

SOP: Inventory Tracking and Stock Level Monitoring

This SOP defines the processes for **inventory tracking and stock level monitoring**, including accurate recording of stock entries and withdrawals, regular stock audits, real-time inventory updates, threshold alerts for reordering, and reporting discrepancies. The goal is to maintain optimal stock levels, prevent stockouts or overstock situations, and ensure efficient inventory management across all warehouse and retail operations.

1. Scope

This procedure applies to all employees responsible for handling, recording, or monitoring inventory within warehouse and retail operations.

2. Responsibilities

Role	Responsibilities
Warehouse Staff	Record stock entries and withdrawals; maintain storage accuracy; execute stock counts.
Inventory Manager	Monitor inventory levels; review alerts; address discrepancies; report to management.
Retail Staff	Update sales and withdrawals in inventory system; report low-stock items.
IT/SysAdmin	Maintain real-time inventory tracking systems; support automation for alerts and reporting.

3. Procedures

- Recording Stock Entries and Withdrawals**
 - Log all incoming stock into the inventory management system immediately upon receipt.
 - Scan product barcodes or enter batch/serial numbers digitally.
 - For withdrawals (sales, picking, transfers), deduct correct quantities promptly in the system.
- Real-time Inventory Updates**
 - Ensure all inventory movements are accurately reflected in real-time via electronic systems.
 - Manual logs (if used) must be reconciled with system data daily.
- Regular Stock Audits**
 - Conduct monthly physical stock counts, comparing actual quantities with system records.
 - Investigate and document any discrepancies immediately.
 - Submit audit results to the Inventory Manager for review and reconciliation.
- Threshold Alerts and Reordering**
 - Set minimum threshold levels for each inventory item in the system.
 - Configure auto-alerts to notify relevant staff when stocks fall below thresholds.
 - Initiate prompt reorder processes upon receipt of low-stock alerts.
- Discrepancy Reporting**
 - Log all inventory discrepancies in the incident register immediately.
 - Investigate root causes and document corrective actions taken.
 - Escalate recurring issues for management review.

4. Documentation and Reporting

- Maintain up-to-date records of stock movements, counts, and audit reports.
- Generate and review weekly/monthly inventory summary reports.
- Keep incident and discrepancy logs for compliance and process improvement.

5. Review and Continuous Improvement

- Review this SOP annually or as significant operational changes occur.
- Implement improvements based on audit findings and technological advancements.

6. References

- Company Inventory Management Policy
- Warehouse Safety SOPs
- ERP/Inventory Software User Guidelines

