



OPERATIONS DEPARTMENT

BRANCH OPERATIONS GUIDELINES

EFFECTIVITY: _____

POLICY ON MAINTAINING BALANCE

STATEMENT OF THE POLICY

This policy establishes guidelines on Maintaining Balance (MB) of Frames, Reading Glasses and Sunglasses to address over, under, critical and non-moving stocks to achieve stock efficiency.

COVERAGE

This is applicable to all EO branches.

DEFINITION OF TERMS

- **OVER STOCK** – pertains to excess quantity over the allowable percentage of 10% required MB per category (FR/SG/RG)
- **UNDER STOCK** – 85% of MB
- **CRITICAL STOCK** – limited quantity per brand (4pcs and below)/discontinued brand
- **NON-MOVING** – No sale for the past six (6) months

GUIDELINES & PROCEDURES

🚩 **ASSESSMENT STAGE** - *GBM/AM/SAM/RM* provides MB of each branch based on the following Parameters;

1. Sales Mix
2. Display area
3. Total MB based on five (5) categories
 - a) Frames 1,500 and below
 - b) Frames 1,500 – 3,500.00
 - c) Frames 3,500 and above
 - d) Sunglasses
 - e) Reading glasses

Once MB is established the following should be considered;

******* Stock on Hand (SOH) should not be more than the required MB**

- ✓ Branch cannot execute SIR if order is beyond MB

******* Identified Critical Stocks** – coordinate to Marketing dep't for advice.

******* Non-Moving Stocks** – LSM for six (6) months, if no movement after LSM send list to Ms. Cielo Ibong & Mr. Evan Ventura subject for approval to return stock.

Note: Branch Manager should ensure that all stock returns are in good condition and with corresponding Management approval.



OPERATIONS DEPARTMENT

BRANCH OPERATIONS GUIDELINES

EFFECTIVITY: _____

POLICY ON MAINTAINING BALANCE

NON-COMPLIANCE: In case that Branch Manager failed to comply with the above provision; the following penalty shall be applied:

1 st offense	:	Written warning
2 nd offense	:	Php 500.00
3 rd offense	:	Php 1,000.00
4 th offense	:	3 days suspension
5 th offense	:	6 days suspension
6 th offense	:	Termination

Existing policies which may be in direct conflict with specific provisions in this Policy shall be deemed modified accordingly.

Conformed:


GLADYS TAMAYO
Regional Manager


DR. JOSEPHINE YAP
Regional Manager

Approved by:


MS. RACHELLE UY-SIM
AVP for Corporate Operations
4/28/17