

# Inventory Workflow Examples

Refer to the following examples for some common inventory workflow scenarios.

## Back Ordering

The following example shows a situation in which you want to track negative inventory quantities in order to keep your inventory totals accurate at the end of each day after counting and entering incoming stock. Because you know that you're going to receive new stock, you also want to allow shoppers to backorder items, and you also want to mark items as fulfilled as necessary.

In the following example, you've already enabled **Allow fulfillment without stock on hand** for the location, and you've enabled **Allow backordering** for a specific product.

1. You start with the following product inventory quantities:

Available	On Reserve	On Hand	On Backorder
0	0	0	0

- **Available:** 0
- **On Reserve:** 0
- **On Hand:** 0
- **On Backorder:** 0

2. A shopper places an order for three of the product, which creates the following inventory quantities:

Available	On Reserve	On Hand ▼	On Backorder
0	3	0	3

- **Available:** 0
- **On Reserve:** 3
- **On Hand:** 0
- **On Backorder:** 3

3. You then mark two out of the three items as fulfilled in Kibo eCommerce:

Available	On Reserve	On Hand	On Backorder
0	1	-2	3

- **Available:** 0
- **On Reserve:** 1
- **On Hand:** -2
- **On Backorder:** 3

The -2 *on-hand* quantity is essentially your *fulfillment debt*.

4. You then receive five quantities of the product, and add this to your on-hand quantity:

Available	On Reserve	On Hand	On Backorder
2	1	3	0

- **Available:** 2
- **On Reserve:** 1
- **On Hand:** 3
- **On Backorder:** 0

Your fulfillment debt is subtracted from the on-hand quantity, and Kibo eCommerce calculates the available quantity. The on backorder quantity also returns to zero, because you now have enough on-hand quantity to fulfill the remaining on reserve quantity.

5. You fulfill the remaining item:

Available	On Reserve	On Hand	On Backorder
2	0	2	0

- **Available:** 2
- **On Reserve:** 0
- **On Hand:** 2
- **On Backorder:** 0

## Manual Inventory Adjustment

In the following example, you manually adjust your on-hand quantity after performing an inventory audit, even after shoppers have placed orders for the product:

1. You start with the following product inventory quantities:

Available	On Reserve	On Hand	On Backorder
3	5	8	0

- **Available:** 3
- **On Reserve:** 5
- **On Hand:** 8
- **On Backorder:** 0

2. You then perform an inventory audit and manually set your on-hand quantity appropriately:

Available	On Reserve	On Hand	On Backorder
0	5	2	3

- **Available:** 0
- **On Reserve:** 5
- **On Hand:** 2
- **On Backorder:** 3

3. You mark one item as fulfilled:

Available	On Reserve	On Hand	On Backorder
0	4	1	3

- **Available:** 0
- **On Reserve:** 4
- **On Hand:** 1
- **On Backorder:** 3

4. You mark three items as fulfilled:

Available	On Reserve	On Hand	On Backorder
0	1	-2	3

- **Available:** 0
- **On Reserve:** 1
- **On Hand:** -2
- **On Backorder:** 3

5. You then receive five quantities of the product, and add this to your on-hand quantity:

Available	On Reserve	On Hand	On Backorder
2	1	3	0

- **Available:** 2
- **On Reserve:** 1
- **On Hand:** 3
- **On Backorder:** 0

6. You fulfill the remaining item:

Available	On Reserve	On Hand	On Backorder
2	0	2	0

- **Available:** 2
- **On Reserve:** 0
- **On Hand:** 2
- **On Backorder:** 0