

## **Buying and Managing Equipment**

Creating an equipment Inventory list is one of the most essential steps in managing your business. It makes you financially knowledgeable about your company's asset situation. It may seem like too much effort, but it'll help you run your business efficiently and maintain a better flow of inventory.

A software solution is the future of inventory lists; Real-time forecasting, advanced tool management techniques and Internet of Things integration. As an equipment manager, you should employ a solution that boosts productivity, maximizes profits and provides the best outcome.

**Why It's Essential to Keep an Inventory List** Keeping your equipment in check is similar to controlling your expenses. Keeping an inventory list will not only point out some unnecessary expenditures, but it will overall contribute to your business operations.

**How to keep an equipment inventory list** An equipment inventory list is a mechanism that gives you more control over your business' assets. It includes all information related to the equipment, such as purchase date, dimensions, serial numbers, and much more. A completed and finished equipment inventory list is one of the company's best assets.

**The basics of an inventory list** If you keep an updated equipment list, you obtain enough knowledge about your inventory to decide whether, for example, you can take on new projects. You can also predict what else you need in next month or next quarter, to keep your business running smoothly.

**Better Customer Satisfaction** If you're in a business where you have to accept or decline a project based on your inventory status, you must keep track of it at all times. A correct inventory list means a better response time for your customers. It also means that there is less cancellation of orders and better customer service.

**Cost Factors** The list helps to understand all the cost factors related to your equipment. It also helps you to identify the resale value of the equipment, based on buying date. A maintained inventory list can also save you upfront costs, as you'll know precisely when to repair/upgrade or replace equipment. If you are selling your equipment, you will fetch a higher price for it based on this knowledge.

**Creating an equipment inventory list:** The office/equipment manager in charge creates this list, which staff members update daily. Begin with a regular spreadsheet. [Here](#) are some sample equipment lists. Populate the fields based on your inventory.

Prepare columns on different tabs with information about your tools and equipment.

The following are typical tabs for a standard equipment inventory list:

### **Tool Information Tab**

This part will have all information about a particular tool/equipment in your total inventory.

Components are:

**Serial number** This can be an equipment model number, a tracking number, or PIN (product identification number) as defined by industry standards. This information is critical to keep, as it's required in case of theft.

**Equipment description** List the make, or model of your tool. Equipment description incorporates all the information about color, specific markings, and others. This is another crucial piece of information in a case of theft. You can use it to file an insurance claim.

**Location:** Location is the facility where the equipment is kept. It becomes important to know where to start the investigation should the equipment become missing.

**Years of service left:** Number of years your workers can use the appliance safely.

**Condition:** It can be new, good, needs to be repaired, broken, decommissioned, etc. This information is key when you order new stuff to replace decommissioned equipment. Also, when a project requires more tools.

**Vendor/company:** The place where you bought the equipment. In case you need to replace your equipment with the same model.

**Number of tools of a particular type:** You can bunch the same kind of tools of the same type together, so that if something's missing, it's easy to identify.

**Date of purchase:** Related to years of service left, you can use this to predict and calculate the life cycle of the tool. Also often required while filing a claim and police reports.

**Cost:** More expensive equipment might need more security. Tip: you can batch the less costly ones together.

**Timely Maintenance** Another benefit of good equipment management is that you schedule maintenance on your equipment based on usage. Regular maintenance will reduce your downtime and save you money, as out of commission, or insufficient equipment will hinder your workflow. Additionally, you might have to pay your employees for idle time if you have an unexpected equipment problem.

**Understanding Equipment Usage Trends** It's useful to identify which tools your business uses more, which equipment breaks down the most, which has the lowest cost per hour, and which has high maintenance costs. This data can also predict which equipment requires maintenance next month so you can budget accordingly. Safe equipment is a must-have for your business.

**Increasing Personal Responsibility Among Staff** You can identify who is doing more work or less. Inventory lists can detect who is regularly losing tools and/or not returning on time, thus improving accountability among team members. Those irresponsible toward company property need be reprimanded and informed the cost of instruments affect the bottom line and possibly their salary.