

Providing Value through Improved Inventory Processes

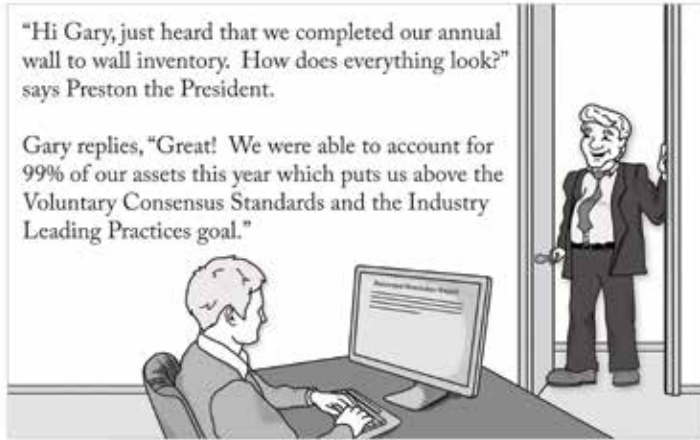
By Stephen Fisher, CPPS, Federal Center Chapter

ADVANCEMENTS IN TECHNOLOGY and organizational needs to increase efficiency while maintaining effectiveness provide a unique opportunity for organizations to enhance the physical inventory process. Considering the significant costs often associated with the physical inventory process, advanced approaches to meet this requirement can provide significant value to an organization. Follow Gary as he leads his organization on an asset management adventure to meet a leadership challenge for his asset management program.

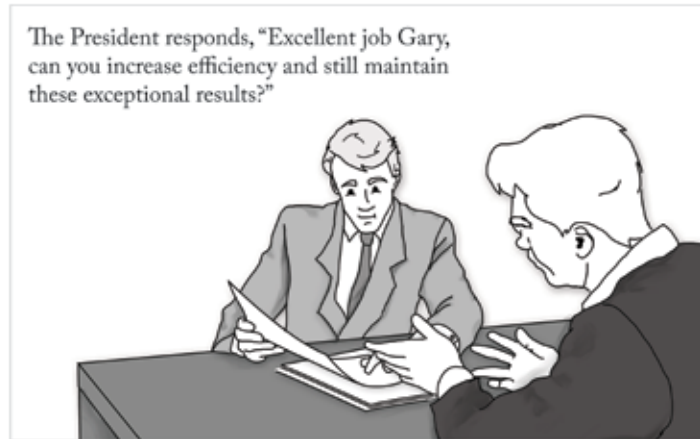
For the full version of this story and to see what other adventures Gary has led, visit www.sunflowersystems.com/Be-informed.html. ♦

"Hi Gary, just heard that we completed our annual wall to wall inventory. How does everything look?" says Preston the President.

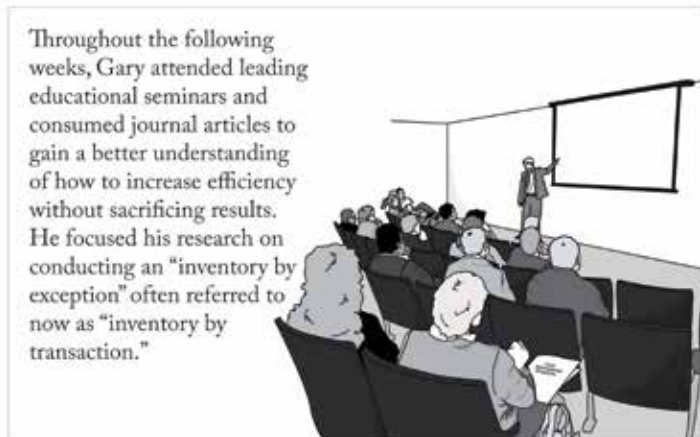
Gary replies, "Great! We were able to account for 99% of our assets this year which puts us above the Voluntary Consensus Standards and the Industry Leading Practices goal."



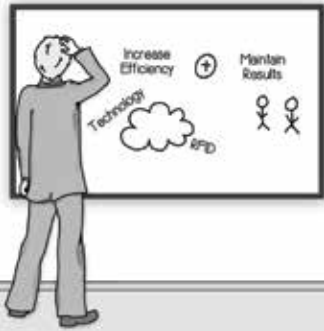
The President responds, "Excellent job Gary, can you increase efficiency and still maintain these exceptional results?"



Throughout the following weeks, Gary attended leading educational seminars and consumed journal articles to gain a better understanding of how to increase efficiency without sacrificing results. He focused his research on conducting an "inventory by exception" often referred to now as "inventory by transaction."



"If we utilize the daily asset management activities executed by our staff and integrate some technology we can maintain effectiveness and increase efficiency. I'm going to need some help."



Gary reveals his transactions list on the conference room board and states, "I'm going to need some assistance from you all."

IT: Auto-discovery of asset on network

Property: All two person transactions (change of user or location) where "handshake" functionality is employed in the system

Security: RFID at entrances and exits

HR: Collecting assets when employees depart from the company



Gary exclaims,

"1. Our baseline will include all accountable property on first day of inventory.

2. Our first pass will be all of these transactions.

3. We'll account for the remaining assets through traditional inventory methods using barcode scanners."



Our asset management system already records information about location changes, organizational changes, maintenance activities, and assets collected through HR. So, we've got those transactions covered.

Isaac, can you provide an extract from your network auto discovery system that includes our barcode number?

"Absolutely!" said Isaac.



Isaac, can you automate a standard process to upload these extracts into our asset management system?

"Yes!" said Isaac.

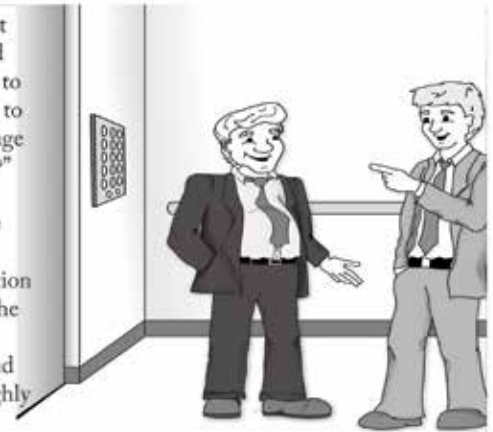
Sammy, can you provide me with a list of all assets tagged with an RFID tag for the security system and an extract of your system's daily transactions?
"You bet!" said Sammy.

Pattie, please add the RFID tag numbers from Sammy as secondary identifiers in our asset management system.



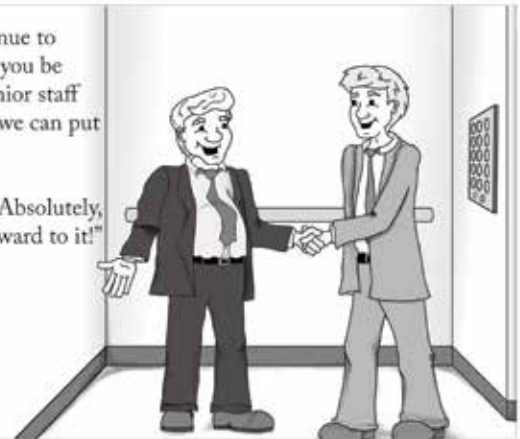
Preston the President approaches Gary and asks, "Were you able to identify an approach to my inventory challenge for your department?"

Gary replies "Yes, we have. I developed an inventory by transaction approach that with the help of my team will increase efficiency and is projected to be highly effective."



"Gary, you continue to amaze me. Can you be ready to brief senior staff by next week so we can put this in place?"

Gary responds, "Absolutely, sir. Looking forward to it!"



ABOUT THE AUTHOR:

Stephen Fisher, CPPS, is a consultant with Sunflower Systems. His asset management experience includes providing support, training, and assistance improving asset management processes and procedures for multiple Federal Agency clients. Mr. Fisher is a member of the NPMA Federal Center Chapter where he currently serves as the Chapter's Director of Membership and recently assisted with the planning and execution of the 2015 Federal Property Workshop. Mr. Fisher holds a Mass Communication/P.R./ Bachelors degree from Virginia Commonwealth University and resides in Falls Church, VA.