



Audits, Inspections and Inventories. How to implement them in your business?

Once your business starts to get bigger, you need to keep track of multiple things in your business.

Audit is going through the same list of questions to highlight strengths and weaknesses and track changes and achievements.

Inspection (or diagnostic) is running a check on the company assets to make sure production will not be impacted by trying to anticipate issues (Pest scouting is one of those)

Inventory is summarizing goods either to optimize production and avoid production break down or optimize sales according to production.

1. What are the goals?

There are multiple goals:

- 1- Report to management.
- 2- Health of the company assets, decide for investments
- 3- Highlight situations before they get worse
- 4- Smooth business activity by avoiding break down
- 5- Save by anticipating labour
- 6- Storage management (inputs, parts...)

But there are 3 major reasons :

- 1- Track progress
- 2- Set goals to improve company in the future
- 3- Provide reliable numbers and information to make management decisions

2. What need to be regularly assessed?

For the inventory part, it is :

- 1- Stock of inputs
- 2- Stock of parts
- 3- Stock of production

For the inspection part, it is :

- 1- Machinery maintenance
- 2- Greenhouse surroundings (weeds...)

For the Audit part, it is :

- 1- Production performance (implementing number to track performance)
- 2- Plant scouting - This is the one that comes every week at least.

This list is not complete, you can add your own items that are relevant to your business.

3. What frequency?

To make sure, employees play this new game, you have to be realistic. I mean don't over inspect or over audit. Find the proper timeframe to bring benefits to your organization but not too often otherwise it won't be done.

As a reminder for those tasks, map it to a calendar/planning so that you can remind people to do it.

4. How to organize it?

3 rules to help get started:

1- Keep it simple

Start with paper and copies to determine your needs. Keep archives in a binder to refer to.

2- "Everybody is nobody"

It is very important to assign responsibilities in the company to share those tasks. If nobody is really in charge, then it is not done.

You can add those tasks to your employees position agreement to make it official for example.

3- Make it rewarding

It is not really a fun work and people tend to forget about it so you have to find a way to keep it alive with rare management control.

For example, performance tracking can produce numbers linked to salary bonuses.

Conclusion

Audits, Inventories and Inspections become mandatory when business expands as managers have to delegate. But to delegate, you have to create a structure which achieve the same results as if the manager does it himself. Audits, Inspections and Inventories can help but the more challenging is to find a way to get everybody in the team involved in it.

At IpsumVision, we have a lot of experience in business organization and remote management and we can help you implement all this in your business.

Want our support to implement it in your business?

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