

A dark, grainy photograph of a warehouse aisle. A worker wearing a high-visibility vest and a cap is visible on the right, facing away from the camera. The aisle is filled with shelves stacked high with various boxes and packages.

They'd been postponing the full physical count for months. There was always a reason: too busy, wrong time of year, not enough staff.

When they finally couldn't avoid it anymore, they blocked off a weekend and counted everything.



What they found was shocking:

- Products discontinued years ago, still occupying prime space
- Returns never processed, gathering dust
- Mystery pallets nobody could identify
- Actual accuracy: 73%

Not the 97% the system showed. Not even close.

For every four orders they thought they could fulfill, one was based on phantom inventory.



The Aftermath:

- Emergency inventory reconciliation
- Brutal Monday morning meeting
- Complete process overhaul
- Painful admission: they'd been making million-dollar decisions on bad data

The Real Cost: Operating on "coin flip" inventory accuracy without knowing it.

When was your last full physical count? And do you really want to know what it would reveal?