

INVENTORY INSIGHTS

Forecasting Has a Global Reach Throughout a Company

Did You Know:

- Companies that implement a forecasting system typically realize ROI within 18 months
- Inventory is often the largest asset of a company, with carrying costs of 24-30%
- Implementation of a forecasting system will benefit all departments

Benefits of a Forecasting System:

- Optimized cash flow
- Satisfied Customers
- Minimized Inventory Costs
- Informed Financial Planning
- Increased ability to negotiate with vendors
- Ability to make strategic decisions

All areas of the company will realize benefits from accurate Forecasting:

- **Corporate Performance**—Operational performance improvements, like increased turn, enhanced profits and inventory reduction are results of good forecasting. These improvements lead to improved cash flow across the company.
- **Distribution**—Accurate forecasting will improve receipt flow. Improved receipt flow can result in personnel efficiencies. Identification of top performing products can lead to improved logistical productivity.
- **Accounting**—Forecasting gives Management vital information for financial discussions. This information can be used to strategize the company direction based on current trends and inventory levels.
- **Production**—Planning and Production must work very closely to ensure that there is enough capacity to produce the items needed. Production can be prioritized and workforce scheduled based on good forecasts.
- **Sales**—Planning must work with the Sales team to gain insight into what the customers are demanding and what is happening in the marketplace. Sales can be assured that production is meeting these customer demands when Planning and Sales work together. In addition, Planning can alert the Sales team to emerging trends they are seeing, giving them a jump on the competition.
- **Human Resources**—A good forecast will enable Human Resources to plan their staffing according to the production needs of the company, resulting in savings in labor costs.



Contact [basic-code] today

to learn how the Sales Analysis and Forecasting Tool© could help you gain operational improvements throughout your company

To estimate the savings you could realize by optimizing your inventory, use our interactive calculator, located at

<https://basic-code.com/demo>.