

SHRINK AND PRODUCT LOSS STRATEGIES

Last Update: February 27, 2007

DATA SOURCES-Current & New

- Product loss by category (including produce)
- Semi-annual inventory by category
- Monthly inventory counts for produce, dairy, milk, eggs and bread.

SHRINK & PRODUCT LOSS STRATEGIES-Operational

- Members need to show all products at cash. (Started January 2007)
- Shopping lists completed by cashier or staff. (Started January 2007)
- Staff need to ring groceries in bi-weekly to correspond to payroll periods. (Started February 2007)
- Staff debts come directly off pay cheque. (Started February 2007)
- Graeme review most/all invoices to confirm price extensions. Confirm prices on the shelves. (Completed November 2006)
- May 2007 Inventory count on the last day of the month (Thursday May 31) and Friday June 1. No large deliveries on Thursday and Friday before 4 pm (or do not count them). This will eliminate the chance of error during the post inventory count inventory adjustment.

SHRINK & PRODUCT LOSS STRATEGIES-Information & Investigation

- Count product loss for produce. (Ongoing starting December 2006)
- Monthly inventory counts of all high product loss/shrink categories (bread, dairy, eggs, milk and produce). (Currently being done)
- Eliminate 5% to 10% of slowest moving products in each category and do not replace. Review product loss sheets to determine which products could be eliminated to decrease product loss. Needs further research.
- Investigate POS system: present costs and advantages/disadvantages to board. (Preliminary report completed February 2007). A second report will detail costs.
- Develop shrink/inventory model (Bookkeeper and Amy Stein). Incorporate monthly inventory counts and product loss into monthly model. Revised estimate of remaining monthly shrink (excluding bread, dairy, eggs, milk and produce). Has not been started.
- Develop product loss and shrink category specific strategies. For example, what about semi-weekly milk delivery? (In process)
- Chronicle article on shrink. (Completed December 2006)
- Audit staff and cashiers on a typical grocery shop and also on a shop that contains several common errors. Possibly: retrain staff on cash register and supervising cashiers and retrain member labour on cash. (To Be Completed March and April 2007)