

Standard Operating Procedure (SOP)

Title: Daily Inventory Audit & Replenishment
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Prepared by: Operations Manager
Approved by: General Manager

1. Purpose

To ensure accurate stock levels and timely replenishment at StyleHive Boutique, minimizing stock-outs and over-stock risks.

2. Scope

Applies to all floor staff, inventory clerks and store managers involved in daily stock audits, ordering and receiving deliveries.

3. Roles & Responsibilities

Role	Responsibilities	Goal / Outcome
Floor Staff	– Count shelf and display stock– Note discrepancies	Provide accurate, up-to-date stock counts
Inventory Clerk	– Reconcile counts– Generate reorder recommendations	Ensure data integrity and timely ordering
Store Manager	– Approve purchase orders– Oversee receiving process	Authorize restocks and verify delivery accuracy

4. Risk Assessment

Before execution, assess these risks and obstacles:

- **Miscounting** → human error → stock-out or over-stock → lost sales or excess holding cost
- **System downtime** → delay in order generation → replenishment lag
- **Supplier lead-time variability** → stock gap → customer dissatisfaction

Mitigations:

- Use two-person counts on high-value items
- Fallback to manual order form if system is unavailable
- Maintain 1-week safety buffer stock for top-50 SKUs

5. Procedure

5.1. Define Task & Format (Meta-Step)

This SOP uses a numbered list format for clarity. It will be stored online in the company intranet and a printed copy kept at the store office.

5.2. Identify Dependencies & Audience

- **Dependencies:** POS system, supplier portals, Goods-in-Transit logs.
- **Audience:** Trained floor staff and inventory clerks; new hires must shadow experienced staff before performing independently.

5.3. Step-By-Step Workflow

- 1. Begin Inventory Audit (Floor Staff)**
 - 1.1. Log in to the POS dashboard; select “Inventory → Daily Count.”
 - 1.2. Walk the sales floor, count each SKU on shelf and display.
 - 1.3. Enter actual counts into the mobile app.
- 2. Reconcile & Report (Inventory Clerk)**
 - 2.1. Export “today’s count” from POS and compare against system on-hand levels.
 - 2.2. Highlight any variance >5% in the variance report.
 - 2.3. Save report as PDF and upload to the “Inventory Reports” folder.
- 3. Generate Purchase Orders (Inventory Clerk)**
 - 3.1. For any SKU at or below reorder threshold, create a purchase order (PO) in the Procurement module.
 - 3.2. Populate supplier, SKU, quantity (to reach par level), and desired delivery date (two weeks out).

3.3. Submit PO for approval.

4. **Approve Orders (Store Manager)**

4.1. Review pending POs by 11 AM daily.

4.2. Verify quantities against sales forecast and budget.

4.3. Click “Approve” or “Return for Revision” in the Procurement module.

5. **Receive & Inspect Deliveries (Floor Staff + Store Manager)**

5.1. Upon delivery, scan supplier packlist into the Goods-in-Transit system.

5.2. Floor Staff to count received cartons and SKUs.

5.3. Store Manager to inspect for damage; sign off on “Delivery Acceptance” form.

5.4. Update POS on-hand levels immediately.

6. **Archive & Communicate (Inventory Clerk)**

6.1. Save signed delivery acceptance and revised on-hand report in the “Compliance” folder.

6.2. Email daily stock summary to Finance and Purchasing teams by 4 PM.

6. Related Documents

- Inventory Count Template (Form INV-TPL-01)
- Purchase Order Guidelines (Proc-Guide-02)
- Delivery Acceptance Form (Form DA-03)

7. Revision History

Version	Date	Change Description	Author
1.0	01 Jul 2024	Initial release	Operations Manager