

INVENTORY MANAGEMENT VS WAREHOUSE MANAGEMENT IS THERE A DIFFERENCE?

We constantly hear about inventory vs warehouse management. Many times, those two are also used as synonyms. But are they actually the same thing or is there a difference between them? Also, why are they important for businesses? Let's dive into their differences, similarities, and their importance!



WHAT IS INVENTORY MANAGEMENT?

Inventory management focuses on managing product stock. This means that the main functions are supplying, storing, and selling inventory. Through inventory management, you are able to see how much stock you have on hand and how much stock you need in order to avoid understocking. Also, you are able to keep track of your stock in different locations.



There are different types of inventory, such as raw materials and finished products. By choosing an inventory management software such as Megaventory you can take advantage of several benefits such as:

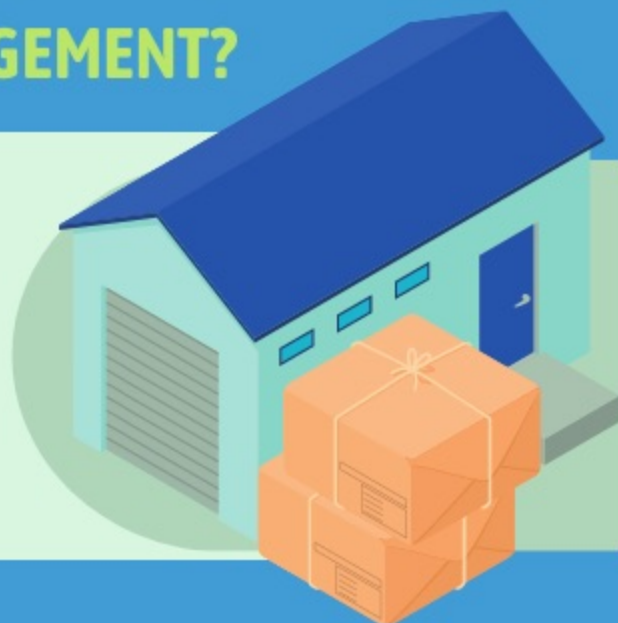


- Having an accurate order fulfillment
- Optimizing the process of supervising and managing stock
- Controlling completely the stock availability
- Avoiding inventory theft

Management of inventory is very important for businesses. Companies should have some way of keeping track of their inventory. Without it, a company that sells physical goods won't be able to satisfy its clients. In the long run, this will lead the business to decrease its customers' satisfaction.

WHAT IS WAREHOUSE MANAGEMENT?

Warehouse management deals with all the procedures that aim towards organizing the warehouse. Also, it includes the planning for all the day-to-day activities. The first thing that might come to someone's mind is optimizing the storage space of the warehouse.



While it is one of the operations, it's not exclusively that. It also means creating schedules for employees and managing inventory and orders in the warehouse.

WHY ARE THEY IMPORTANT FOR BUSINESSES?

Every single business, whether small, medium, or big, needs some type of inventory management if they are dealing with physical products. Without proper management, you won't know how much stock you need or how much you already have. Also, you won't know where your stock is when you have to complete an order. Therefore, you might risk losing customers when you are not able to fulfill orders.



As for warehouse management, it is crucial for organizing your business's warehouse. Your employees also need schedules and tasks to operate. The main goals are efficiency and productivity. By not fulfilling orders correctly and quickly, you will lose customers. Additionally, when everything is organized properly, you save time and money. Furthermore, staff can focus on more productive tasks and you cut down on fulfillment costs.

SO WHAT ARE THEIR DIFFERENCES?



Firstly, inventory management tracks the movement of the products across all available locations. Whereas, warehouse management means tracking the inventory only inside the warehouse. The first one tries to keep the right amount of inventory to complete all the orders.

Warehouse management deals with the collection, packing, and tracking of stock within the warehouse.

Another difference is that inventory management focuses on managing only products. Warehouse management focuses also on managing people. Specifically, warehouse management can help a business in creating schedules and tasks for all employees.

Lastly, the one is a part of the other. Warehouse management includes inventory management. This means that without proper inventory management, a warehouse cannot operate in the right way.



Megaventory provides a cloud solution to manage incoming and outgoing goods, as well as monitor the picking, packing, and shipping process.

There are several differences between inventory vs warehouse management. But, warehouse management is interlinked with inventory management and both of them use software solutions for their operations. Also, they can be crucial to a business's success as well as have an important role in workflow improvements.

Is your company ready to benefit from Megaventory's features?

Start your free trial now!