



Operational Level 1
IRA

Covered Today

- ▶ UNDERSTAND IRA
- ▶ MEASURE AND MONITOR
- ▶ SHOOT OUTS
- ▶ CASHIER TEST
- ▶ PURGE BACK STOCK
- ▶ STORE FLOSS



Operational Level 1 Checklist		
Task	Date Completed	
Month 1 _____		
Understand IRA		IRA: Plot Avg
Assign Inventory Coordinator Role		
Eagle System Settings		
Complete Count Sheets		
Shoot Outs		Shooting Outs %:
Cashier Testing		
Month 2 _____		
Monitoring IRA		IRA: Plot Avg
Complete Count Sheets		
Shoot Outs (weekly)		Shooting Outs %:
Purge Back Stock		
Month 3 _____		
Monitoring IRA		IRA: Plot Avg
Complete Count Sheets		
Shoot Outs (weekly)		Shooting Outs %:
Store Floss		
Month 4 _____		
Full Store Count (if IRA Plot less than 80%)		IRA: Plot Avg

Understand IRA (inventory record accuracy)

- ▶ Calculated solely on variances from RC Count Type
- ▶ 55 SKUs each month on Count Sheets
- ▶ 3 month average
- ▶ good count / total count metric
 - ▶ 126/165 = 76% IRA



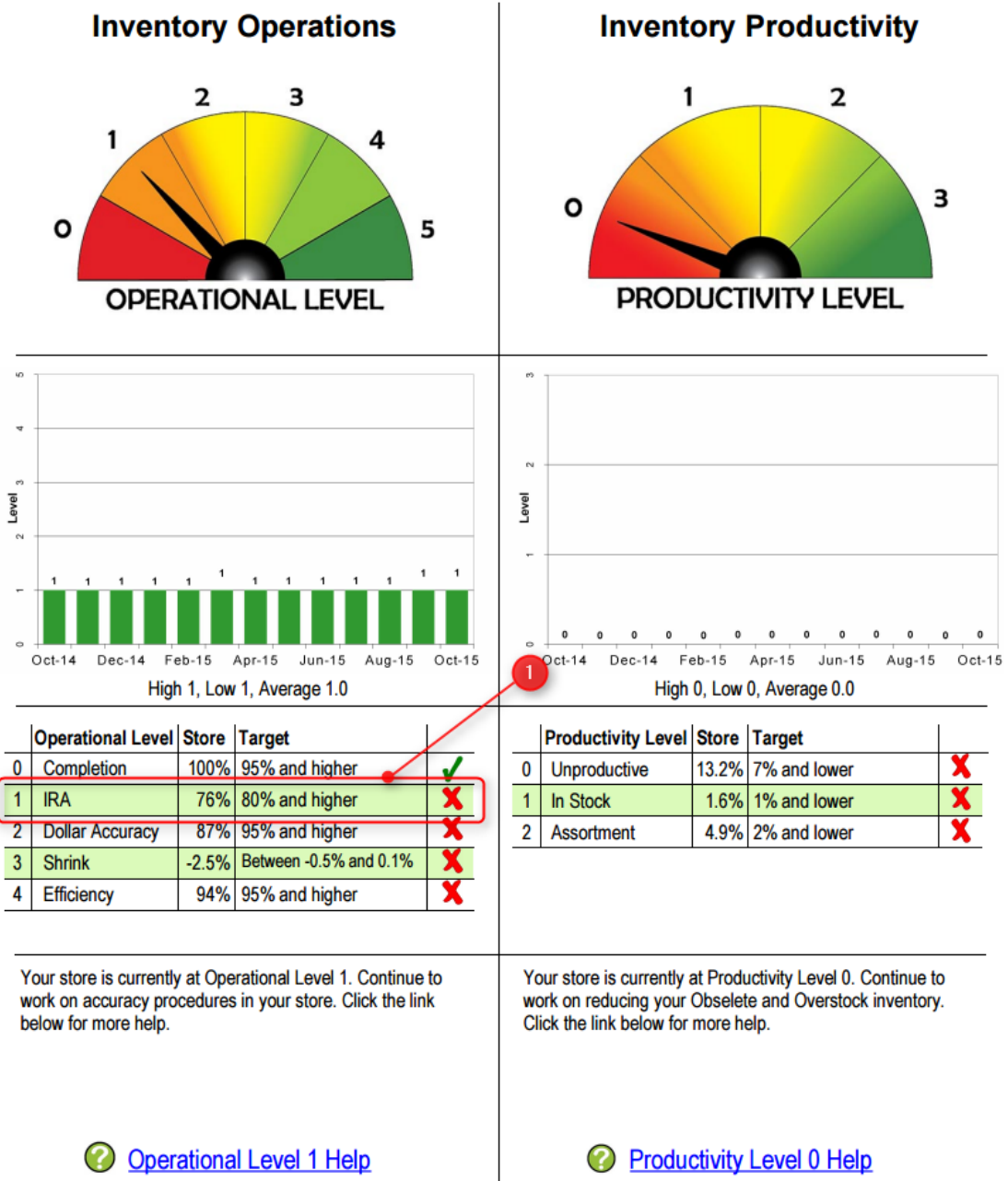
Count Sheets - August

UPC	SKU	Count Type	Last Action mm/yy
	42002	RC	ELBOW INSERT POLY 3/4FPT 1.49 04/13 Sale
	6003727	RC	HOOK 4"TALL SELF ADH CD2 2.99 05/13 Purch

Measure and Monitor

- ▶ Inventory Dashboard
 - ▶ Operational Level 1
 - ▶ Goal: 80% and higher

- ▶ Review email
 - ▶ Charts.pdf



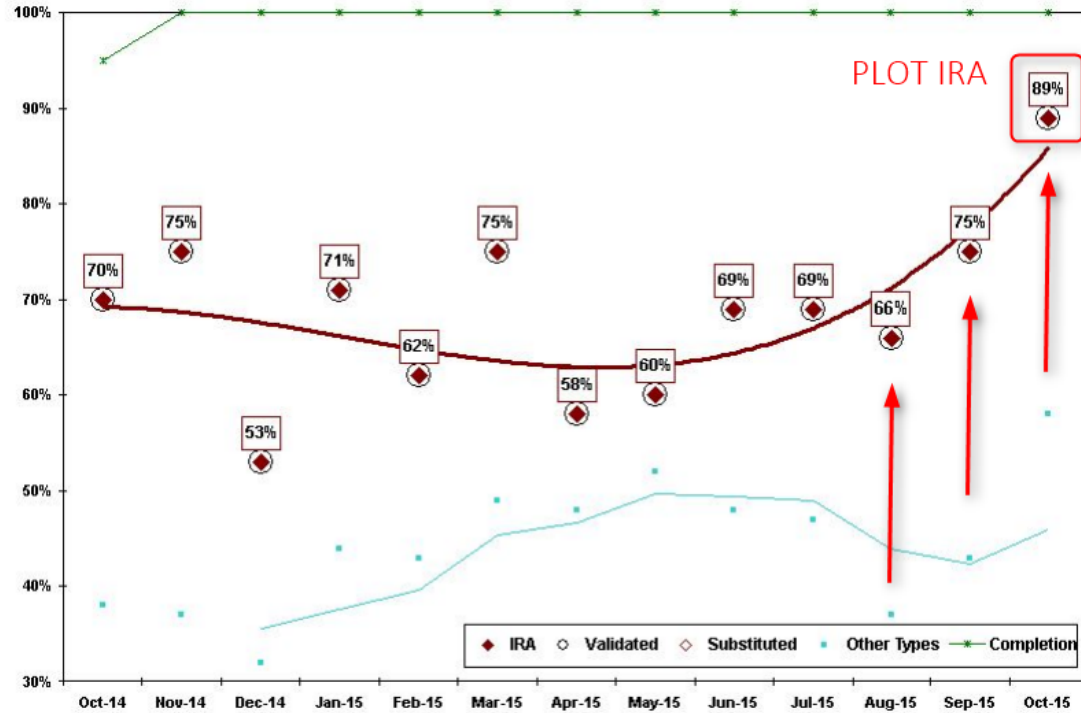
Measure and Monitor

► Inventory Accuracy Scorecard

- 3 month average
- Plot IRA vs Avg IRA
- $126 / 165 = 76\%$

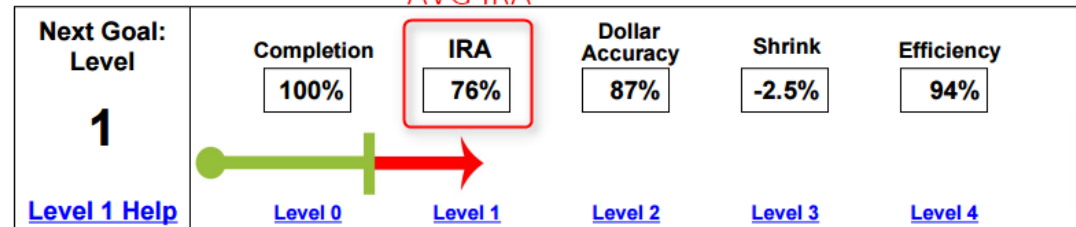
► Review email

- Charts.pdf



Count Sheet Results	Random Count -IRA		Other Count Types		18% SKUs Counted (TTM)	
3 - Month Trend	Totals	RC Accuracy	Totals	Accuracy	16% SKUs Changed (TTM)	
Total SKUs Counted	165		916		2% SKUs Counted (3TM)	
Total Dollars Counted	\$2,484		\$65,214		2% Median Monthly Changes	
Dollar Accuracy					20% Swell Percent (3TM)	
Net Dollar Variance	\$-162	93%	\$-9,678	85%	6% Neg. QOH	
Record Accuracy (IRA)					99% Boundary Accuracy	
Good Counts	126	76%	419	46%		

AVG IRA



Shooting Outs

- ▶ PIP all zero counts
- ▶ Research any variances before finalization
 - ▶ Top stock, customer's hand, return bin
- ▶ Monthly, but weekly preferred
- ▶ AWOR: [Shooting Outs](#)



Cashier Test

- ▶ Incredibly responsible for QOH accuracy
- ▶ Understand returns: R vs D
 - ▶ Return: adds 1 to QOH
 - ▶ Defective: no change to QOH
- ▶ Build a basket and test
 - ▶ Compare their receipt to a master receipt
- ▶ Starts a conversation about the issue
- ▶ Cannot afford inaccurate cashiers



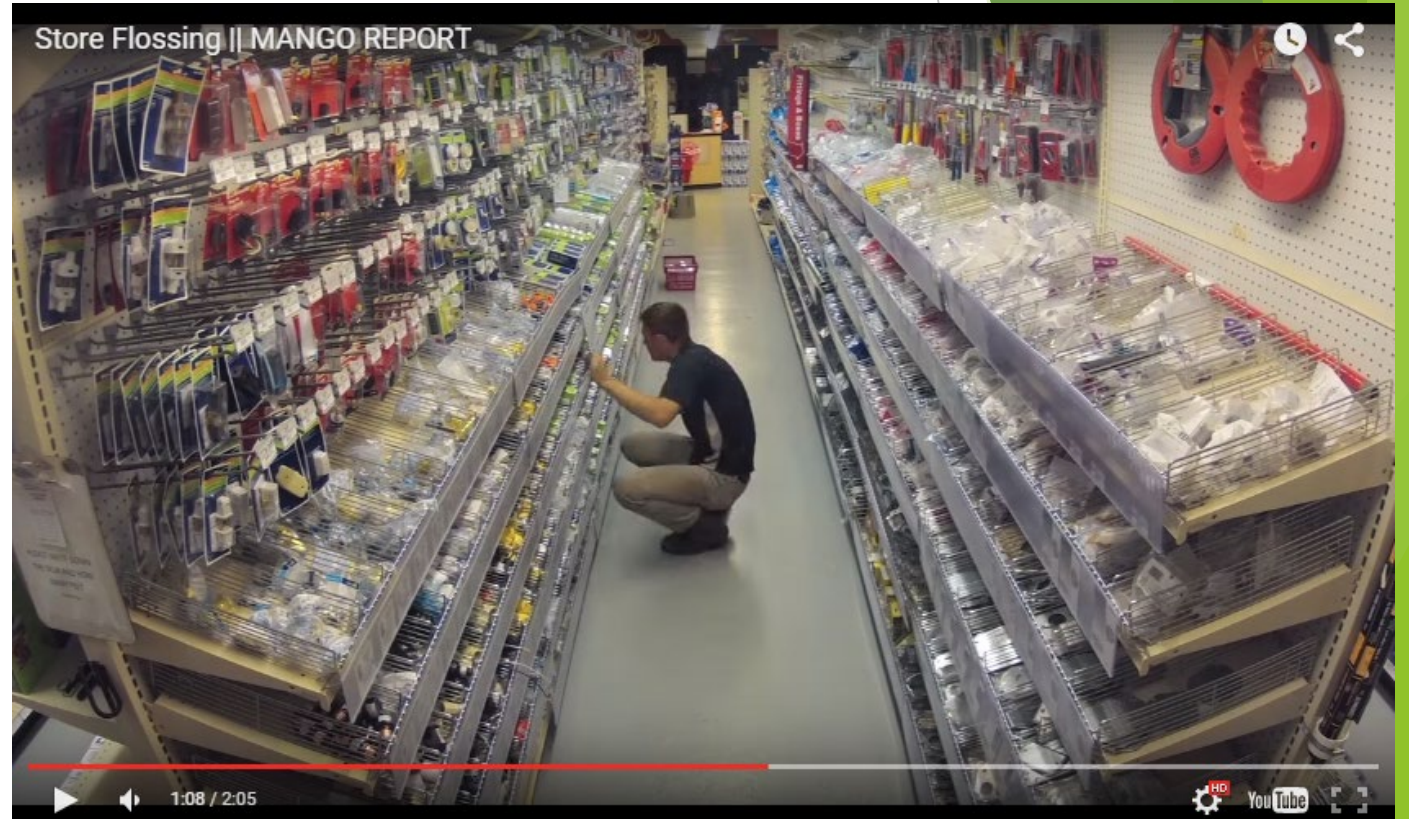
Purge Back Stock

- ▶ Pull everything out of back stock
- ▶ Fill the shelves full
- ▶ Get a good count
- ▶ Take remaining to back stock and organize



Store Floss

- ▶ Organize Bins
- ▶ Sounds too basic but no sense of counting cluttered shelves
- ▶ Entire store but focus on SKU dense areas
 - ▶ Plumbing
 - ▶ Electrical
 - ▶ Drill Bits / Blades



Monitor IRA

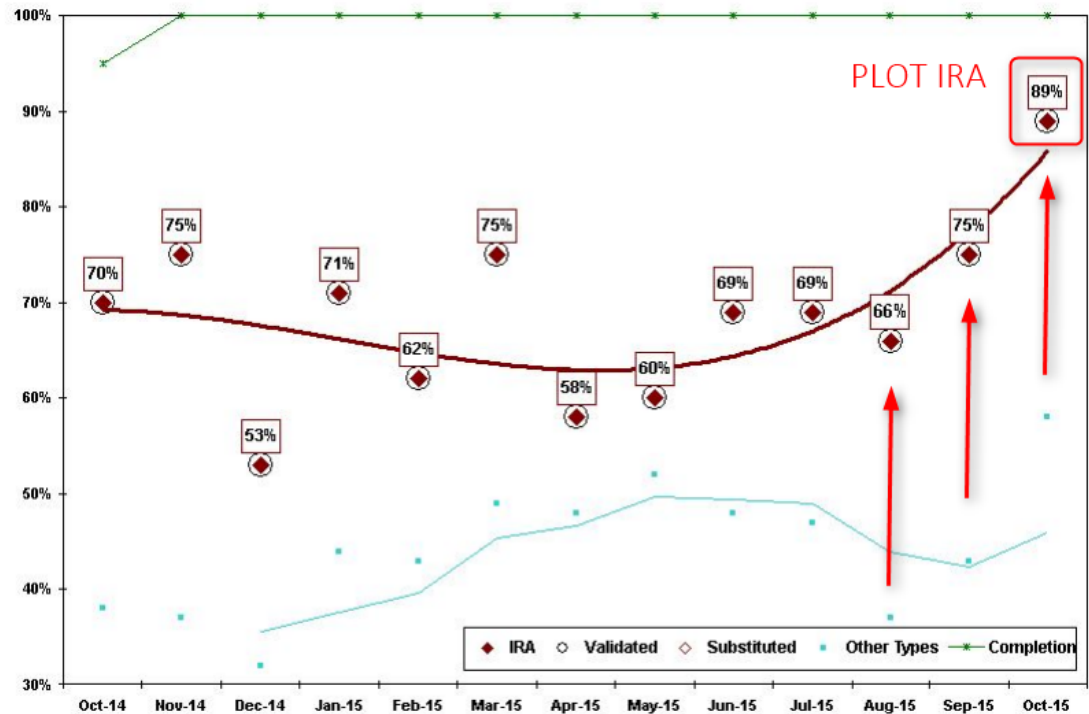
Inventory Accuracy Scorecard

Plot IRA vs Avg IRA

PLOT: 89%

AVG: 76%

IRA: Plot | Avg



Count Sheet Results	Random Count -IRA		Other Count Types		18% SKUs Counted (TTM)	
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Good Counts	126	76%	419	46%		

AVG IRA

Next Goal: Level 1	Completion	IRA	Dollar Accuracy	Shrink	Efficiency
	100%	76%	87%	-2.5%	94%
Level 1 Help	Level 0	Level 1	Level 2	Level 3	Level 4

Monitor IRA

- ▶ Shrink Report - Adjusted
 - ▶ Audit counter
 - ▶ Review CS RC for accuracy
- ▶ Plot IRA less than 80%
 - ▶ (4) CS RC bolded

Mango REPORT		Shrink Report - Adjusted				August '15	
						Store A	
						Vendor: ACE	
SKU	DESCRIPTION	LOC	SHRINK UNITS	EXT. COST	LAST SALE	REASON	
650927	SAMP-WR HW EXOTIC BLM P18	1453	5 \$	5.00	08/20/15		
57986	TAGS ID KEY W/RING 2PKCS	1450	8 \$	6.16	08/27/15		
7204183	ALL SEASONS HOSE5/8"X25'	2659	1 \$	6.78	08/05/15		
650176	SAMP-WR HW LILAC BLISM P18	2093	7 \$	7.00	08/16/15		
50913	COVER A/C WINDOW27X18X18	1322	3 \$	7.11	11/15/14		
5405535	MAGNUM LOCK 2-1/2" SHKL	1253	1 \$	7.25	08/28/15		
3517752	LED GE CAND 40W CLEAR ES	1916	1 \$	7.29	08/31/15	CS RC	
3991205	BULB 3WAY50-100-150REVAL	1916	2 \$	7.30	08/29/15		
5351358	ZIP N CLOSE 1.5"X7' PK2	1459	1 \$	7.69	02/22/12		
11954	GLUE #77 SPRAY 16.5OZ 3M	0222	1 \$	7.91	08/27/15		
3173234	BATTERY PHOTO 123 PK2	BRACK	1 \$	7.92	08/31/15	CS OT Theft?	
5107610	THRESH DLX LO ALM 36"	1319	1 \$	8.04	03/19/15		
27155	SOLDER FLX PB FREE .75OZ	2322	3 \$	8.10	08/06/15	CS WD HOT	
17714	PLASTIC PAIL 5 GAL WHT	0359	3 \$	8.46	08/28/15		
944648	ALUMINUM KEY RING PILL BO	RG00	11 \$	8.69	08/23/15	CS XX	
103616	G.L.S. SPONGE ERASER	0619	13 \$	9.75	08/30/15		

Follow the Checklist

- ▶ Hyperlinks with instructions, explanations, and videos
- ▶ If you call we're going to ask where you are at on the your checklist

Operational Level 1 Checklist		
Task	Date Completed	
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Full Store Count (if IRA Plot less than 80%)		IRA: Plot Avg

Support

▶ www.mangoreport.com/level1

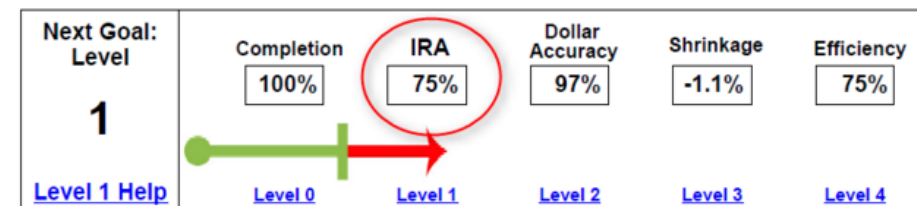
▶ support@mangoreport.com

▶ 734.301.4510

▶ Stay tuned for more webinars!

- ★ Welcome
- ✓ Best Practice
- ▶ New to Mango
- ▶ Operational Level
 - ▶ Level 0 - Completion
 - ▶ **Level 1 - IRA**
 - Understanding IRA
 - IC Role
 - Eagle System Settings
 - Count Sheets
 - Shooting Outs
 - Cashier Testing
 - Back Stock Purge
 - Store Floss
 - Monitor IRA
 - Full Count
 - ▶ Level 2 - Dollar Accuracy
 - ▶ Level 3 - Shrinkage
 - ▶ Level 4 - Efficiency
- ▶ Productivity Level
- ▶ Accuracy Cadence
- ▶ PDF Reports
- ▶ Excel Reports
- ▶ Videos
- ▶ Webinars
- ▶ Reference

Level 1 - IRA: Three-month average, 80% Goal



Congratulations, you've made it passed [Operational Level 0](#) and are moving on to mastering Level 1 - IRA. (Random Count) on your Count Sheets. Your goal is to sustain 80% (8 out of 10 quantity-on-hands in match

We're not going to sugarcoat it: getting over Level 1 is hard, but so is trying to operate a busy store with in most times this is enough to get passed Level 1; however, some stores with a lot of initial quantity-on-han

A word of caution: it may be tempting to shortcut Level 1 by performing a full store count first to get it "accu without fixing the leaks! To create sustained accuracy in your store you must first make sure its root inventor

You will achieve Level 1 by completing the checklist below. It will take a few months of hard work to get th

Print out the checklist below then complete each task. Click on each task in the checklist below for instructions an

[Print the Level 1 Checklist here!](#)

Checklist Example

Operational Level 1 Checklist		
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