The Future of Inventory Control Software

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As companies jump on new technology, many of the tools used by prior generations of supply chain managers won't be as effective as in the past. Just like other parts of the business world, logistics is a changing arena where things that aren't efficient anymore are cast aside in favor of the tools that can do a job most effectively.

The goal behind this process of evolving and developing new tools is excellence in the supply chain industry. According to Supply Chain Quarterly, this concept is actually harder to define than most people would admit. Partially, it means shipping products on time and having an efficient warehouse management system in place, but there are other factors, such as the return on investment. High ROI products lately have been those in the technology field, since the tools required to implement them are often less expensive than other outsourced solutions that may cost more. In the field of data collection, for example, a simple barcode scanner can be more effective than other indicators at figuring out what actually goes into and out of a factory on a daily basis. As such, the ROI for data capture is typically quite high.

Thus, a solution that emphasizes automated data collection technology and top-shelf analysis will be a sound investment for many companies. One such industry that has seen the need for advanced supply chain solutions, such as mobile data capture, is the oil industry, which has grown since the beginning of the hydraulic fracturing revolution.

Responding to Change in the Oil and Natural Gas Business

A separate article in Supply chain Quarterly discusses the major changes happening to many oil and gas companies because of fracking. The huge boom in technological advances carried along with it an enormous burden on the supply chain managers who ran companies that suddenly saw massive shifts in logistics.

"Practically overnight, the energy industry has had to develop a supply chain capable of extracting, processing, delivering - and later removing - billions of tons of a hard-to-handle commodity in some pretty remote areas," wrote the author of the piece, Toby Gooley.

The question is then asked: Could someone in another industry, such as manufacturing, make similar adjustments on the fly using currently available technology?. While handling such an extreme case of a shift in the industry would be hard for anyone, having an efficient data collection and inventory management system in place will help companies that need to change logistics when necessary.

For example, in the case of a business that gets its rubber from South America, having data capture at factories will demonstrate which carriers are delivering rubber the fastest, along with which rubber suppliers are sending the best products. In the event a company can't deliver quickly enough or there is an incorrect shipment, a business will have a network of other suppliers built up from the information collected on the floor using mobile data capture equipment. The technology used for this process is as simple as a barcode scanner, and can work directly with tablets and smart phones.

The future of Warehouse Management

Companies that heavily invest in their supply chain tools are beginning to use artificial intelligence as a way to calculate the best product mix in their factories and warehouses, according to a study by Nucleus Research reported by Supply Chain Brain.

"Artificial intelligence is accelerating the high value that inventory optimization can bring to retailers and consumer packaged goods manufacturers," the authors of the report wrote.

Those who wish to take advantage of this upcoming tool for maximizing ROI should start with the basics - which is often simply having an automated data collection system that is easy to use and efficient.