

UNIVERSITI TEKNOLOGI MARA

**AN EVALUATION OF INVENTORY
RECORD INACCURACY ISSUES IN
THE RETAIL INDUSTRY**

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ABSTRACT

Inventory management can be quite challenging even for organizations with fairly simple structures. Inventory inaccuracy record issue is one of the challenging issues faced by retailers nowadays. This paper is studying about inventory inaccuracy record issue in Guardian stores within Malaysia. As one of the leading retailers in the health and beauty industry, Guardian has more than 400 stores in Malaysia. It has inventory inaccuracy record issue which affect on their performance. Currently the range of shrinkage for stores in Guardian per stock take is between RM1000 to RM 5000. The stock keeping unit (SKU) is losses due to theft, item damaged, system errors or staff errors. This research is based on these three objectives which are to identify factors associated with inventory record inaccuracy, to identify the issues and implications of inaccuracies in inventory records in Guardian and to propose the recommendation to reduce inventory record inaccuracy in Guardian. The significance of this study is about exploring issues on inventory record inaccuracy within the context of Guardian in Malaysia so retailers can use this information to help them to understand and find an effective solution for issues of inventory record inaccuracy within their store. Initially this project gathers the information about the main situation in Guardian by conducting interviews with the Guardian management team then the outcome from the interview is used to design the survey questions and distribute to selected Guardian store managers nationwide. With the recommendation, the researcher will propose the framework to minimize the implication of inventory inaccuracy record issue in Guardian stores within Malaysia.

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