **Lean Inventory Management** thing?

Picture this: you've got just enough stock—not too much, not too little, but just right. Lean Inventory Management is all about figuring out what you need, when you need it, and keeping things tight. No guesswork, no excess baggage. It means you're ready for customers, and you're not bleeding cash on storage. It's like running a tight ship—efficient and smooth.



So how do you **make Lean Inventory Management** work?



While Lean Inventory Management is the overall approach you need to take, there are four components you need to implement to make it work. These are Just-in-Time (JIT) production, keeping suppliers informed, Kanban, and Kaizen.

1. Just-in-Time (JIT) production

Order what you need, when you need it

Forget stockpiling for “just in case.” JIT is considered the leanest method for inventory management. By using the JIT ordering method, you order exactly what you need, right when you need it. And you do this by matching your orders to real demand, not some wild guess. Here’s why it works:

You’re only ordering what you need, so even if a delay happens, you can simply just adjust the next order to make up for the shortfall.

Reduces last-minute rushes, so instead of firefighting delays, you spend more time improving service.



2. Get cozy with your suppliers

Lean Inventory Management only works if your suppliers are in the loop. Don’t just fire off last-minute orders and cross your fingers. Talk to them. Share your demand forecasts ahead of time so they’re ready to roll when you need them. Here’s why it works:

Fewer delays because they’re not blindsided by your requests.

You’re the person they prioritise when stock’s tight—reliable partners (that pay well) usually get preferential treatment.

3. Keep tweaking with Kaizen

Keep it simple

Ever heard of Kanban? It's a simple method to keep track of your inventory levels. It could be as basic as coloured cards that indicate if stock is "low", "okay", "high". Or it could be a software setup—like an ERP system—pinging you when it's time to reorder. Here's why it works:

No nasty surprises when your business is busy.

Indicates when you need to give your suppliers a heads up for more stock.

4. Keep tweaking with Kaizen

Don't set it and forget it

Kaizen is just an interesting word for "keep making it better." In other words, don't set up a Lean Inventory Management system and then leave it alone. Check in, tweak it for the better, cut aspects that don't work. Here's why it works:

Small problems don't turn into trainwrecks because you're always fixing the little things.

Keeps your system flexible, so it can adapt to changes like supplier issues or shifting demands.



Let's wrap up

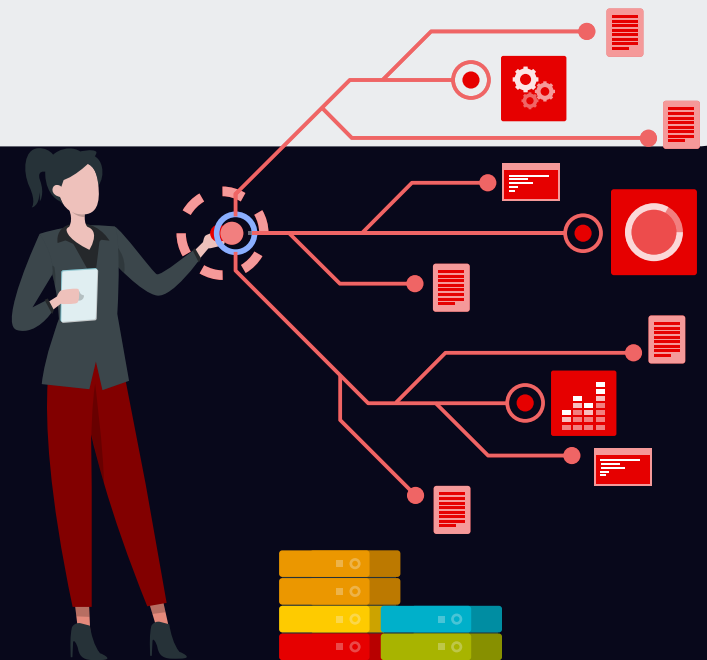
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We've got an Enterprise Resource Management software that's highly regarded for its inventory management capabilities. It's called SAP Business One and with it you can:

Something that can help you

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Automated notifications:

Get notified when stock levels hit a threshold so you can reorder just in time.

Integrate inventory with sales and finance:

Keep everything connected so stock levels update automatically when sales happen.

Streamline supply chain coordination:

Get better visibility into supplier deliveries, track lead times, and optimise procurement.

