

Inventory and Information Technology Tools: What's the Benefit?

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As property professionals, we know that performing inventories is key to maintaining a healthy property control system. All of us face staffing challenges, and the manually intense inventory process takes time and dedicated personnel. Whether your company is big or small, we face this same lengthy challenge year after year and wonder how we can possibly streamline to reduce cycle time.

For most, the process begins again as soon as the previous cycle ends. We immediately start to plan our annual inventory schedule for the following year, create approval letters, and coordinate with other stakeholders. At the same time, it's critical to work around business milestones to avoid impacting contractual requirements and customer satisfaction.

There are a number of approaches to inventories that help speed up the process, including periodic and cyclical inventory systems, ABC classification, inventory sampling, and inventory by exception, to mention just a few. I, however, am a firm believer of wall-to-wall, one hundred percent inventories on an annual basis. Most of you are probably shuddering at the thought and wondering, why?!?

Annual wall-to-wall inventories help property professionals ensure reliability and accountability to customers. How can you maintain a quality property management system if you only touch the property once every two years or, for low value property, only at the end of a contract? By using an annual wall-to-wall inventory, the ability to locate assets during your first pass is high. As time goes on and employees move to other jobs or companies, history can be lost, making an asset much harder to find. I have found over the years that by regularly engaging your employees in the inventory process, using innovative approaches, and performing a complete reconciliation every year, you can achieve zero percent loss ratios, as we have year after year.

What tools are available, you ask?

With today's developing technology, property professionals need to think future state and embrace new innovative approaches. The Information Technology Age is here and new tools are being developed day after day.

There are many advanced software tools out there that can be deployed to help expedite the inventory process. I'm not saying the current methods are not sound practices; they are but we can augment the process with newer technology.

By joining forces with your Information Technology department, you can gain the ability to utilize what are called auto discovery tools. Auto discovery tools are a great way to perform your inventory while hardly leaving your computer. Although these tools have been around for some time, the price to deploy the tool has become more affordable, and more companies are installing

the technology.

Auto discovery tools use the current information technology infrastructure to locate assets that are hooked into the system. A software script pings the assets and provides the asset identification number, IP address, and location of the asset. Additionally, you can actually see what monitor is hooked to the machine, its serial number, and the entire configuration of the machine, including software. This is a big advantage for information technology organizations considering the Internet and the ability for users to download software with a touch of a key. Information Technology teams can discover unwanted software and remove it to reduce the risk of infrastructure damage and licensing penalties.

From a property perspective why not take advantage of these tools? By using the tool to ping the assets, you have proven through a second party, so to speak, that the asset exists and is in use. You can then update your inventory date and complete an inventory without leaving your desk. If you're really innovative, your Information Systems team can create a software script to migrate specific fields from the auto discovery tool directly to your asset management system. The powerful functionality of discovery tools adds value to your organization by not only streamlining the process, but also allowing your team to concentrate on other pressing activities.

So what are the disadvantages? Like all new tools, there are challenges to overcome. If your company provides services for governmental agencies and companies with sensitive intellectual property, you may or may not be able to utilize auto discovery tools. For example, in a classified world, security requirements don't allow an outside link into a closed area system. Outside links could compromise software code and discover the equipment footprint, which could impact the mission.

You can overcome this obstacle by installing a closed area auto discovery tool. The drawback here is the time it takes to have security screen the data before it is allowed to move to an open area. This step requires you to manually input the information into your property management system. You are still reducing your cycle time from a property personnel perspective, so this option may be worth the effort, depending on the amount of equipment in the closed area.

There are many other automated tools out there such as RFID and WiFi that pick up signals from equipment and record the locations of assets. The key question that we as property professionals must answer is: What tool or combination of tools works best for my environment? With the new Federal Acquisition Regulations release, we have an open canvas to paint on. So why not step out of the past and embrace modern technology that can make our jobs easier?

Take the challenge and become an innovator rather than a follower, and be the best at whatever you take on! For me, adopting new technologies has not only been fun and rewarding, but has made me a more effective property professional. ■