**What Is the Difference Between Inventory and Warehouse Management?**

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<http://smallbusiness.chron.com/difference-between-inventory-warehouse-management-25874.html>

Although the terms inventory management and warehouse management appear to refer to the same type of materials management in industry, in reality there are subtle differences between the two. Understanding the differences can be important for company managers and owners to realize, because the type of materials management system you use to catalog your inventory depends upon various factors that can affect the efficiency of your business.

**Complexity**

One of the primary differences between inventory management and warehouse management is in the complexity of each type of inventory system. Inventory management systems are somewhat simpler, in that an inventory management system can give you an indication of the total amount of stock that you have for one specific storage location. Warehouse management systems, on the other hand, allow a company the ability to manage entire storage systems within a structure like a warehouse. So, if a warehouse has multiple storage bins of the same product, warehouse management systems can help you manage all of these, whereas an inventory management system will only tell you how many of the specific product you have.

**Control**

The difference in simplicity and complexity spills over into the control and storage of inventory, as well. In an inventory management system, you can really only know that you have the specific product on hand and how much of it is available. The management of the inventory within the warehouse depends upon the use of warehouse management, which allows you to find specific locations to place the inventory or even to retrieve it later. In short, warehouse management gives you the specifics of inventory control, whereas inventory management simply gives you the quantity.

**Integration**

Another key difference between inventory and warehouse management is the extent to which one system can be integrated into the overall logistics of a company's management of its supplies and inventory. SAP indicates that inventory management is generally the first step in the other processes that take place in warehouse management. However, warehouse management is closely connected to other aspects of company management, such as production supply, sales and distribution and quality management. In other words, warehouse management is integral to ongoing operations in other departments whereas inventory management is not.

**Solutions**

When it comes to inventory management software versus warehouse management software, warehouse management software tends to offer a business the opportunity to analyze and alter its inventory and storage as needed, whereas inventory management software generally does not do this. Various communications devices used in warehouse management generally make it possible to analyze and make changes as necessary, resulting in a more streamlined and efficient operation.