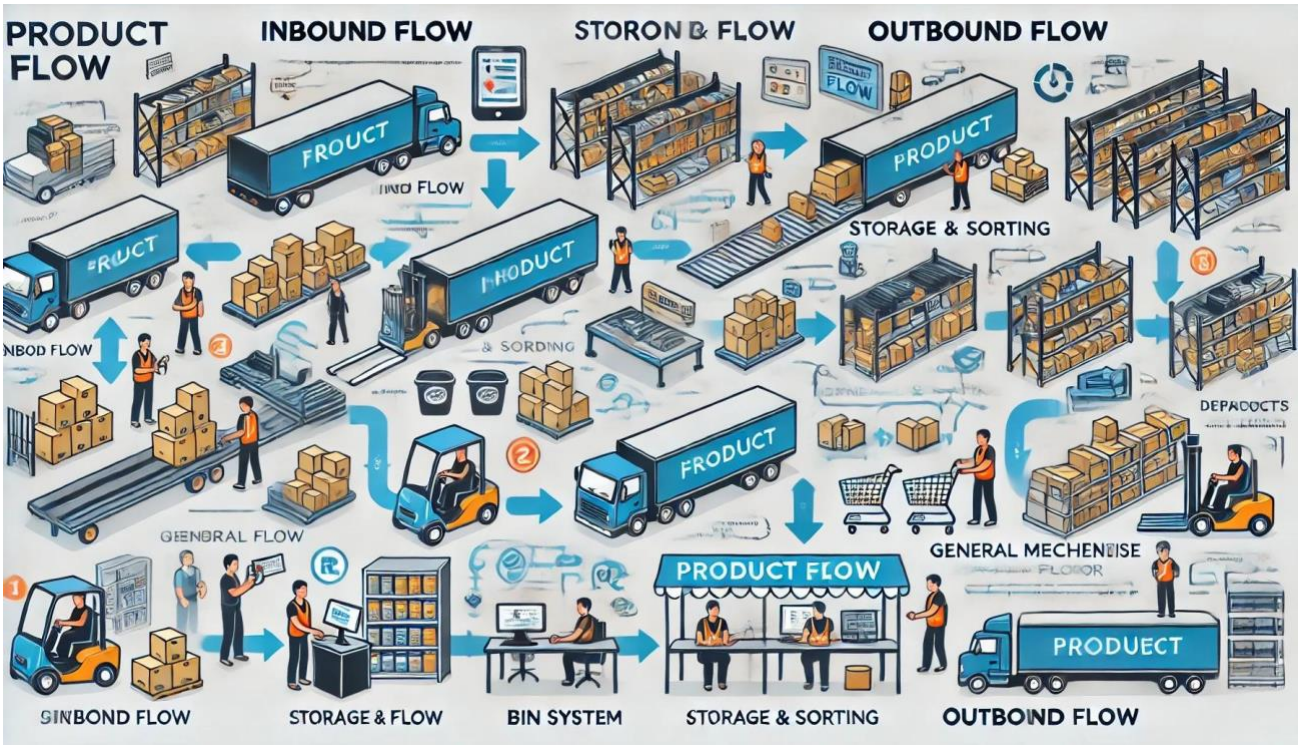
DEFINE



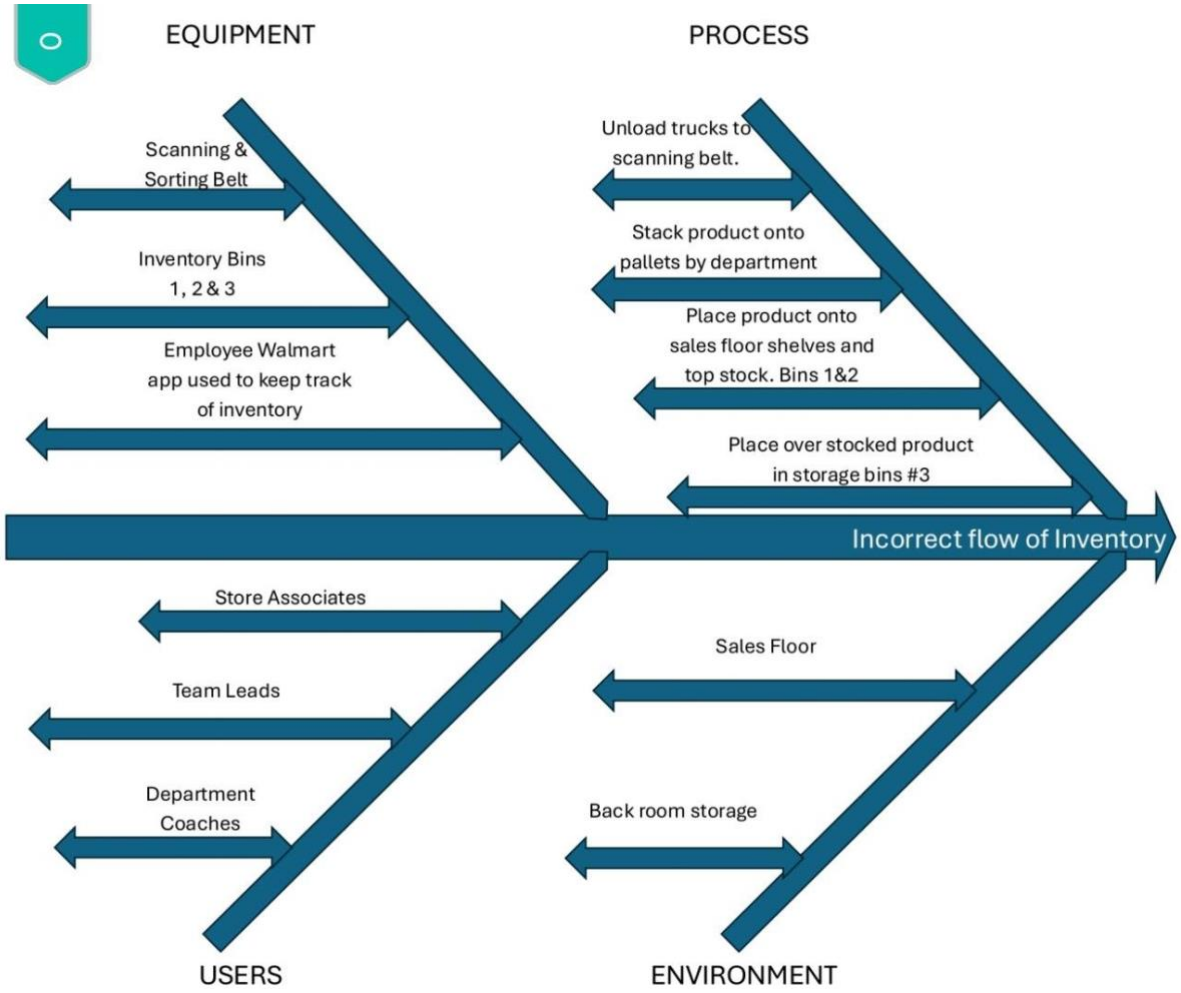
In this lean six Sigma project we are trying to improve the stocking and Inventory supply at Walmart. The surface level problem is the there is too much inventory being sent to claims or clearance. This can be due to products not being sold during seasonal sales. Consumables expiring or being damaged. Sometimes even general merchandise gets damaged off the truck or on the shelves due to overstocked items. I am one of 5 stock team leads at my current store location. We have 3 coaches above us. Coaches are store upper management and team lead is middle management at Walmart locations. Each Team consists of 5 associates. This gives us a total of 33 members that deal with the general merchandise inventory team. The biggest challenge with a team this big is getting everyone to buy into the new procedure to keep inventory in check. Also, creating a schedule of task that keeps a check of inventory and better ordering practices.

MEASURE

The baseline objective is to improve the flow of products coming into the store off the truck into the second and third bins and control the flow of products from the storage bins to the first-floor bins. Trucks normally come in at around 2500 pieces. Additionally two days out of the week the store receives two trucks averaging 2000 pieces each. The products are mostly loose pieces unloaded from the truck by second shift (afternoon), sorted and palletized by department. Currently after receiving items off of the truck general merchandise items are put on the floor leftover items and grocery products are put out on floor for third shift (overnight). In this project we are focusing on general merchandise.

First shift (morning) collects inventory, zone shelves and provides customer service to customers. There also is an allowance of second shift employees per department with these same duties. We want to measure the time it takes to unload a truck, how long it takes to put out a pallet full of items into the first bins. We also want to measure the amount of shelve space allocated to each department and reference that with the dimensions of the items. We need to know how long it takes an associate to scan and count the amount of inventory in each of the 3 bins so we can have a gauge of how many bins can be reviewed within a single day. We can use the employee Walmart app scanning products and tags to track these measurements.

ANALYZE



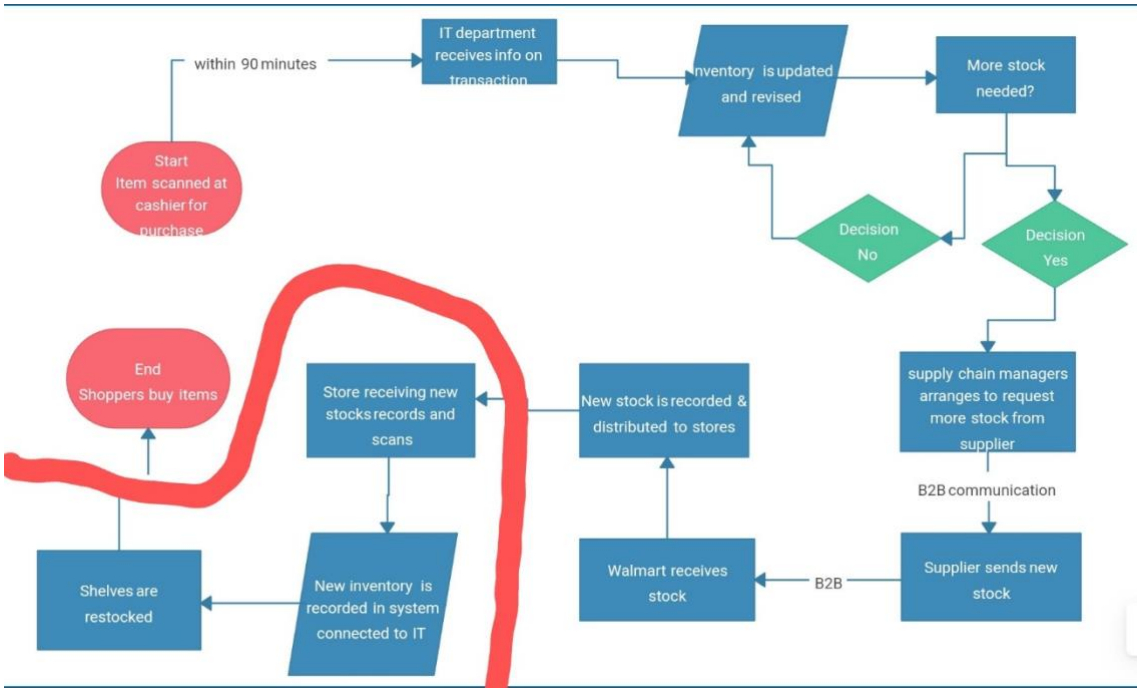
First problem to this process is that the packages come into the truck un-palletized. This causes potential damage to the product during transit. Also it creates disorganization due to multiple employees loading product without them being tracked.

Second problem is that the scanning belt often jams breaks down or does not get to scan packages. This can be due to rush of flow down the belt due to truck bay placement or time constraints. Leading to the inventory system not being properly updated.

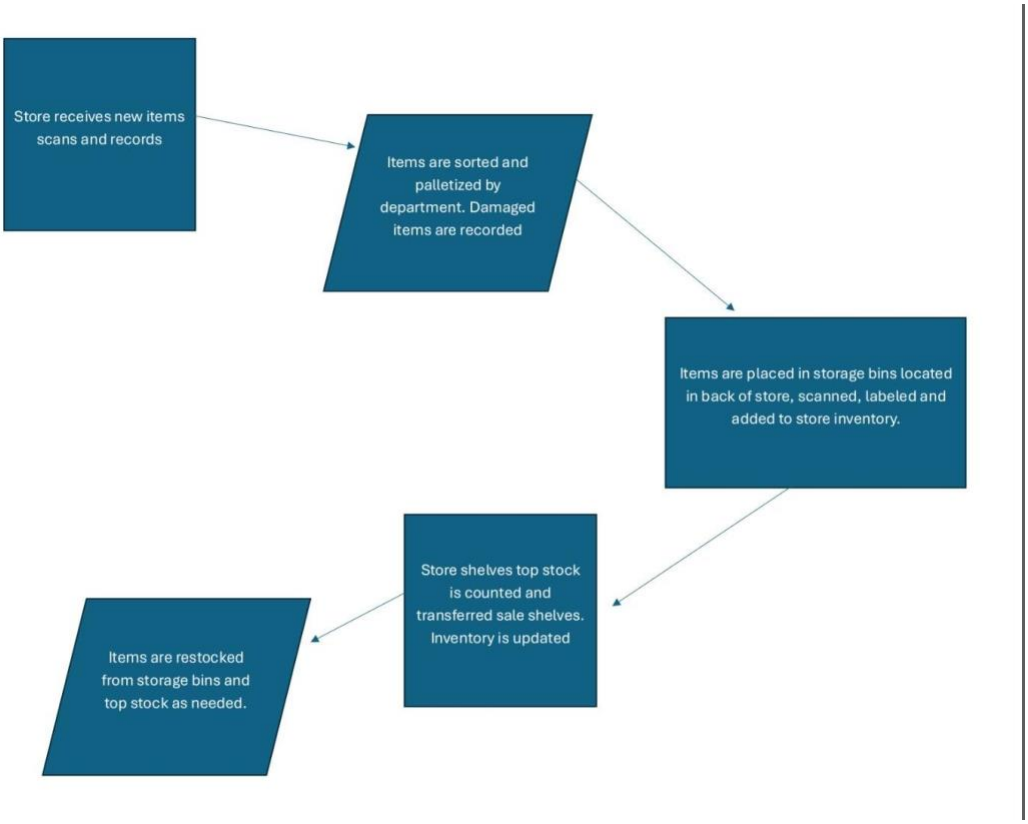
Third problem is once the inventory has been palletized the 2nd shift work staff is instructed to load items into the first bin on the sales floor, any extra open product is placed on the top stock (second bin), and unopened overstocked is labeled and placed in the third bin (the storage racks).

This causes the inventory management application to only update with overstocked items until an associate counts the items on the sales floor and updates inventory. This is the root cause.

IMPROVE



Using this value stream map of Walmart's distribution system, we are going to zoom in and create a new value stream map of an individual stores restocking process.
Step 1) Store receives new items scans and records.
Step 2) Items are sorted and palletized by department. Damaged items are recorded.
Step 3) Items are placed in storage bins located in back of store, scanned, labeled and added to store inventory.
Step 4) Store shelves top stock is counted and transferred sale shelves. Inventory is updated.
Step 5) Items are restocked from storage bins and top stock as needed.



CONTROL

The employee app will be used to keep the process on track. If a step has to be skipped due to an empty shelve or special order the employees will have to override and initial their name into the system. Having to create the labels while placing the items in the storage bins creates the first check. Counting and updating the inventory from the top stock should ensure the customer facing shelves are never empty. Further reducing the need to skip or change steps in the process.