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Expiry Management

**Business case study**

**Expiry Management**

Retailers and Wholesale players around the world face a problem of identifying articles near to expiry at correct time, METRO is no exception. Shelf life varies article to article (eg: Cadbury Dairy Milk has a shelf of 12 months whereas KitKat has shelf of 7 months) hence it is difficult for store team to keep track of every product expiry date and take timely actions to minimize losses by selling articles before it’s expiry dates. Leaving expired articles on shelf can result in poor customer experience and may also lead to legal implications in worst cases.

In the current process, twice in a month a floor associate of each department (Food, Non foods) checks Best Before Date (BBD) for each article on shelves and notes down available shelf life and quantity details manually in an expiry sheet. Assistant General Manager of store consolidates expiry report of all product categories (eg: cosmetics, dry fruits, grocery , beverages ,Confectionaries ) and shares near to expiry article details with category managers. Category managers review the expiry report and decide on stock clearance plan. Category manager fix discount percentage based on inventory, and Metro procurement price. Category managers share offer details with pricing team to manually update the new price and discount for each article nearing expiry in Point of Sale System (POS).

**Business Problems:**

1. Doing these checks twice in a month doesn’t help operation team in clearing all articles before expiry as shelf life is very low for few articles (Eg: Milk**)**
2. Checking each article on shelf is time consuming activity. Department assigns a person and store team takes 1-2 days (depends on store size) to complete this activity
3. In the current process only shelf is covered, all other regions in store are not covered under expiry (Eg: warehouse)
4. Relying on human skill and concentration, there is high probability for associate missing article on shelf and sharing report with category managers

**Assignment:**

Based on your thorough understanding of the As-Is expiry management process, it’s challenges and limitations involved, identify the

1. Identify process improvement areas within current process to increase efficiency of the expiry management.
2. Identify the potential automation opportunities and evaluate the scope of automation under consideration.
3. Prepare a detailed functional design document for the automation plan encompassing all process areas involved.
4. Which technology would you suggest for the automation project and why do you think it would it be an apt choice?
5. Develop a project charter based on your proposal to make a pitch to the project stakeholders for approval