

Reference: "The Limitations of Cycle Counting"; Richard T. Graff, CPIM; PRODUCTION AND INVENTORY MANAGEMENT JOURNAL; Fourth Quarter - 1987

Z = confidence limit based on area under the normal curve
 P = the expected population proportion
 $Q = (1-P)$
 T = tolerance limit

Population sample size formula to determine the number of part numbers to be counted everyday if all you do is correct records and not eliminate the cause of the errors

$Z^2 PQ/T^2$ for an expected accuracy of 95.0% +/- 2.0%

323 part numbers per day

$Z^2 PQ/T^2$ for an expected accuracy of 99.9% +/- 0.1%

9600 part numbers per day

Warning A Tale of Caution
 when control group of 400w error rate, begin the full scale cycle counting program

