FASTFLOW

Driving efficiency, productivity, and consistency

Processing and Flowing Merchandise

Standard Operating Procedure

Updated: August 2022

SIERRA

Introduction

Fast Flow is the Sierra term for processing and flowing merchandise from start to finish. The process is broken down into two main parts: processing merchandise in the backroom and flowing merchandise to the sales floor. The following document describes both parts in detail. All stores are expected to process trucks and flow merchandise to this standard.

Processing and flowing merchandise must be accompanied with the proper plan to execute, through staffing and scheduling. To complete the process efficiently, four Associates, including the Backroom Coordinator should be scheduled at a minimum of four hours, ideally 7am-11am, and taking a break prior to store opening. Additional Associates may be needed to continue flowing merchandise, after the truck has been processed. Truck processing should take place the day after the truck has arrived. For example, if trucks arrive on Mondays, Wednesday, and Fridays, the processing team should be scheduled Tuesdays, Thursdays, and Saturdays.

The goal is to process and flow merchandise to the sales floor within 24 hours. To flow merchandise to the sales floor efficiently, productivity should be tracked to ensure the process stays on target. While processing, the **cartons per hour goal is 7.0** and should be achieved through proper setup of the backroom. While flowing merchandise to the sales floor, each vehicle that holds merchandise has a standard time to complete, e.g., a z-rack should be flowed to the department in approximately 20 minutes. It is important that Associates are aware of the productivity standards and are coached and trained accordingly. Each Associate should keep track of their processing time.

Job aids for equipment use, processing positions, and EAS standards should be placed in visible locations in the backroom.

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Backroom Layout

Proper backroom layout is essential to operating and maintaining efficient processing. An example of a standard backroom layout is depicted below.

The layout and organization of the backroom may need to be adjusted based on backroom size and shape. The overall layout should work from the truck door, toward the sales floor. This path from door to floor will ensure a consistent and productive flow for merchandise to travel.

Nestaflex setup

You should have 2 Nestaflex conveyors. These should be positioned on the wall furthest from the sales floor, if possible.

The first Nestaflex should be extended to a full 25' in a straight-line. The second Nestaflex should be partially condensed such that it can be pulled towards each pallet.

POD Setup

There is a Standard of 6 POD sections on a wall. Some smaller backrooms may have 5 sections.
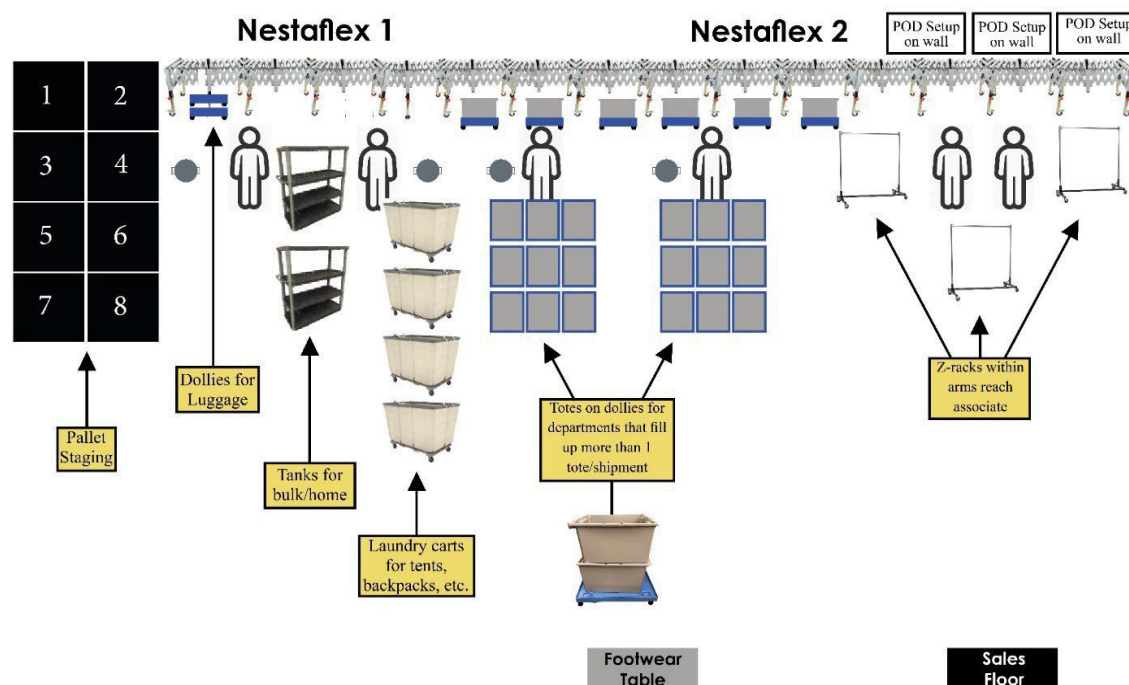
Equipment & Use

Tanks

- Used for large and fragile items such as:
    - D58-59 – Camping & Outdoor Gear
    - D60-62 – Bedding, Bath, Floor Décor
    - D80-84, 86 – Tabletop, Stationary, Kitchen / Dining, Seasonal Dec., Decorative Accessories, Home Furnishings
- Tanks should be organized by department, when possible. Keep like items together for easy flowing. It is important to keep heavy items at the bottom
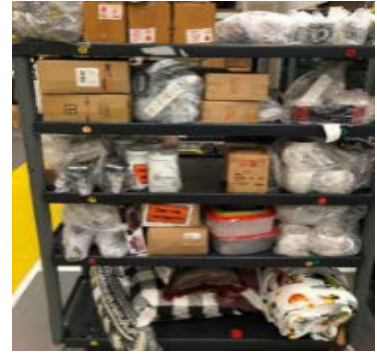
Laundry Carts / Bins

- Best used for bulky, non-fragile items
- The following departments should serve as a guide for laundry cart use:
  D54, 56, 57, 58, 59 – Gear (tents, sleeping bags, backpacks, chairs), D74(larger travel items, except luggage), D 67 - Pet beds

Totes & Dollies

Grey totes on dollies are used to quickly sort and flow non-apparel basic merchandise. Tote setup should be pre-determined before each delivery and should only change seasonally.

Totes should be positioned into two areas:

Underneath Nestaflex: totes on dollies should be placed under the Nestaflex for sorting merchandise categories in which smaller quantities are anticipated.

Behind Basics Sorter: sets of totes on dollies in a 3x3 layout, when possible:
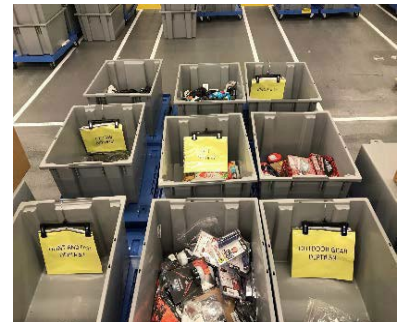
- Totes should be organized such that more fragile categories are nearest to the sorter and less fragile categories are further away
- Totes should have department / category labels for ease of reference. Some departments that are a good use of totes: Accessories, Food, Seasonal Décor, Hosiery, Small Camping and Gear items, etc.

Equipment & Use

Hopper Totes

Hopper totes on a dolly should be placed in the basics sorting area of your backroom:

- Should be used for queue line merchandise only
- Stack up to 4 high
- Use removeable labels on hopper totes to separate categories (the categories for queue line items will change seasonally)


EAS Tags

- Use a small utility tote for EAS tags
- Place utility tote within arm's reach
    - The EAS tote should be closest to the Associate's dominant hand for efficient and easiest access
- Use a grey tote under the apparel processing to store extra EAS tags

Z-racks

Z-racks are used to hang processed apparel. They should be positioned next to the Apparel Processor, if space is limited, behind the Associate.

- Z-rack should be within arm's reach of Associate to minimize twisting and footsteps
- Ideally, each apparel processor will have three z-racks around them, one for Men's, Women's, and Kid's
- Z-racks with multiple genders should be separated with category paddles for easy identification (any category paddle can be utilized)
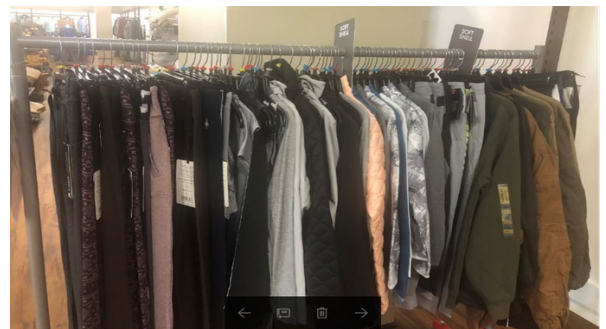
Apparel Processing Setup

Refer to the following visual for proper apparel processing setup. Standard size cartons or grey totes may be used to process apparel.
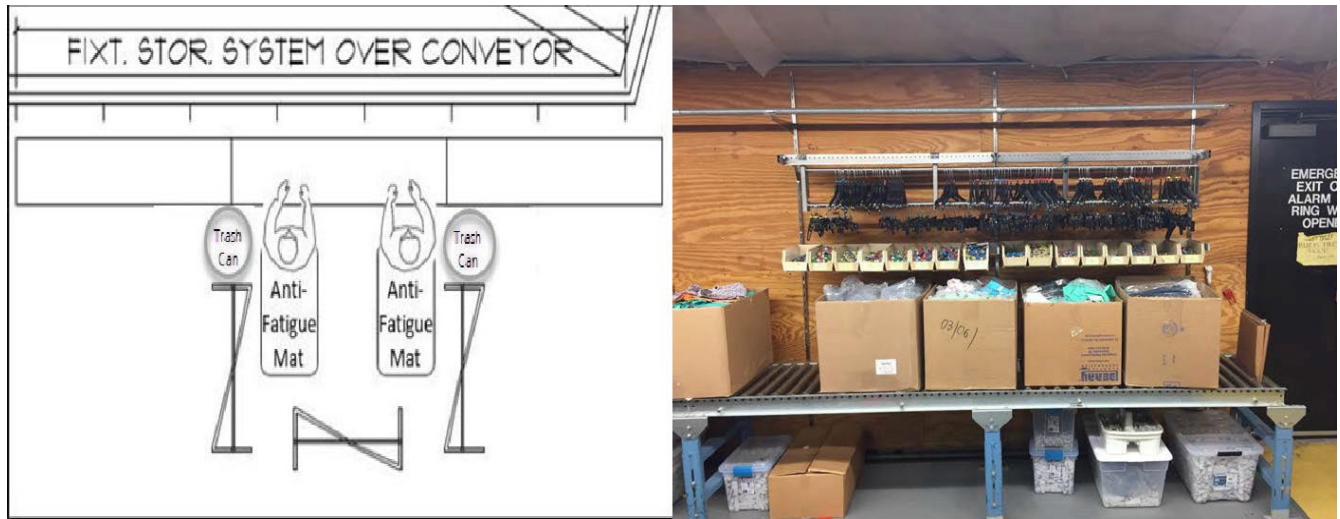
Hangers and Size IDs:

1. Hangers should be sorted by type only, tops / bottoms
    a. Replace a whole bar of hangers at once
    b. Top bar has top hangers and bottom bar has bottom hangers
2. Hanger bar can be adjusted up or down
    a. Top bar should be a reasonable arm reach for the processor
    b. Bottom bar should not be too low that it limits visibility of the Lin bins
3. Size IDs should be setup us pictured below:

1.	2.	3.	4.	5.	6.	7.	8.
0,1,3, 5,7	2,4,6, 8,10	9,11, 13,15 12,14 16,18 20	26,27, 28,29 30,31 32,33 34	36,38, 40,42 44	46,48, 50,52 54	XS, S, M	L, XL, XXL, XXXL
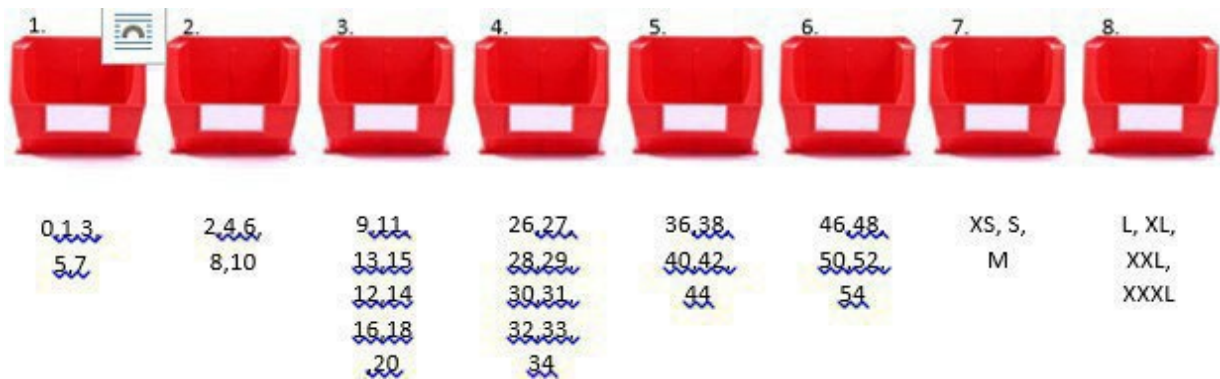
Footwear Processing Setup

Refer to the following diagram for proper layout and positioning of footwear processing in the backroom.
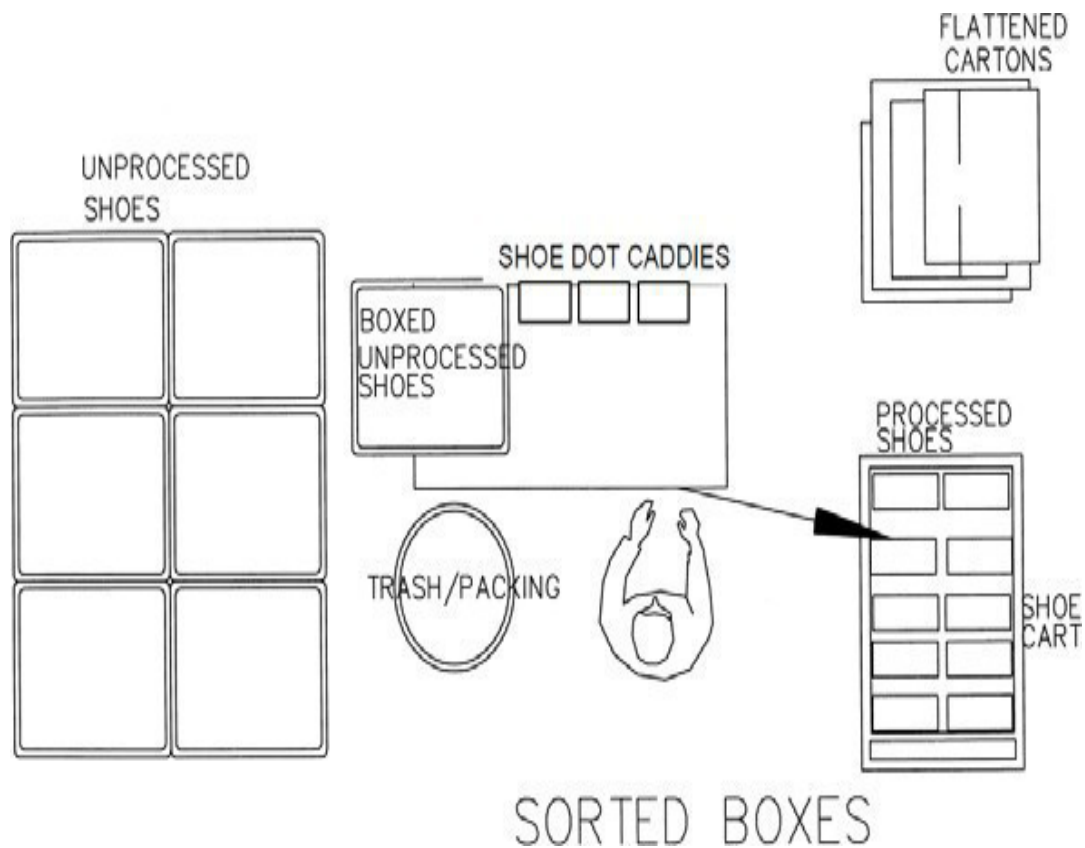
Footwear Processing Setup:

1. Ensure the shoe size stickers are full and setup in a location that is easy to reach.

2. Tanks will be dedicated to footwear processing. Designate one tank per gender of footwear, when possible. Processed footwear will be separated by size and gender once it gets to the tank.

3. Ensure that cartons are placed on the tank with identifying size labels, as shown in the picture on the right.

Roles & Responsibilities

The following roles describe each position within the fast flow process. The process begins with the Pacesetter and ends with the Apparel Processors. Once the truck has been broken down and sorted, Associates can break away to process footwear, Ship-to-Store orders, and begin flowing merchandise. Each position is designed to be able to aid the next when time allows. Typically, the process is completed with four Associates, including the backroom coordinator. Ship-to-Store packages and footwear will be uncovered during the process. These items should be put aside to be processed after pallets are broken down.

Work SMART Principles

The following principles must be applied throughout the entire process:

- Have all tools, equipment, and supplies setup, and within easy reach
- Work toward your dominant hand
- Eliminate unnecessary motions and steps. Do not turn, twist, or bend unless necessary
- Eliminate double handling. Work multiple items before moving (batch work) when possible, and be consistent
- Keep the volume of merchandise in process low (heart zone)

Backroom Coordinator (Team Leader)

The BRC will be the pacesetter, beginning the process with a group huddle, and will be able to break away as needed to assist other positions. The BRC can break away from leading the line when the Nestaflex is full, this will happen very quickly.

The Backroom Coordinator should perform the following:

- Communicate effectively about goals and expectations, beginning with a huddle
- Identify, communicate, and correct bottlenecks / safety issues
- Keep Associates focused on their task
- Oversee and lead all backroom activities
- Ensure ALL merchandise is received, processed, and placed on the sales floor with a 7.0+ CPH goal in mind
- Ensure Associates utilize Working Smart Principles and maintain safety awareness
- Maintain proper setup, organization, supplies and use of equipment including EAS tags
- Ensure damages are handled according to company standards

- Support recycling programs where applicable
- Maintain back stock standards
- Maintain backroom signs
- Ensure fixture storage is clean and organized

Position 1 – Pacesetter

The pacesetter should be able to breakdown one pallet every ~9 minutes

- Cut shrink wrap from pallet using box cutter (top-down)
- Cut all cartons away from the body (sides first, then lift middle and cut)
- Open all flaps quickly and then push carton down the Nestaflex
- Turn carton when only apparel is left in the box, flatten cartons as emptied
- Share responsibilities with position 2 (when applicable)

Position 2 – Bulk Sorter

Bulky / large merchandise should be immediately removed from Nestaflex and moved / worked into its' respective processing areas using dollies when possible. Any items that need to be built will come last in the process.
- Neatly stage merchandise on appropriate merchandise handling equipment by department
- Do NOT remove protective packaging from merchandise
- Seeded tickets should be placed next to merchandise for easier flow. Ticket item on the spot if it does not require unpackaging. For example: luggage and larger items should be ticketed, but smaller items such as wellness can be ticketed on the salesfloor.
- Turn carton when there is only apparel left in box
- Flatten cartons as emptied
- Share responsibilities with pacesetter and basic sorter as needed
- Assist in clean-up and dispose of trash once truck unloading is complete
- Assist with EAS tagging / sorting, if applicable (see EAS tagging options)

Positions 3 – Basics Sorter

- Pull non-apparel merchandise and sort directly into designated totes on dollies by department
- Do NOT consolidate apparel into boxes unless necessary
  - Eliminates double touching
  - Eliminates mixing similar items across cartons
- Stay in position and work only your departments / categories
- Flatten cartons as emptied and place into trash bin
- Assist bulk sorter and apparel processor as needed
- Assist in clean-up and dispose of trash after truck unload is complete
- Assist with EAS tagging / sorting, if applicable (see EAS tagging options)

Position 4 – Apparel Processor(s)

Note: It may take a bit of time in the unloading process for apparel to come down the line. Assist other positions until apparel is ready to be processed. Once there are a few cartons of apparel, the processor should begin. As the truck continues to be broken down, an additional Associate will be able to assist in apparel processing.

Ensure you have proper equipment before hanging apparel. You will need to have empty z-racks, hangers, size ID's, EAS tags, and a trash bin.

Working on 1 garment at a time, perform the following steps:

1. De-trash
2. Apply EAS tag, if applicable
3. Insert appropriate hanger (Top hangers – slide through neck and shoulder of garment. Bottom hangers – Flat hang Women's and Kid's, Fold hang Men's)
4. Apply Size ID
5. Hang the garment on the tote in front of you, separate by gender only. Repeat steps above to each garment in a batch (usually 5-6 items prior to moving to rack)
6. Pick-up the batch by the hangers and place on z-racks sorting by Men's, Women's, Kid's

TIP: Batching 5-6 items at a time will increase efficiency. An apparel processor should be able to complete between 2-3 z-racks per hour, depending on the season (Outerwear will fill up a z-rack much sooner than bathing suits).

Footwear Processing

Footwear processing happens when the truck break down has been completed and there are no cartons left to open or push down the line.

A processing station is designated in the backroom for footwear

- The table should be large enough to hold 10 boxes of shoes and still leave room for processing
- Ensure shoe size dot caddies are setup for efficiency

Shoe Processing Steps:

1. Obtain trash box for cardboard, and trash can for other packaging
2. Remove all shoe boxes from wave box and discard empty shoe boxes into wave box, as shoes are processed
3. Place batches of shoes on the processing table
4. Remove any packing material from each pair of shoes and discard
5. Using a batching method, do the following:
   a. Verify the shoe price
   b. Apply EAS tag to all right shoes according to tagging guidelines
   (Do NOT apply EAS tags if it will cause damage to the shoe)
   c. Check the size and apply size dots to both shoes, when necessary
6. Place both shoes in the appropriate size box on the tank
   a. Separate Men's/ Women's/ Kid's footwear onto respective tank
7. A flowing Associate should take the merchandise to the sales floor immediately and place on appropriate shelves, by size
8. Associate should bring excess merchandise to the backroom and place in designated backstock area by gender and size
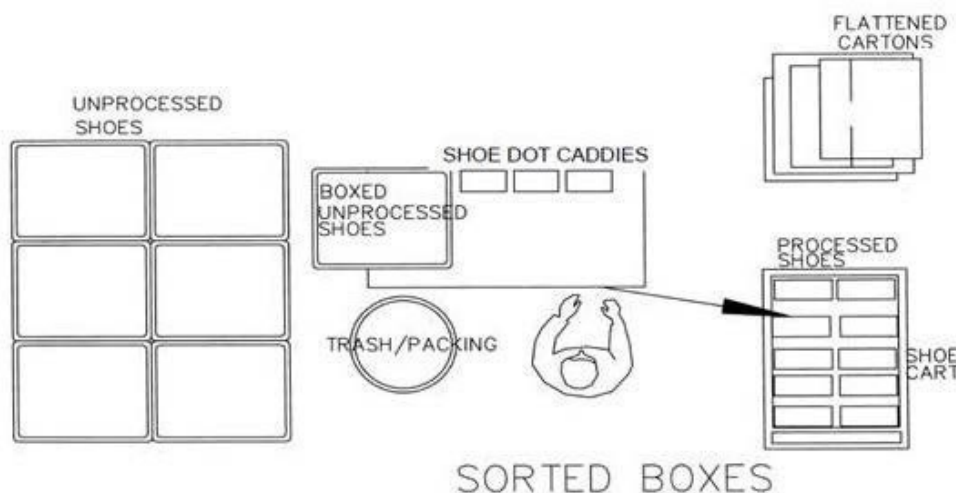
Processing Ship-to-Store Packages

STS packages should be processed as soon as possible so customers know their order has arrived. Typically, the BRC or another Associate who is available after the pallets / cartons have been broken down can move on to process the STS packages.

Ship-to-Store Processing Steps

To process STS packages, you will need to complete the following steps, working with one package at a time:

1. Write the customers first initial and full last name on the package (as it appears on the label), along with the date that it was received in store.
   Example: If a package labeled with the name "Alan Smith", was received on 1/21, then the package would be labeled: **A. Smith 1/21**

2. Using the handheld scanner, scan the package and ensure it is received into OMS (you will see a message displayed on the screen), if you cannot scan the package in, you can type it into Retail Transfer Receiving screen.

3. Place the package on a tank until all packages are received and labeled with name and date.

4. Transfer to STS storage area, in alphabetical order. Faceout customer names for easy identification. If a customer has multiple packages, ensure that they are kept together.

5. Communicate STS issues to MOD, as necessary.

6. Once STS orders are processed and put away, return to help process any leftover apparel, footwear, or begin flowing merchandise to the floor.

EAS Tagging

All EAS tagging should be completed while processing merchandise in the backroom. Each Associate involved in the process is responsible for ensuring merchandise they are processing is tagged to EAS standard. For example: The Apparel Processor is responsible for EAS tagging the apparel appropriately, just as the Footwear Processor is responsible for EAS tagging footwear. The EAS tags must remain organized in totes and caddies, for easy use.

Ensure your store specific EAS standards are posted visibly at each processing station in the backroom.

Ensure all Associates tag merchandise in a way that will not damage the item. Do not apply an EAS tag to an item if it will cause damage. Associates flowing merchandise to the sales floor are responsible for ensuring all merchandise is tagged to standard.

Refer to The Summit here for store specific grouped EAS Standards and a full review of EAS tagging placement for specific categories / items.

EAS Tagging – All Items Sensored in the Backroom

Overview:
To streamline processing and ensure EAS tagging accuracy among each category of merchandise, all necessary items must be sensored in the backroom. As merchandise is flowed to the sales floor, Associates must double-check for tagging accuracy.

EAS tagging of items other than apparel and shoes will be completed by the bulk / basic sorter. This allows the truck process to continue, without changing the speed of the pacesetter or apparel processor(s). EAS tags must be placed in arms-reach of the bulk and basic sorter, to eliminate steps (if processing on the line).

Review the EAS tagging setup options and determine which fits best for your processing area. *It is recommended that stores with smaller backrooms EAS tag items other than apparel off the line, as shown in option 2*

Option 1: EAS tagging happens on the processing line for ALL items

As pictured on the left; the bulk / basic sorter identifies and sensors hardlines items. This can be done on the line if space allows, or by placing an EAS caddy on the merchandise vehicle. The pictures represent both options.

Ensure that your store's current EAS standards are posted in a visible location for this processing position.

Processing Steps:

1. As items other than shoes and apparel are removed from boxes, the basic and bulk sorter review for EAS tagging. Apparel will be sent down the line to the apparel processor for EAS tagging, and shoes will be processed at the footwear station, off the line.
2. The bulk and basic sorter EAS sensor identified items, prior to placing them in sorted bins.
3. The bulk and basic sorter place items in / on the correct merchandise vehicle, tagged and ready to be flowed to the sales floor.
4. As Associates flow merchandise to the sales floor, they are double checking that items are tagged to standard.

Option 2: EAS tagging happens off the processing line for all hardlines items
(Apparel is sent down to the apparel processors, and all hardlines items needing EAS tags are separated into bins to be tagged at a station before going to the sales floor.)

Processing Steps:

1. As items other than shoes and apparel are removed from the boxes, the bulk sorter and basic sorter review and separate items for EAS tagging. Apparel will be sent down the Nestaflex to the apparel processor for EAS tagging. The shoes will be processed at the footwear station off the line. Any hardlines items for EAS tagging will be sorted into bins and EAS tagged off the processing line.
2. The bulk and basic sorters will sort the EAS items into the labeled hopper bins or laundry bin, depending on the size of the items to be sensored.
3. As associates flow the merchandise to the floor, they will stop at the EAS sensoring station (unitizing the footwear-processing table) correctly sensor all items according to the EAS standards. The Associate will then push the items to the sales floor once all items have been sensored properly.

Flowing Merchandise

Introduction

Flowing goods to the sales floor in the most efficient manner is key to driving profitable sales. Guidelines are included for each area of the store. Flowing Guidelines will support your team's consistency and effectiveness.

Tracking tools should be used to measure success, improve efficiency, and validate the program overall.

Roles & Responsibilities

Manager on Duty:

- Walk the sales floor and identify areas of opportunity (features and endcaps) that should be focused on during merchandise flow.
- Check in with BRC / Merchandise Coordinator and partner with respective Coordinator on opportunities that have been identified on the sales floor, creating an action plan.
- Once a z-rack is full, assign an Associate to the z-rack. The z-rack should be flagged by the Associate / Coordinator as product that will be used to create features or will be hashed into the runs.
  - Typically, flowing merchandise should stop or be reduced around noon, due to higher traffic flow. Each store should evaluate traffic flow and pause / continue merchandise flow accordingly.
- Ideally (1) z-rack per Associate should be worked on the sales floor at a time. Ensure flowing goods to the floor does not disrupt the customers shopping experience.
- Frequently check in with the backroom team to ensure goods are moving from the back room to the sales floor in a timely manner.

Coordinators:

- Assess features, gondolas, and walls, while controlling flow from the backroom.
- Give direction to merchandise Associates on where to begin
- Support merchandise Associates flowing goods and provide coaching on merchandising standards
- Track productivity to maximize efficiency
- Follow Merchandise Presentation and EAS Standards

Associates:

- Begin flowing merchandise as soon possible, to area directed
- Flow merchandise in order of priority
- Track productivity and communicate to Coordinator / MOD for breaks
- Ensure merchandise flowed is tagged to EAS standard
- Recover the sales floor while flowing merchandise
- Check for signage needs, refresh wall and features in partnership with MOD / Coordinator
- Promptly return empty equipment to the backroom

Best Practices for Flowing Merchandise

Hardlines & Apparel Overview:

Prior to flowing merchandise to the sales floor, it is important that the Merchandise ASM and / or Coordinators walk the floor and assess the following:

- *Is the sales floor balanced, are there areas that need to be flexed to make room for merchandise in a specific area?*
- *Are the focal walls impactful?*
- *Do the FOS features and features throughout the store / walls need to be changed or filled in?*

Making a quick assessment of the sales floor will give you a snapshot of areas that you will need to prioritize when flowing goods. It will also help guide you in making decisions on how many features for the sales floor and walls you may need to build. Flexing and balancing areas will need to be reviewed while flowing goods.

Building the Best Features for the Sales Floor, Endcaps & Walls:

There are many ways to build a great feature. Often, seasonality will come into play, based on ownership. Other important factors include fashion, vendor, value and special trophy or niche merchandise.

- Some stores may want to designate an area for the merchandise that has been identified as feature merchandise, especially if a larger floor move is required.
- You may use small z-racks, walls or h-racks that are available in the stockroom. This may help to support the step for feature building on the sales floor.
- If space is not available to designate feature merchandise, make sure that feature merchandise is identified and separated out while flowing goods.
- The Coordinators or an Associate should review the merchandise that will be pushed to the floor to build features.
- Use the monthly feature information from the Trailblazer as a guide.
- Review features daily, if they haven't sold down after a few days or a weekend, that is a clear sign to replace with other / new merchandise.

Best Practices for Flowing Apparel

Guidelines for Setting up Z-racks and Flowing Merchandise to the Sales Floor

While processing apparel, separate the merchandise by gender on the z-rack:
- Ideally, each z-rack will be full of a single gender.
- If apparel coming off the truck is light, the processing team may want to combine z-racks together, including more than one gender on a z-rack. If combining racks is necessary, position a category paddle to separate genders, as seen below.
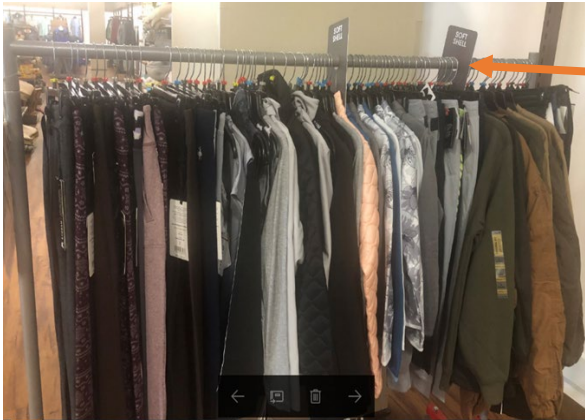
Category paddle is used to separate Men's, Women's, and Kid's apparel on a single rack

Once a Z-rack is Full:

- Build features with the merchandise that has been identified.
- Hash the remaining apparel into appropriate departments and categories. Review the walls as well, to ensure they are full and impactful.
- Flowing a z-rack should take no more than 20 minutes.
- While in the department you are working the z-rack in, take the opportunity to recover the h-rack or features you are adjacent to
- Recovery should include the review of missing signage, size ids and category paddles.

Best Practices for Flowing Footwear

Assess priorities and merchandising needs prior to flowing footwear. This will make flowing goods easier and more efficient. Prioritize what shoes to flow first based on what has been processed, gaps within the department and sale trends.

Best Practices for filling in Footwear:

- Identify holes within the department and fill in runs.
- Straighten shoes and make room for new product
- Change / fill end caps
- Identify seasonally relevant merchandise for endcaps
- Fill and change merchandise to highlight good, better, best, value and BFPQ
- Identify and fill in shoes featured in other departments / shops, if applicable.
- After filing in shoe runs flex / balance the department as needed.
- When flexing the department, always flex towards clearance.
- Check and change signage as needed.

Footwear Tank Setup for Flowing:

Large apparel boxes (regular cardboard cartons) are used to organize, and house processed footwear. These boxes allow for more footwear to fit within a box.
- Footwear tanks are separated by gender and boxes are sized accordingly
- Save apparel boxes to use for footwear overstock and to use for flowing
- Labels may need to be created to represent sizes, as shown below

Best Practices for Flowing Gear

Totes should be used to flow gear to the sales floor. This will be a simple way to expedite merchandise to the sales floor in an organized manner.

Gear merchandise should be designated in grey totes. Open-front totes work well for small gear & queue items. Stack 3 high, on dollies, for easy flow.

Label some totes by major category with a plain sheet of laminated paper that is affixed to the front of the tote. Examples include but are not limited to the following: Water Bottles, Camping Accessories, Fishing, Winter Sports / Ski, etc.

A few things to remember when flowing gear merchandise:

- Gear totes for the queue should be set up separately
- While Gear is being restocked, make sure the gondola or wall being worked is balanced and full
- Empty peg hooks should be brought to the backroom
- Make sure merchandise is displayed evenly on peg hooks within a category
- If needed, expand the category when merchandise allows, each category should not be less than 4'. If a category is less than 4', it should be combined with an adjacent category
- Review the area for recovery
- Check for complete and accurate signage, change if necessary

Best Practices for Flowing Women's & Men's Accessories

Women's & Men's Accessories should be housed separately in totes or laundry bins to be brought to the sales floor.

Separating the goods during the truck receipt process into totes by major category of business will help to support an organized and efficient process to flow goods to the floor.

When flowing Accessories to the floor conduct a quick review for the following:

- Merchandise is separated full price from clearance.
- Handbags are colorized, grouped by type of handbag.
- Reviewed for proper EAS tagging.

Women's Accessories:

Separate all D19 handbags and wallets from D74 Travel and Accessories, Backpacks, Totes. Some Handbags can look like D19 merchandise, make sure the D19 merchandise flows to the designated fixtures and wall within the Women's pad.

- Jewelry and other small accessories should be prioritized to a Queue fixture, facing the main racetrack.

Men's Basics:

- D16 Men's underwear, socks and belts should be separated into totes. Socks may need separate totes based on inventory levels / time of year.

Best Practices for Flowing Home, Pet, and Wellness

A tank should be set up in the backroom when the truck is received. The tank keeps Home inventory sorted by department and protects from damages better than using totes.

When inventory levels are lower, totes can be used. Laundry bins are good merchandise flow vehicles as they can flow non-fragile items including pet toys & beds and some larger items to the sales floor. It is very important to look for seeded tickets on cartons or containers when processing Home merchandise.

A few things to remember when flowing Home, Pet, and Wellness Merchandise:

- Process Wellness / Personal Care merchandise directly onto the tank if possible.
- This tank should be used for fragile and small items from the Home departments including Décor, Kitchen, Candles and Food (non-queue) product.
- Designate shelving for Wellness and Pet and the remaining shelves for Home product.
- Separate Food from all other merchandise. Display sweet / salty food in the queue.
- Separate Pet merchandise from all other merchandise. Group toys, and smaller pet items in totes or bins. Pet Beds can be separated in Laundry bins.
- When flowing goods to the floor, take some time to review damaged merchandise on shelves that may need to be marked down or marked out of stock.

Below is an example of a well-organized tank, used for wellness:

Keep merchandise in bulk packaging

Trash bag tied to cart for easy cleanup

Keep similar items together for easy stocking

Best Practices for Flowing Queue Line Merchandise:

The queue area is where driving sales and adding more items to the customers' basket should be a key priority. To support this focus, special merchandise feature suggestions will be provided seasonally, via the Trailblazer.

Some merchandise is considered "programmed" and will be maintained in the queue. These are sales driving, fast selling items that customers look for, or are considered impulse buys. These items include Tech Accessories, Salty / Savory Snacks, Candy, Water Bottles, Gear, Wellness / Personal Care, Pet Products, Toys, Travel Accessories (when inventory allows) & Jewelry. If space allows, the store can choose another department to feature in the queue.

How to prep for Queue line merchandise flowing:

- In the backroom, set up hopper totes on dollies. This will help to organize and expedite the everyday / programmed single queue items and prevents damages.
- Place like items in totes on the same dolly for easy replenishment
- For easy identification and replenishment, label the totes accordingly based on the programmed items, listed above.

Remember that certain items have a specific placement within the queue. Tech, and Wellness should always be positioned on the outside of the queue facing the main racetrack. Seasonal items should be placed in the first two or three positions within the queue, so they are most visible and will sell relatively quickly.

Key Components of the Queue

Key elements to the success of the queue, starts with strategic scheduling. Associates should be scheduled accordingly to ensure merchandise is prioritized in the queue line. The Coordinator should communicate to the MOD if / when backup is needed to continue queue line merchandising. The Coordinator or front-end Associate should communicate their merchandising plan to the team. Ensure totes of queue line merchandise are not left out in the aisle.

Tracking Tools

Tracking the efficiency and continued progress of processing goods is a critical component of running a successful store.

Units and cartons processed per hour is a tool that can help to identify areas of opportunity within the backroom. Some opportunities may include training / coaching of Associates, providing direction on merchandising, and prioritizing certain goods to the sales floor depending on space.

CPH Calculation (Input on the Summit through Retail Trackers)

Cartons per hour (CPH) can be calculated based on the number of pallets that were processed, how many total hours were spent processing, and the standard of 25 cartons per pallet. For example, if 8 pallets were processed in 16 hours total time (4 Associates processing for 4 hours each), the cartons per hour (CPH) would be 12.5. Time is contributed from each hourly Associate, actively processing. To get an accurate CPH, make sure Associates subtract time spent on breaks.

Fast Flow Calculator (Saved to shared store folder / backroom computer desktop)

The Fast Flow Calculator is a store facing tool used to track flowing and CPH. The calculator should be saved to a shared store folder or desktop on the backroom computer. This excel document can be found on the Summit within the Fast Flow Folder.

Directions:

1. Save the calculator to your computer, or a shared folder that your store leaders can access
2. Navigate to the tab for the current week
3. *Backroom Processing*
   a. Enter the # of **Pallets** being processed on the specific day, along with the **Schedule Processing Hours**, total **# of Scheduled Associates** to work those hours, as well as the **Actual Processing Hours** used
   b. At the end of the week, enter any unprocessed **Pallets Carrying Over** into the next week. These will be automatically added to the following Sunday, but can be allocated to another day as appropriate by store
   c. The **Actual CPH** metric will calculate, and this will be added to the Tracker on the Summit
   d. Store leaders can also use this calculator to understand if the actual time it took to process the pallets was more/less than what was scheduled for future use

4. *Flow to Floor*
   a. Enter the total # of **Scheduled Hours** per day to flow merchandise to the floor, as well as the total # of **Scheduled Associates** to work those hours. There is space to enter **Estimated Actual Flow Hours** as well.
   b. Based on hours scheduled, the **Estimated Flow Qtys** area will populate to visualize the

amount of flowing that is possible in the time scheduled, on average, assuming the team is using Z-Racks, Totes, Tanks & Laundry Bins to flow the merchandise.

5. *Notes*
   a. Space is available for Store Leaders to enter notes on specific weeks should there be something to remember that affected the CPH – such as training new Associates, the BRC being out, or something positive that drove CPH up for the week!

Fast Flow Weekly Calculator

Backroom Processing

	Pallets	Scheduled Processing Hours	# Scheduled Associates	Actual Processing Hours	Total Cartons	CPH
Sunday	0				0	
Monday	0				0	
Tuesday	2	9.50	3	9.00	50	5.56
Wednesday	0				0	
Thursday	3	12.00	4	11.00	75	6.82
Friday	0				0	
Saturday	0				0	
Total	5	21.50	7	20.00	125	6.25

Pallets Carrying Over:	1		Sched Vs Actual Hours	-1.50

*Pallets carrying over to next week are carried over to Sunday of the following week

Backroom Productivity Results

RESULT	GOAL	Scheduled	Actual
Backroom CPH	6	5.8	6.3
Total Hours	20.8	21.5	20.0

Flow to Floor

	Scheduled Hours Flow	# Scheduled Associates	Estimated Actual Flow Hours	Estimated Flow Qtys — Based on Scheduled Hours & Est Flow Times			
				Z-Racks (Est Flow 20 min)	Totes (Est Flow 20 min)	Tanks (Est Flow 50 min)	Laundry Bins (Est Flow 30 mins)
Sunday				0	0	0	0
Monday				0	0	0	0
Tuesday	24	4	22	18	36	4	5
Wednesday				0	0	0	0
Thursday	10	2	11	8	15	2	2
Friday				0	0	0	0
Saturday				0	0	0	0
Total	34	6	33	26	51	6	7

Sched Vs Est Actual Hours	-1.00

Notes

Flow Time Standards & Tracking

Utilize the **Flow Time Standards** to ensure Associates stay on track for time that each merchandise vehicle should typically take to flow to the sales floor. A general guideline is:

Z-rack: 20 minutes
Tote: 20 minutes
Tank: 50 minutes
Laundry bin: 30 minutes

The **flowing merch tracker** updated by each Associate flowing merchandise, accordingly. The tracker should be utilized by each Associate, one line per shift, to capture totals of merchandise flowed and time spent flowing.

Fast Flow Productivity Tracking (Flowing Merch)

Date	Associate Name	Estimated Actual Flow Hours (consider breaks and time spent on register)	Flow Quantity			
			Z-Racks (Est Flow 20 min)	Totes (Est Flow 20 min)	Tanks (Est Flow 50 min)	Laundry Bins (Est Flow 30 mins)
8/22	John Smith	3hrs 15 mins	3	5	1	1

Program Validation and "Making it Stick"

Coaching and observing will be a key component in making sure the process is executed correctly. "Making it stick" after implementing a change is imperative to the success of the ongoing process. The Fast Flow process can be validated by utilizing the tools on the following pages. Once the process can be validated to completion, it should be routinely validated, to ensure everything stays on track and efficiency is maximized.

How will you make sure the program sticks?

- Train all Associates utilizing best practices
- Observe and coach in the moment, to guide and recognize Associate performance
- Use the tracking tools to monitor processing and flowing of goods, as needed
- Celebrate improvements and recognize Associates with S.O.A.R cards
- Make it fun! Create contests for the best CPH, flowing goods to the floor, or the best feature. Having fun and keeping your Associates engaged will drive great results

Validation Instructions:

To ensure store teams are set for success in the backroom, it is necessary to validate the Fast Flow process from start to finish. It is important that each area is assessed and only validated to completion. If an area cannot yet be validated, it should be addressed and fixed immediately.

Fast Flow Validation should be conducted first as a store self-assessment, with the Operations ASM and Store Manager, and after successful self-validation, the Store Manager must validate the process in partnership with their District Manager. The Fast Flow SOP should be used to aid the validation process to ensure setup and flow are set to standard / reset as needed.

Print the following validation pages and utilize the space between each validation point to make note of areas to recognize or improve. Do not check off a validation point until it is to standard. Completed validation pages should be retained for 6 months in the filing cabinet by the backroom computer.

Areas to validate:
- Backroom Layout and Equipment
- Truck Team – roles and responsibilities
- Leadership Team – roles and responsibilities
- Receiving and Productivity Tracking
- Flowing Merchandise

1. Backroom Layout & Equipment

- Backroom layout flows from pallet processing toward the sales floor

- Pallets are staged in the most efficient area, furthest from sales floor

- Operations board layout is correct and up to date

- Size IDs, hangers, and EAS tags, are full and set to SOP

- Trash cans are properly staged near Associates, without having to take too many steps (ARRC recycling stores will need an additional bag or trash can for plastic)

- Dollies, totes, and category signs are being utilized appropriately (totes with merchandise should have dollies underneath for easy movement)

- Tanks are being used for bulk hardlines merchandise

- Laundry bins are being utilized for lightweight gear, travel, home, and pet

- Totes that are used most frequently are closest to the Associate

- Z-racks are within arms-reach of the apparel processor

- Backroom starts and ends clean, organized, and ready for the next truck

2. Truck Team

- o Associates are scheduled appropriately (ideally, at 7am with team of 4, with Associates also scheduled to flow merchandise)

- o The Pace Setter removes cartons from the pallet, quickly opens all flaps and sends them down the line to the bulk sorter, at a steady pace

- o The Bulk Sorter places bulk items onto the correct equipment, breaks down cardboard when empty, and supports the next Associate as needed

- o The Basic Sorter pulls out non-apparel items and places them into totes, and breaks down cardboard boxes when emptied

- o The Apparel Processor, processes one garment at a time with appropriate hanger, size ID, and EAS tag, and batch hangs 5-6 pieces onto z-rack, sorted by gender

- o The team understands and demonstrates proper EAS tagging of merchandise

- o The team understands and demonstrates the role of each processing position (job aids posted to help Associates)

- o Associates communicate breaks to team (prior to leaving station)

- o Associates demonstrate an understanding of tracking their own processing times (communicating to BRC prior to end of shift)

- o Team knows the Cartons Per Hour goal of 7.0 or higher

- o Team displays a sense of urgency to process merchandise quickly and efficiently

3. Leadership Team

- The BRC creates a sense of urgency among the team

- The BRC understands and demonstrates when Associates should be flexed in the process (prevents bottlenecks)

- The BRC ensures supplies is restocked and communicates needs to MOD

- The BRC communicates when product is ready to flow to the sales floor

- The BRC takes ownership of the overall process, and is an easy to identify leader

- The BRC understands tracking efficiencies and fills out trackers appropriately and accurately

- The BRC / MOD spot check for proper EAS tagging

- The BRC / MOD course corrects with Associates as needed (for example, coaches an Associate promptly if they are utilizing the wrong hanger, taking too many steps, etc.)

- The MOD makes several passes through the backroom during the process

- The MOD communicates to the floor team when product is ready to flow

- The Management Team ensures that enough Associates are crossed-trained on Fast Flow in case of callouts

- The Management Team ensures / plans to have all coordinators trained to be able to lead the truck process, in absence of the BRC

4. Receiving STS Orders & Productivity Tracking

- STS packages are individually scanned, labeled with Customer name and date received, and put away in alphabetical order in STS area

- The BRC / MOD know when to communicate if there are any issues with STS packages

- The BRC understands why productivity is tracked and can demonstrate how to track CPH correctly (without the aid of the tracker)

- BRC / MOD utilize the Daily Store Delivery Log on The Summit and input information upon receipt of truck

- BRC / MOD utilize the weekly productivity trackers located on The Summit to input CPH (used in conjunction with the store facing CPH calculator)

- BRC / MOD can demonstrate how Associates utilize the merchandise flowing tracker

- BRC / MOD can speak to Direct to Store SOP (seal verification process) and understand what to do with discrepancies

5. **Flowing Merchandise** (Follow the Flow Time Standards and Utilize Flowing Tracker)

Apparel and Accessories

- Z-racks are pushed when full and are separated by gender using a category paddle
- Z-racks are flowed to completion in 20 minutes or less
- Z-racks are promptly brought to the backroom when emptied
- Features and walls are prioritized, full and refreshed, keeping BFQP (brand, fashion, quality, price) top of mind

Hardlines

- Totes, tanks, and laundry bins are brought to the sales floor, accompanied by an Associate, when full
- End caps are prioritized and are filled and refreshed

Footwear

- Footwear tank is full, organized by gender and size
- End caps are prioritized, filled, and changed
- Size runs are filled in, flexed towards clearance

Queue Line

- Hopper totes are utilized for merchandise, separated by category
- Queue line merchandising plan is passed along to morning cashier who can fill and flex throughout their shift
- Merchandise is filled starting from the beginning of the Queue to the end, including POP (point of purchase) fixtures

Total Sales Floor

- One z-rack, stack of totes, tank, or laundry bin per Associate (for example: if two associates are flowing apparel, there can be two z-racks on the salesfloor)
- Associates are checking for proper EAS tagging prior to placing merchandise
- Signage is changed, as needed
- When open for business, fixtures / merchandise is mindfully placed, excess has been removed from the sales floor
- When open for business, customer service is top priority