

# Standard Operating Procedure (SOP)

## Product Count Accuracy and Discrepancy Recording

This SOP establishes standardized procedures for ensuring **product count accuracy and discrepancy recording**. It includes methods for conducting precise product counts, verifying inventory data, identifying and documenting discrepancies, investigating causes of variances, and implementing corrective actions. The goal is to maintain accurate inventory records, improve operational efficiency, and minimize losses due to counting errors or misreports.

### 1. Purpose

To provide detailed instructions for accurate product counts, systematic recording of discrepancies, and the resolution of inventory variances.

### 2. Scope

This SOP applies to all warehouse and inventory management staff responsible for conducting product counts, verifying stock, and maintaining inventory records.

### 3. Responsibilities

- Inventory Staff:** Perform product counts and record data accurately.
- Supervisors:** Oversee counting process, review discrepancies, implement corrective actions.
- Inventory Manager:** Investigate persistent or critical discrepancies and update procedures as necessary.

### 4. Procedure

- Preparation for Counting:**
  - Ensure all products are organized by SKU/location before counting.
  - Gather count sheets, scanners, or approved counting devices.
- Conducting Counts:**
  - Follow a pre-defined route or system (e.g., bin-to-bin, shelf-to-shelf).
  - Count each item separately and avoid estimating quantities.
  - Record actual counts immediately after counting each SKU.
- Verifying Inventory Data:**
  - Compare recorded counts with system inventory records.
  - Highlight or note any discrepancies found.
- Documenting Discrepancies:**
  - Complete a Discrepancy Report for any mismatches (see template below).
  - Include SKU, location, system count, physical count, and variance.
- Investigation & Corrective Actions:**
  - Investigate causes (e.g., misplacement, miscounts, data entry errors).
  - Implement corrective actions (e.g., recalculate, retrain staff, update records).
- Reporting & Recordkeeping:**
  - Submit completed count sheets and discrepancy reports to the supervisor.
  - Maintain records for audit and review.

### 5. Discrepancy Report Template

Date	Counter	SKU	Location	System Count	Physical Count	Variance	Description/Notes	Investigated By	Corrective Action

### 6. Review and Continuous Improvement

- Regularly review the effectiveness of counting methods and discrepancy procedures.
- Update the SOP as required based on findings and operational changes.
- Provide ongoing training for staff to minimize recurring discrepancies.

## 7. References

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- Inventory Management Policy
- Operational Audit Guidelines

## 8. Revision History

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Version	Date	Description	Author
1.0		Initial SOP release	