

SOP: Spare Parts Inventory Management

This SOP details the process for **spare parts inventory management**, covering inventory tracking, ordering, storage, and usage monitoring. It aims to ensure accurate record-keeping, timely replenishment, cost control, and availability of critical spare parts to minimize equipment downtime and maintain operational efficiency across all departments.

1. Purpose

To establish standardized procedures for managing spare parts inventory, ensuring availability, accuracy, and cost-effectiveness.

2. Scope

This SOP applies to all departments involved in requesting, storing, dispensing, and recording spare parts inventory.

3. Roles and Responsibilities

Role	Responsibility
Maintenance Staff	Request and utilize spare parts, record usage, and report discrepancies.
Inventory Controller	Maintain inventory records, monitor stock levels, issue and receive parts, and conduct periodic counts.
Procurement	Place orders for replenishment based on approved requisitions.
Department Head	Approve requisitions and oversee inventory management practices.

4. Procedure

- Inventory Tracking**
 - All spare parts must be recorded in the inventory management system with unique part numbers, descriptions, and storage locations.
 - Physical quantities should match system counts; discrepancies must be reported immediately.
- Ordering**
 - Inventory Controller monitors minimum and maximum stock levels.
 - Generate requisition when stock approaches minimum threshold.
 - Department Head reviews and approves requisitions before forwarding to Procurement.
 - Procurement places the order with approved vendors; delivery is tracked and recorded upon receipt.
- Storage**
 - Spare parts must be stored in designated areas with clear labeling.
 - Sensitive, high-value, or critical parts require secure storage.
 - Ensure proper environmental conditions as per manufacturer recommendations.
- Issuing & Usage Monitoring**
 - Parts are issued against approved internal requests.
 - All issues and returns must be promptly recorded in the inventory system.
 - Monitor usage trends to identify overuse, pilferage, or obsolete stock.
- Stock Audits**
 - Conduct scheduled cycle counts and annual physical audits.
 - Investigate and resolve any variances between records and physical stock.

5. Documentation

- Inventory Register
- Requisition and Issue Forms
- Receiving Reports
- Audit Reports

6. KPIs & Review

- Stock accuracy rate

- Order fulfillment lead time
- Stockout incidents
- Inventory turnover rate

SOP and performance metrics to be reviewed annually or upon significant process changes.

7. References

- Corporate Procurement Policy
- Inventory Management System User Manual

8. Revision History

Version	Date	Description
1.0	2024-06-01	Initial draft