

# Life without Spreadsheets

A guide to modern inventory management.



Unanet™

# Executive Summary



**Are you scaling up or adding inventory management and manufacturing contracts to your business? Are you tired of using spreadsheets to manage your operations? If so, then let this eBook be your guide to modernizing your inventory management.**

We know that inventory management is becoming more important to government contractors (GovCons) because Unanet has been in this industry for over 30 years – providing software to business of all sizes and helping them outgrow and outlast the average company with better software, support, and expert advice.

In this eBook, we'll share with you best practices, stories, and examples of how software for inventory and manufacturing management can help you accomplish your goals as a finance or operations leader. Whether or not you have Unanet as your enterprise resource planning (ERP), customer relationship management (CRM), or subcontractor management solution today, this book will provide useful insights to help you improve your business.

# Can you trust spreadsheets?

It's an understatement to say there are a lot of challenges tracking assets and inventory for government contracts. We have learned that so many GovCons today still use spreadsheets (or worse) to track inventory receipt, picking, pulling, ordering, location, project, batch, payment and more. At a recent meeting with a warehouse supervisor, we learned they were physically handing Amazon labels and receipts with sticky notes to their accounting team. There were literally hundreds of them every week. This happens in a lot of warehouses in a lot of spaces, but it's especially challenging for GovCons due to the narrow margins, increased compliance needs, and project-based work for contracts.

Relying on spreadsheets is better than nothing, but not by much. Spreadsheets rely on a LOT of manual entry, and shared spreadsheets are sure to include errors, versioning issues, and formatting problems that make it difficult to move data across systems. And we've all seen how an error in a spreadsheet can lead to an error in payment, ordering, or reporting that can go undetected for weeks until someone has to spend a whole day tracking down the right data.





# Jobs that are difficult when you rely on spreadsheets.

## **Predicting demand.**

You can't predict demand without good aggregate data about the relationship between orders, deliveries, and payments. You can't have good aggregate data if you don't have good fundamental data.

## **Traceability.**

If you don't keep meticulous track of all items received, their serial codes, lot numbers, and associated projects, then you will have a really hard time providing that information in a format that the government finds acceptable.

## **Improve quality.**

Knowing how to make things better requires knowing what is going wrong and where. It's hard to do this continuously without good data to back up your instincts.

## **Increasing efficiency.**

Knowing where things are, when they will arrive, how much they cost, and how much you're making off of them means that you can figure out how to save money across your entire operation. In addition, any manual effort related to data entry can be reduced up to 90% using scanners, mobile applications, and integrations between inventory and accounting systems.

Finally, we also know the opportunity is increasing in our space. [The Department of Defense](#) set their industrial strategy to focus on increased investment in and resilience from their physical supply chain. We also know that [more of this investment is going to small businesses](#).

**So, what would life look like with an integrated inventory management system?**

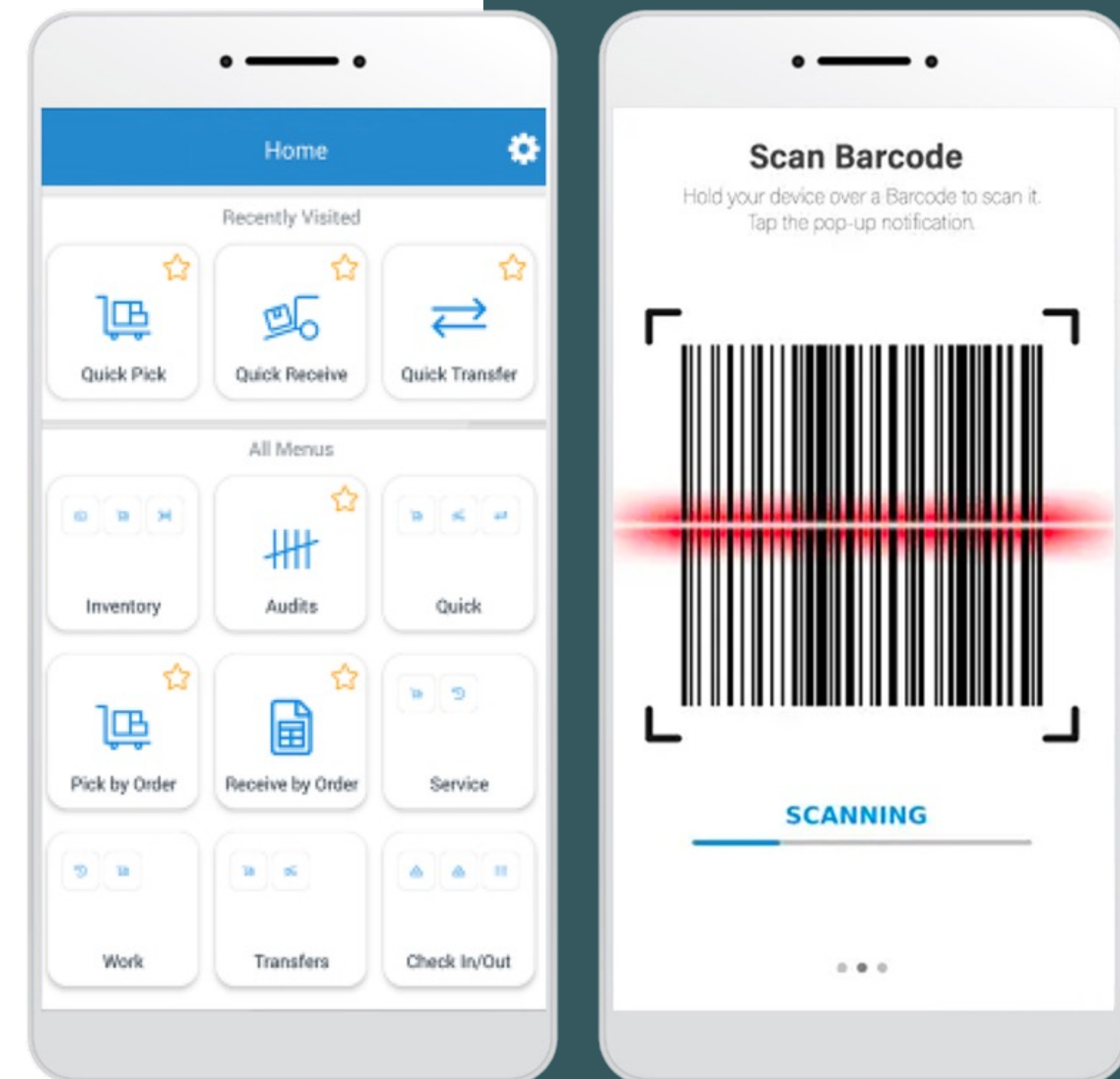
# Ordering with Confidence.

Modern inventory systems automate the tracking of inventory levels, orders, sales, and deliveries. Instead of manually writing down where everything is, scanning and mobile device usage combines worker activity with project information to instantly update the status and location of any item. This reduces the chances of human error and saves a ton of time.

Digitization also maximizes the efficiency of document management and file sharing, eliminating the need to print out documents. It also allows for easier auditing of records and processes. It enables you to separate materials purchased on Cost-Type contracts, which helps you with reporting and compliance.

Having one place for people to update, understand, and find the right information makes it easy for everyone to collaborate and build trust – which is a must-have to confirm when and how to order things.

What's even better is being able to use past ordering patterns and single-click integrations to order new parts based on your current bill of materials related to your project...and then getting built-in information about lead times for available vendors! It's like data magic!





# Understanding kitting inventory and tracking Kits

Kitting is a process in inventory management where separate but related items are grouped, packaged, and supplied together as one unit, often referred to as a “kit.” These kits are often assembled and stored in a warehouse until requested by the customer. In government contracting, kitting is a common practice to assist in the manufacturing process or the delivery of a kit (i.e., medical relief packages).

Effective tracking of these kits is as essential as tracking individual items. Automated inventory systems often come with built-in capabilities to manage kitted inventories. They can track the quantity and location of kits in the warehouse, updating changes in real-time as kits are assembled or broken down. This real-time monitoring helps prevent stockouts or overstock situations, leading to improved customer satisfaction and more efficient warehouse operations. Through smart kitting and efficient kit tracking, businesses can streamline operations, reduce handling costs, and improve order fulfillment speed.

# Less time working with data.

How many meetings do you have with your finance department to go over discrepancies in item tracking and costs? If you have a digital system that is based on accurate scanning, then you will have almost none of these meetings, emails, and calls. That translates to more time spent improving quality and training – and keeping employees happy!

Not only that, but with excellent data comes a host of other time-saving benefits.

## **Better decisions, faster**

Automation ensures that all inventory records are accurate and current, allowing teams to make informed decisions quickly. It allows for real-time tracking of stock levels and streamlined communication between departments, enabling efficient decision-making. In the world of government contracting, it is especially important to be able to track all the costs and expenses associated with inventory so that you can report them, satisfy auditors, and charge the government in a timely manner as required by law.

One of the main reasons people still like to use spreadsheets is because it can be quite easy to create a visual that can communicate a lot of information at once. Fortunately, modern software does an even better job of this because the charts and graphs are updated automatically, in real-time, and they are pre-configured so that you don't have to set them up. In addition, most modern software features interactive dashboards where if you don't understand the information, or you have a question about it, you can click through to the raw data to investigate.

## Scalability

Automation equals efficiency, and efficiency leads to scalability. Modern inventory systems are designed to grow with your business. As your operations expand, these systems can easily adapt to handle increased demand and the need to maintain compliance, ensuring that your inventory processes remain efficient and effective.

This is especially true in government contracting, where one large contract can triple your business volume, number of stock keeping units (SKU), and tasks, therefore increase your tracking activities exponentially. Once you have a good system, you don't have to change it simply because you have more data and tasks flowing through it. Hiring and managing people is hard enough by itself. You don't want to have to worry about implementing new systems at the same time. Having digital systems in place means that you simply expand the number of items you cover without increasing the number of errors







# Government Furnished Property

In government contracting, the responsibility to track and manage assets extends beyond inventory to include Government Furnished Equipment (GFE) and Government Furnished Property (GFP). These are items provided by the government for project use and can range from small items to very specialized equipment. Accurate tracking of GFE and GFP is crucial for successful contract delivery, as well as maintaining compliance with government regulations.

Automated inventory and asset tracking systems can help with the management of GFE and GFP by providing real-time visibility into these items' location, usage, and condition. This ensures that assets are being used efficiently and effectively – and maintained if necessary, thus reducing the risk of loss or damage. Additionally, these systems can generate reports on GFE and GFP utilization for further analysis and decision-making

# Win new projects

One company we worked with won a new eight-figure contract with more complex parts because they proved they could scale operations to meet the complex new demands. This provides not only interesting work, but also new avenues for growth through acquisition or merger as larger companies and collaborators see your potential for growth.

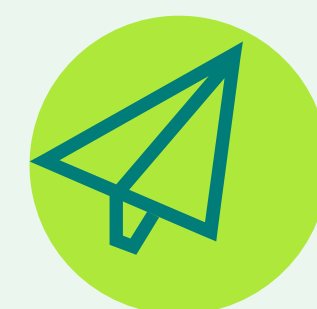
When companies optimize warehouse organization, they can reduce the expenses related to storage space. The ideal state is a “just-in-time” inventory system popularized by Dell Computers a few decades ago. This also involves optimizing workflows, floor layouts, and process design to keep items nearer to where they will be used and move them fewer times. That’s something you won’t have time to focus on when you’re too busy writing everything by hand.



## Save money on inventory costs.

By accurately tracking inventory, companies can avoid overstocking and understocking, both of which can lead to unnecessary costs. Overstocking can lead to obsolete inventory and increased carrying costs. Understocking can result in missed sales and poor customer service.

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## Goodbye paper

It feels appropriate to be writing this statement in a book which will NEVER be printed, but paper is a waste of time and money. Even in this age of advanced technology, many companies still use paper to manage their warehouses. This can result in piles of receiving orders and packing slips. It also forces you to scan and store documents. With a modernized, technology-fueled system, you can go paperless, saving on costs.

A bonus is that going paperless also eliminates environmental waste from printing materials, reducing operational costs due to the elimination of paper-related expenses



# Understanding lot/serialization in government contracts

Lot/serialization is a critical requirement in government contracts, particularly in industries such as pharmaceuticals, where traceability is crucial. Lot or batch tracking refers to the ability to track and manage groups of items with unique identifiers assigned to each group for traceability purposes.

Serialization, on the other hand, involves assigning a unique identifier to individual items within a lot or batch. This process enables businesses to track individual items throughout the supply chain, from production to distribution, providing complete visibility and control over their products.

Automated inventory systems can manage lot/serialization by assigning unique identifiers to lots and individual items and tracking their movement in real-time. The data is very easily added to barcodes and QR codes so that it is automatically added any time an activity is performed on that item – saving time while satisfying government compliance requirements.

# Good inventory management means growth

One of the best things about government contracting is that if you do a good job with one contract, you are likely to win more from that agency. And the best way to make your contracting officer and procurement officer happy is to deliver everything you promised on time and on budget. This is much easier to do when you have good, accessible data that allows you to spend less time managing paper and more time making good products.

In the end, not only does getting rid of spreadsheets help you improve efficiencies, reduce friction in your organization, spend less time arguing with finance and other departments, and save money – it also helps you win new business.

**Visit [unanet.com](http://unanet.com) to learn more about how Unanet can help.**





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