

Inventory Control

The basic purpose of inventory control is to know at any given moment what supplies are in a given storage location or warehouse. Inventory control is a cornerstone of good inventory management.

Inventory control ensures traceability and transparency of any storage activity, providing accurate information on any movement of supplies including:

- Where the products come from.
- When the products were received and in which quantities.
- Where the products have gone.
- When the products were dispatched and in which quantities.

Inventory control improves stock management practices and supports decision making through:

- Optimising working processes and costs.
- Providing some degree of protection against potential over-stocks or stock-outs.
- Anticipating products getting expired or close to expire.
- Detecting losses or any deterioration of the stored products.

Inventory control is essential for accountability, providing values of stored items and consumption status from projects close to conclusion. Proper inventory control will provide value to the storage facilities through optimised management, higher levels of satisfaction among customers and stakeholders.

For a successful inventory control three critical activities must be accomplished:

1. Systematic recording and keeping support documentation accessible.
2. Monitoring consumption, stock levels and inventory performance.
3. Reporting.

Coordination

Inventory management is central for timely implementation of humanitarian relief operations. For a successful and valuable stock keeping, inventory activities must be synchronised with other activities from stakeholders external to the storage facility: suppliers, transporters, clients, other departments, and others. Key information must be regularly gathered and delivered *from* and *to* relevant stakeholders.

Inventory management should support the ordering process, providing information on stocks levels, expiry dates, consumption rates, etc. Monitoring past consumption can help to estimate future needs.

Transit inventories should also be closely followed. This can be done by gathering information from suppliers or supply chain managers on the current status of local, national and international orders. Tracking in transit inventory will allow planners to properly prepare a given storage facility for shipment reception or to alert clients on the imminent delivery of a pending request or a back-order.

Whenever possible, coordination should also help to anticipate intensive use of the inventory, such as during emergency responses or distribution periods. In such situations, extra resources such as increased labour or extended working hours can be made available.

Potential spikes or steady increases or reductions of demand should also be prevented through coordination. Operational information such as new activities, an increase in the number of people in need or access restrictions to deliver in a certain area, are critical in this sense and can help to prevent situations stock-outs or over ordering.

Data from inventory management can also serve to quantitatively monitor the delivery of relief supplies. Increased or decreased demand patterns contrasted with expected consumption can provide information on the humanitarian situation or outline changes in the management of a particular activity.

Coordination should especially be used during the beginning or ending of projects. Particular donor requirements related to stock keeping must be communicated, with special attention to specific reporting mechanisms and disposition regulations.