Value Suite

HybridFuzion.



Squirrel Stores

Bringing Hidden Inventory Back to the Balance Sheet

This suite is ideal for clients who want to:

- Understand the root causes driving the creation of unofficial "squirrel stores."
- Eliminate hidden inventory, bringing all materials under formal supply chain governance.
- Improve inventory accuracy and visibility within their ERP system.
- Mitigate financial risks associated with unaccounted-for assets.
- Enhance trust and reliance on official material planning and management practices.

The Challenge:
The Hidden Costs and Risks of Unofficial Inventory

Across industries, many organizations face a pervasive, yet often unacknowledged, problem: **"Squirrel Stores"**. These are unofficial, informal storage areas for critical input materials, maintained by production and maintenance teams outside of formal supply chain governance and, crucially, outside your ERP system. While created with good intentions—to mitigate the immediate risk of critical spares unavailability—these hidden inventories create significant, systemic issues:

- **Financial Blind Spots:** Millions of dollars' worth of materials remain unrecorded and unaccounted for on your balance sheet, hindering accurate financial reporting and external auditing.
- **Operational Inefficiencies:** Duplication of stock, unknown quantities, and difficult-to-locate parts lead to wasted time, unnecessary purchases, and inflated working capital.
- **Compromised Supply Chain Integrity:** The existence of these stores is a direct symptom of ineffective and unreliable material planning and management practices within the official supply chain.
- **Increased Risk & Loss:** Without formal tracking, these materials are vulnerable to damage, obsolescence, theft, and loss, directly impacting your bottom line.
- **Erosion of Trust in Systems:** End-users are forced to bypass official processes, undermining the integrity and perceived reliability of your ERP and supply chain functions.

Why our clients contact us?

Clients choose HybridFuzion because we understand that **"squirrel stores" are a symptom, not the disease**. Our expertise in material planning, inventory management, and ERP systems allows us to **unearth the true inefficiencies** that drive these unofficial practices. We don't just clear out hidden inventory; we help you craft and implement a **sustainable protocol** that eliminates the need for them, **bringing discipline, transparency, and millions back to your balance sheet**.

The HybridFuzion Solution:
Unearthing & Eliminating Hidden Inventory

HybridFuzion empowers organizations to confront and sustainably eliminate "squirrel stores." We delve into the root causes behind their existence, not just treating the symptom. Our approach focuses on understanding why these unofficial stores are created, then crafting and implementing a sustainable elimination protocol to ensure **all inventory is managed within official supply chain facilities and accurately recorded in your ERP system**.



The HybridFuzion Methodology:
A Protocol for Sustainable Elimination

Our methodical, hands-on approach brings transparency and discipline to your inventory management, ensuring all materials contribute positively to your balance sheet.

1 Root Cause Discovery: Understanding "Why"

We begin by identifying your most impactful automation opportunities and charting your strategic path:

- **Operational Needs Assessment:** Deep engagement with production and maintenance teams to understand their perceived critical material needs and current challenges with official supply.
- **Material Planning & Management Audit:** Comprehensive review of your existing material planning processes, inventory management practices, and ERP utilization to pinpoint inefficiencies and unreliability.
- **Hidden Inventory Mapping:** Physical identification and assessment of all unofficial storage locations and their contents to quantify the scale of the challenge.



2 Protocol Crafting: Designing the Elimination Strategy

Based on our insights, we develop a tailored, sustainable elimination plan:

- **Reconciliation & Integration Plan:** Create a detailed strategy for formally recording, validating, and integrating "squirrel store" inventory back into your ERP system and official facilities.
- **Process Remediation Roadmap:** Design improvements to your material planning, procurement, and inventory management practices that address the root causes of spares unavailability and build trust in official channels.
- **Governance & Control Framework:** Establish robust governance protocols and system controls to prevent the re-emergence of unofficial stores.



3 Implementation & Embedding: Ensuring Lasting Change

We partner with your teams to execute the elimination plan and embed new, reliable practices:

- **Inventory Re-baselining:** Oversee the physical and systemic integration of "squirrel store" inventory into your official records.
- **Process & System Enhancement Deployment:** Implement the agreed-upon improvements to your material planning and management processes, leveraging your ERP system more effectively.
- **Capability Building & Change Adoption:** Provide targeted training and support to operational and supply chain personnel, fostering confidence and adherence to new, reliable official processes.
- **Monitoring & Sustenance:** Establish ongoing monitoring mechanisms and performance indicators to track inventory accuracy, material availability, and adherence to new protocols, ensuring sustained success.

What Value Will You Gain?

- **Total Inventory Visibility & Accuracy:** All materials are formally recorded and accounted for, providing a true picture of your inventory assets on the balance sheet.
- **Reduced Financial Risk & Loss:** Eliminate the vulnerability of unaccounted-for inventory, preventing losses due to obsolescence, damage, or theft.
- **Optimized Working Capital:** Reduce unnecessary inventory duplication and carrying costs, freeing up capital for strategic investments.
- **Streamlined Operations:** Improve material flow predictability, reduce search times for parts, and enhance overall efficiency in production and maintenance.
- **Strengthened Supply Chain Governance:** Restore integrity and trust in your official supply chain processes and ERP system.
- **Proactive Material Availability:** Address the root causes of spares unavailability, ensuring critical materials are where they need to be, when they're needed, through official channels.

Ready to Bring Your Hidden Inventory to Light?

Contact us today to discover how HybridFuzion can help you eliminate "squirrel stores" and establish a truly reliable, visible, and optimized supply chain.

Location
Hybrid

Service Duration
Program Driven

Measurement
Contractual Agreement

Value Drivers
- Operations Excellence
- Business Process Improvement
- Cost Optimisation

H. | Clarity. Direction. Value.

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