

Cycle Count Procedures

Daily count schedule templates, variance thresholds, and investigation workflows. Replace annual wall-to-wall counts with continuous accuracy.

Daily Count Schedule

- Count 5-10% of your locations daily, rotating through the entire warehouse in 2-3 weeks.
- Prioritize high-velocity SKUs (A-items) — count these weekly.
- B-items: count bi-weekly. C-items: count monthly.
- Schedule counts during low-activity periods (first thing in the morning or after shipping cutoff).

Count Process

1. Open the cycle count task in Logentic. The system assigns locations to count.
2. Go to the first location. Scan the bin barcode.
3. Count every item in the bin. Enter the count in Logentic.
4. If count matches system: move to next location.
5. If count differs: recount. If still differs, flag as variance.
6. Investigate all variances same-day. Common causes: receiving errors, picks from wrong bin, returns not processed.

Variance Thresholds

- Target: 98%+ location accuracy (items in correct bins with correct counts).
- Acceptable variance: +/- 1 unit for items with 10+ units in location.
- Zero tolerance: High-value items, serialized products, items under 5 units.
- Escalation: If accuracy drops below 95%, increase count frequency and investigate root cause.

KEY METRIC

Track your Inventory Record Accuracy (IRA) weekly. $IRA = (\text{locations with correct count} / \text{total locations counted}) \times 100$. Post this number visibly in the warehouse. Teams that see the metric improve the metric.