



Operational Level 3  
Shrink

# Covered Today

- ▶ What is shrink?
- ▶ Inventory Dashboard
- ▶ Inventory Accuracy Scorecard
- ▶ Shrink & Efficiency Trend
- ▶ Variance Research
- ▶ Variance Worksheet
- ▶ Shrink Report

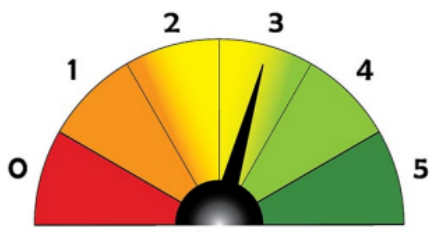
# Understand Shrink

- ▶ QOH movement that falls outside the scope of sales and purchases
- ▶ Loss in inventory value due to theft, breakage, or errors
- ▶ Expressed as dollar or percentage of sales (\$15,000 or -0.7%)
  
- ▶ The metric reported is Twelve Trailing Months (TTM)
- ▶ Goal is to isolate to theft and breakage

# Measure and Monitor

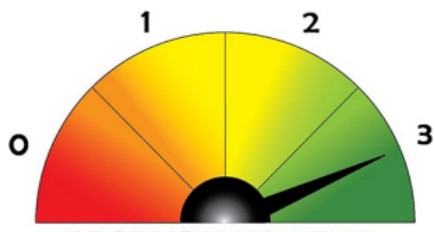
- ▶ Inventory Dashboard
  - ▶ Operational Level 3 - Shrink
  - ▶ Goal: Between -0.5% ↔ 0.1%
  
- ▶ Previous levels have been met
  - ▶ Help link for current level at the bottom
  
- ▶ Review email
  - ▶ Charts.pdf

### Inventory Operations

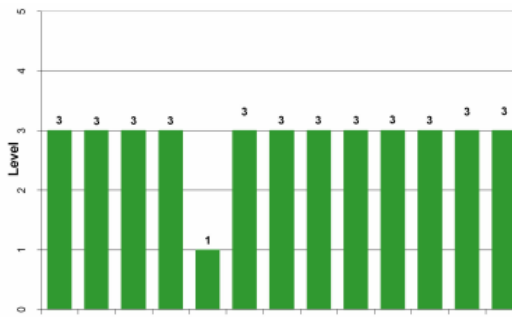


**OPERATIONAL LEVEL**

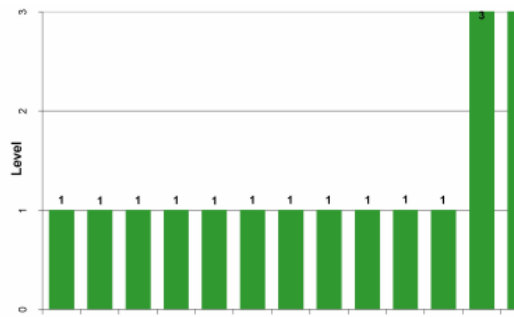
### Inventory Productivity



**PRODUCTIVITY LEVEL**



High 3, Low 1, Average 2.9



High 3, Low 1, Average 1.3


Operational Level	Store	Target		
0	Completion	100%	95% and higher	✓
1	IRA	83%	80% and higher	✓
2	Dollar Accuracy	97%	95% and higher	✓
3	Shrink	-0.8%	Between -0.5% and 0.1%	✗
4	Efficiency	92%	95% and higher	✗

Productivity Level	Store	Target		
0	Unproductive	4.5%	7% and lower	✓
1	In Stock	1.0%	1% and lower	✓
2	Assortment	1.6%	2% and lower	✓

Your store is currently at Operational Level 3. Continue to work on limiting and controlling shrink in your store. Click the link below for more help.

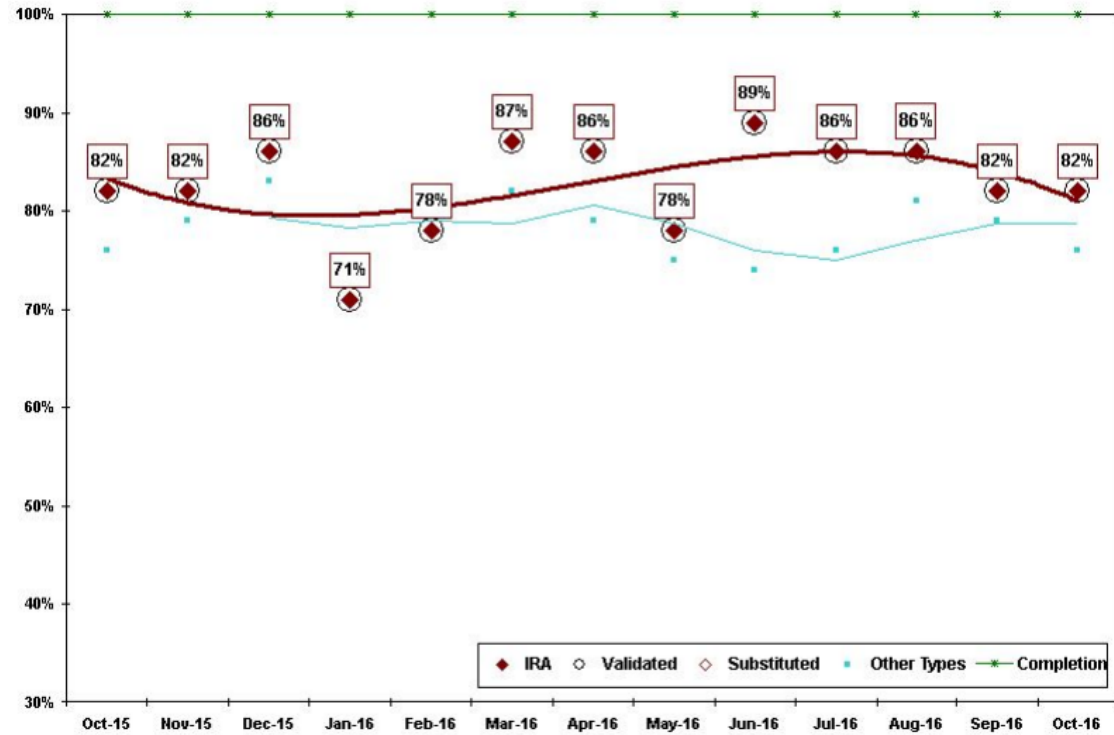
[? Operational Level 3 Help](#)

Congratulation on making it to Productivity Level 3! Your store's inventory is running at peak productivity. Keep up the good work!

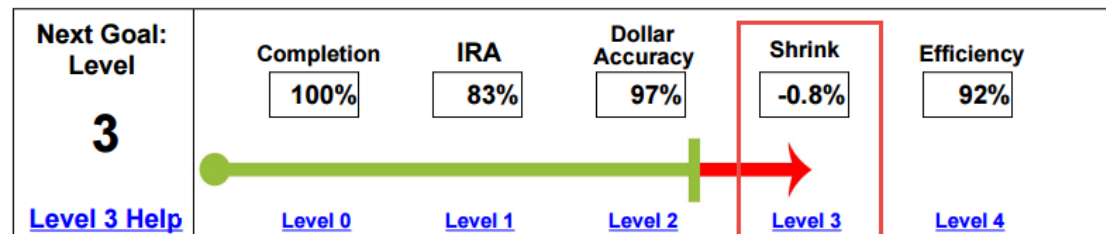


# Measure and Monitor

- ▶ Inventory Accuracy Scorecard
- ▶ XX%, what does that mean?

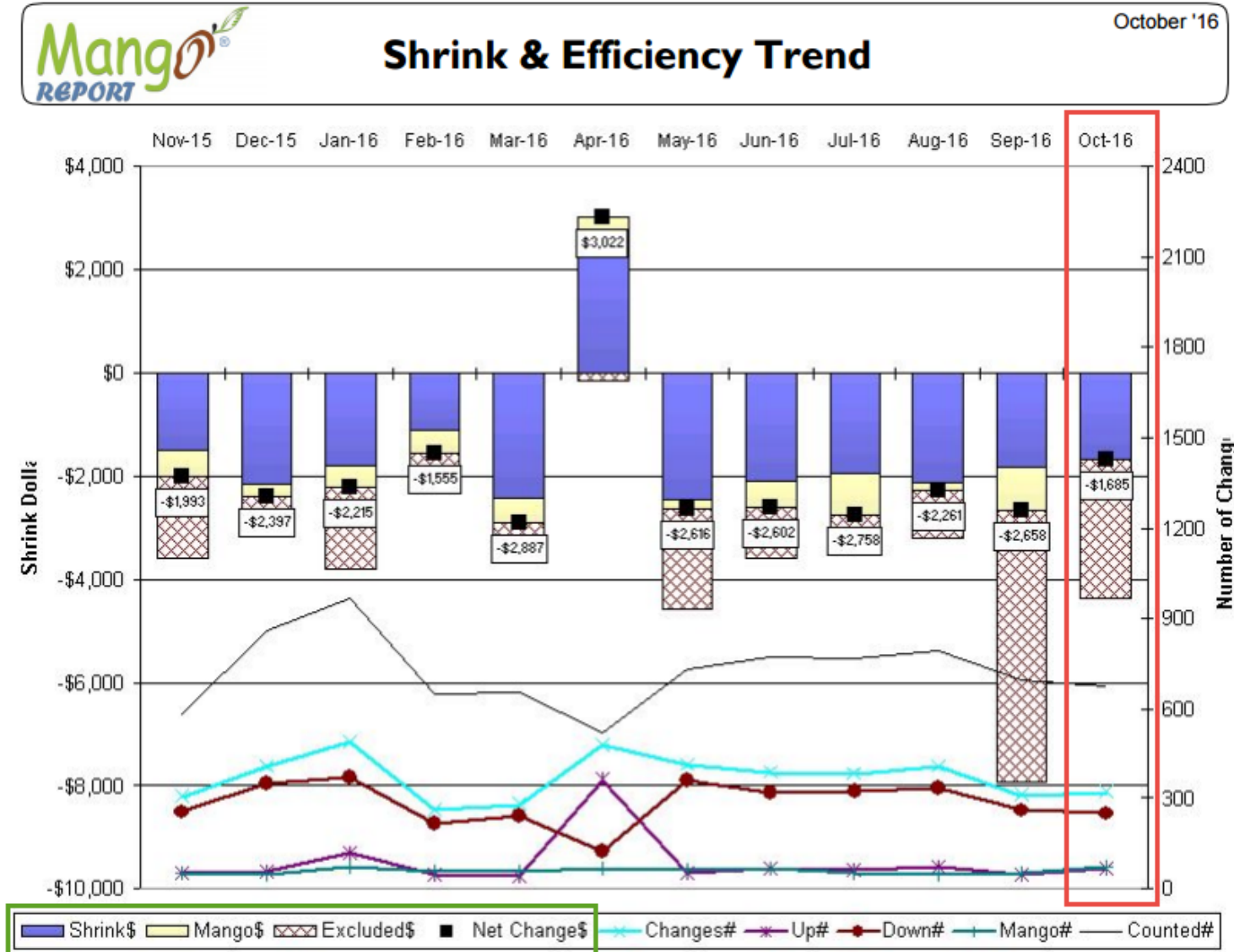


Count Sheet Results 3 - Month Trend	Random Count -IRA		Other Count Types		33% SKUs Counted (TTM) 18% SKUs Changed (TTM)
	Totals	Accuracy	Totals	Accuracy	
Total SKUs Counted	165		737		3% SKUs Counted (3TM) 2% Median Monthly Changes
Total Dollars Counted	\$2,460		\$46,063		18% Swell Percent (3TM) 3% Neg. QOH
<u>Dollar Accuracy</u>					99% Boundary Accuracy
Net Dollar Variance	\$-31	99%	\$-1,458	97%	
<u>Record Accuracy (IRA)</u>					
Good Counts	137	83%	581	79%	



# Shrink & Efficiency Trend

- ▶ Net dollar change shown on the graph for the previous month (\$1,685)
- ▶ Colors on the bar graph
  - ▶ Yellow: net shrink from Mango CS (CS TI, CS XX, etc.)
  - ▶ Blue: net shrink from other events (adjusted)
  - ▶ Hashed-out: net shrink from Excluded shrink section



# Excluded vs. Adjusted

- ▶ Broken into 2 sections
- ▶ Metric too noisy otherwise
- ▶ Excluded: less procedural consistency from store to store
- ▶ Both are financial shrinkage

<b>Adjusted Shrink</b>	<b>Excluded Shrink</b>
Theft	Bulk Goods
Breakage	Closeout
Unknown	Live Goods
	Lumber
	Store Supplies

# Shrink & Efficiency Trend

## ▶ RED BOX

- ▶ More detail behind your OL3 metric
- ▶ TTM: \$-22,603 or **-0.8%**

## ▶ GREEN BOX

- ▶ Mango Count Sheet impact
- ▶ TTM: \$-4,309
- ▶ Represents 19.1% of shrink
- ▶ Yellow bars above

▶  $\$-22,603 - \$-4,309 = \$-18,294$

- ▶ Blue bars above

Operational Level 3 - Shrink (excludes bulk, store supply, closeouts, and errors)

Period	-----ADJUSTED SHRINK-----			-----DEFECTIVE-----	
	Shrink Dollars	Percent of Sales	Percent of Inventory	Defective Returns	Percent of Sales
MTD	\$ -1,685	-0.8%	-0.4%	\$ -1,197	-0.6%
YTD	\$ -18,214	-0.8%	-4.7%	\$-10,601	-0.5%
TTM	\$ -22,603	<b>-0.8%</b>	-5.9%	\$-12,307	-0.4%

Efficiency	MTD	YTD	TTM	(max)		
				TARGET	MTD	TTM
SKUs Counted	678	5,826	6,671		682	8,188
SKUs Changed	320	3,158	3,631		256	3,071

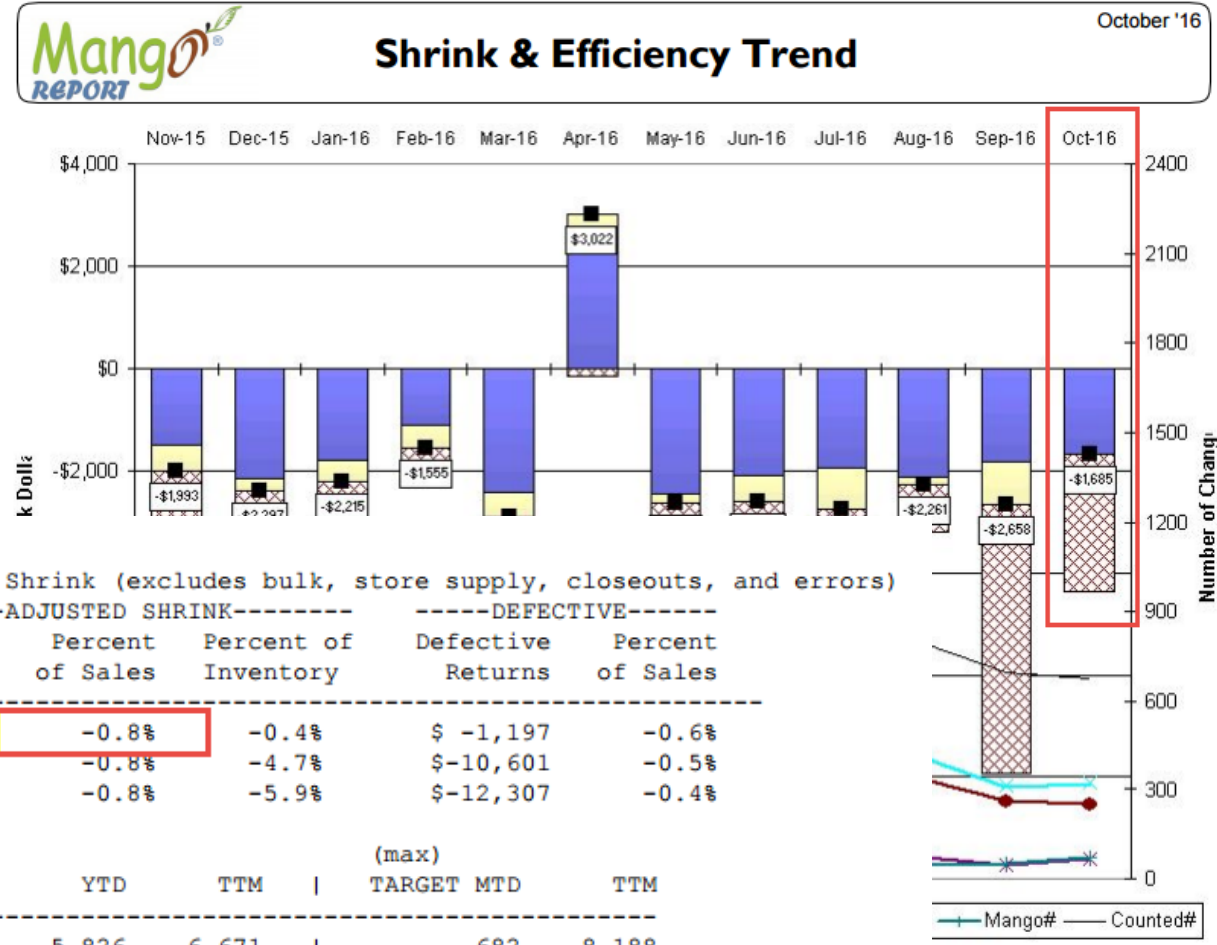
--M A N G O R E P O R T E D--

Period	SKUs Counted	SKUs Changed	Changed Percent	Net \$ Shrink	% of Shrink	SKUs Recovered	Recovered Sold \$
MTD	317	71	22%	\$ -2	0.2%	13	\$ 1,869
YTD	3,062	597	19%	\$ -3,547	19.5%	116	\$ 22,346
TTM	3,605	695	19%	\$ <b>-4,309</b>	<b>19.1%</b>	137	\$ 24,728



# Operational Level 3 - Shrink

- ▶ Diving into the SKU data
- ▶ How do we make an impact?
- ▶ Focusing on MTD and the SKUs behind \$-1,685 net adjusted shrink



# Shrink Report

- ▶ Review Email
  - ▶ Shrink Report.pdf
- ▶ Broken into 4 sections
  - ▶ Variance Worksheet
  - ▶ Adjusted
  - ▶ Excluded
  - ▶ Defective

# Variance Research - Goals

- ▶ Ensure staff is able to obtain a good count the first time (no sloppy counters nor sloppy shelves).
- ▶ Look to find and fix gaps in store procedures dealing with the movement of inventory.
- ▶ Look to find and fix cashiering errors so that sales analysis and order point calculations are maintained.
- ▶ Identify significant store or vendor mistakes.
- ▶ Detect theft: internal, customer, vendor, and delivery.
- ▶ Accurately measure Operational Level 1 - IRA and Operational Level 3 - Shrink



# Variance Research

- ▶ Prerequisites
  - ▶ Excluded Shrink?
  - ▶ Deleted?
  - ▶ NoRPH?
- ▶ Computer Work
  - ▶ Use research hints
  - ▶ Use ITR (part of Epicor's SART package)
    - ▶ Discussed on next slide
- ▶ Floor Work
  - ▶ Interview Staff
  - ▶ Recount SKU
- ▶ Video Evidence



# Variance Research - ITR

- ▶ Open ITR from Launch Bar, enter SKU
- ▶ Set **Starting** date back 5 years
- ▶ Things to look for:
  - ▶ Count Correction
  - ▶ Return vs Defective
  - ▶ Missing P.O.
  - ▶ Owner Use
  - ▶ Store Use
  - ▶ Sent back to vendor

Viewer - Inventory Transaction by SKU - SKU: 13322, Store: 1

File Action Help

Drill F3 Select F4 Display F6 Change Shift F5 Misc. ... KPad -- Refresh KPad + Export KPad \* Print Ctrl+P Help F1

### Inventory Transaction by SKU

SKU: 13322 GREAT STUFF G&C 120Z [By Category](#)

Starting: 11/01/10 [Categories](#)

Ending: 11/17/16 [Sources](#)


Store: 1 HACKNEY ACE [By G/L Passoff](#)

[Across SKU](#)

	Date	Time	Qty Stk UM	QOH Change	QOH After	Stk UM After	Category	Source	Sub-Source Type	Sub-Source	Extended Cost	Cost Used	Ex Se
<input type="checkbox"/>	1/18/2016	17:37:24	1	-1	11	EA	Sales	POS			2.63	Invoice	
<input type="checkbox"/>	1/16/2016	15:27:12	1	-1	12	EA	Sales	POS			2.63	Invoice	
<input type="checkbox"/>	1/14/2016	14:33:38	-1	-1	13	EA	Adjustment	RPI	Shrinkage Typ	P	-2.63	Avg	
<input type="checkbox"/>	1/14/2016	10:08:58	1	-1	14	EA	Sales	POS			2.63	Invoice	
<input type="checkbox"/>	1/14/2016	10:08:58	-1	+	15	EA	Credit Retur	POS	Reason	D	-2.60	Invoice	
<input type="checkbox"/>	1/13/2016	18:05:23	1	-1	15	EA	Sales	POS			2.63	Invoice	
<input type="checkbox"/>	1/13/2016	09:38:01	3	-3	16	EA	Sales	POS			7.89	Invoice	
<input type="checkbox"/>	1/03/2016	17:31:20	3	-3	19	EA	Sales	POS			7.89	Invoice	
<input type="checkbox"/>	12/30/2015	19:12:08	1	-1	22	EA	Sales	POS			2.63	Invoice	
<input type="checkbox"/>	12/29/2015	15:03:10	1	-1	23	EA	Sales	POS			2.63	Invoice	
<input type="checkbox"/>	12/28/2015	11:07:35	1	-1	24	EA	Sales	POS			2.63	Invoice	
<input type="checkbox"/>	12/24/2015	14:34:24	1	-1	25	EA	Sales	POS			2.63	Invoice	
<input type="checkbox"/>	12/20/2015	12:53:16	1	-1	26	EA	Sales	POS			2.63	Invoice	

# Shrink Report - Variance Worksheet

- ▶ Highlights top variances (20 SKUs)
- ▶ Extra research to find and resolve root cause
- ▶ IC should complete and review with manager/owner to resolve personnel, procedural, or theft issues
- ▶ Should be familiar if reviewing PIP already



**Shrink Report - Variance Worksheet**

October '16

Vendor: ACE

SKU	DESCRIPTION	LOC	SHRINK UNITS	SHRINK COST	LAST SALE	RESEARCH HINT
7338130	*DEKSID RECYCL 41QT	06L04	-17	\$ -161.84	10/19/16	
<input type="checkbox"/> Theft <input type="checkbox"/> Breakage <input type="checkbox"/> Corrected <input type="checkbox"/> Other _____						
Notes:						
709923	*POT BIO ELLA SQ 14 BLAC	23R02	-7	\$ -160.44	06/29/16	
<input type="checkbox"/> Theft <input type="checkbox"/> Breakage <input type="checkbox"/> Corrected <input type="checkbox"/> Other _____						
Notes:						
4520581	*DEHUMIDIFIER 50 PINTS	15R01	-1	\$ -150.27	10/08/16	Zeroed
<input type="checkbox"/> Theft <input type="checkbox"/> Breakage <input type="checkbox"/> Corrected <input type="checkbox"/> Other _____						
Notes:						
1413004	*REG SEL INT EGGSHL B3 G	08R02	-6	\$ -143.68	10/22/16	
<input type="checkbox"/> Theft <input type="checkbox"/> Breakage <input type="checkbox"/> Corrected <input type="checkbox"/> Other _____						
Notes:						
4520565	*DEHUMIDIFIER 30 PINTS	15R01	-1	\$ -129.21	10/21/16	Zeroed
<input type="checkbox"/> Theft <input type="checkbox"/> Breakage <input type="checkbox"/> Corrected <input type="checkbox"/> Other _____						
Notes:						
1269869	*THOMPSON WTRSEAL VOC 6G	NEW	-1	\$ -51.81	07/20/16	UPC x-link
<input type="checkbox"/> Theft <input type="checkbox"/> Breakage <input type="checkbox"/> Corrected <input type="checkbox"/> Other _____						
Notes:						

# Shrink Report - Variance Worksheet




## Shrink Report - Variance Worksheet

September '16  
Store 1  
Vendor: ACE

SKU	DESCRIPTION	LOC	SHRINK UNITS	SHRINK COST	LAST SALE	RESEARCH HINT
58070	*DOWNSPOUT K ALUM2X3X10W	99DOC	-11	\$ -75.02	09/23/16	HOT Zeroed
<input type="checkbox"/> Theft <input type="checkbox"/> Breakage <input type="checkbox"/> Corrected <input checked="" type="checkbox"/> Other <u>UNKNOWN</u> <i>Need to shoot outs</i> Notes: <i>Possible shipping or transfer error in Spring. ON BACK DECK - JAKE Assigned</i>						
7104045	*MG POTTING MIX SOIL 1CF	10L02	-11	\$ -69.08	09/13/16	CS TI
<input type="checkbox"/> Theft <input type="checkbox"/> Breakage <input checked="" type="checkbox"/> Corrected <input type="checkbox"/> Other _____ <i>Talked w/ Jim about being more careful when loading</i> Notes: <i>Loaded wrong SKU for customer</i>						
922817	*RED BOX SPEED RACER KIT	99CAN	-6	\$ -66.00	02/23/16	CS TI Zeroed
<input type="checkbox"/> Theft <input type="checkbox"/> Breakage <input type="checkbox"/> Corrected <input checked="" type="checkbox"/> Other <u>UNKNOWN</u> <i>Receiving docs show +</i> Notes: <i>outside vendor. Shipping or receiving issue. Came in, cannot find</i>						
7385735	*BAIT STATION W/6 REFILL	10R05	-10	\$ -38.90	09/12/16	BS+
<input type="checkbox"/> Theft <input type="checkbox"/> Breakage <input type="checkbox"/> Corrected <input checked="" type="checkbox"/> Other <u>UNKNOWN</u> Notes: <i>Can not find, checked Back Stock.</i>						
7436728	*FAUCET TIMER 1 OUTLET	08L04	-2	\$ -36.22	08/12/16	Zeroed
<input type="checkbox"/> Theft <input type="checkbox"/> Breakage <input checked="" type="checkbox"/> Corrected <input type="checkbox"/> Other _____ <i>- talked with Lynn about counting... Again</i> Notes: <i>Both items were on shelf where they should be.</i>						
2099190	*MICRO TORCH KIT 3IN1	15L02	-1	\$ -20.44	09/28/16	Zeroed
<input checked="" type="checkbox"/> Theft <input type="checkbox"/> Breakage <input type="checkbox"/> Corrected <input type="checkbox"/> Other _____ <i>- moved camera over torch head</i> Notes: <i>Looks Like theft. Ben put a Hook Lock on the peg</i>						
834002	*Knutson's Wax Worms 2DZ	99KEY	-9	\$ -11.70	09/18/16	HOT
<input type="checkbox"/> Theft <input checked="" type="checkbox"/> Breakage <input type="checkbox"/> Corrected <input type="checkbox"/> Other _____ Notes: <i>too much Spoilage, will discontinue next year.</i>						

# Adjusted Section - Shrink

- ▶ RED BOX
  - ▶ SKUs from the Variance Worksheet
- ▶ GREEN BOX
  - ▶ Variances over \$20
  - ▶ Still research but not as much time and no meeting with owner/manager
- ▶ BLUE BOX
  - ▶ Variance less than \$20
  - ▶ Bold SKUs to research
    - ▶ CS RC when Plot IRA less than 80%
    - ▶ CS WD HOT
    - ▶ CS WD Alert
- ▶ HIGHLIGHT
  - ▶ Research hint can guide IC



## Shrink Report - Adjusted

October '16


Vendor: ACE

SKU	DESCRIPTION	LOC	SHRINK UNITS	SHRINK COST	LAST SALE	RESEARCH HINT
<b>Adjusted Shrink - the variances below make up your Operational Level 3 - Shrink metric.</b>						
Sorted by Shrink Cost (largest inventory reduction first). Starred and italicized rows are on your Variance Worksheet (above). Bold rows indicate further research candidates.						
7338130	*DEKSID RECYCL 41QT	06L04	-17	\$ -161.84	10/19/16	
709923	*POT BIO ELLA SQ 14 BLAC	23R02	-7	\$ -160.44	06/29/16	
4520581	*DEHUMIDIFIER 50 PINTS	15R01	-1	\$ -150.27	10/08/16	Zeroed
1413004	*REG SEL INT EGGSHL B3 G	08R02	-6	\$ -143.68	10/22/16	
4520565	*DEHUMIDIFIER 30 PINTS	15R01	-1	\$ -129.21	10/21/16	Zeroed
1269869	*THOMPSON WTRSEAL VOC 6G	NEW	-1	\$ -51.81	07/20/16	UPC x-link
9365776	*SILVER DEER	CASHR	-3	\$ -51.09	Never	
6292155	*BRIM STEP CAN 50L BLK	06L04	-2	\$ -45.98	09/22/16	Zeroed
1201581	*GAIN LAUNDRY SOAP 50OZ	05L05	-6	\$ -39.96	10/23/16	CS WD Theft? Zeroed
1590801	*GORILLA HD CONST ADH 90	04R03	-8	\$ -37.60	09/16/16	Zeroed
4306486	SHOWER CURTN/LINR SOFT	14END	-7	\$ -34.37	10/23/16	
2409522	TOOLBOX NFL REDSKINS	11R10	-1	\$ -31.46	10/09/16	Zeroed
602754	PILLAR 3X9 WHITE	07R01	-5	\$ -31.25	10/12/16	CS TI
6187967	TRASH BAG COMPSTBLE 13G	06L03	-10	\$ -30.20	10/30/16	
3222890	FLASHLITE MINMAG 2AA LE	09L01	-2	\$ -30.20	10/01/16	Zeroed
6033088	DRUM LINER CMMRC55G BX6	06L02	-2	\$ -28.82	10/13/16	
1510031	C+K INT PP1 FLT MDHH GL	08R03	-2	\$ -28.72	10/09/16	UPC x-link
7105786	BAIT LIQUID ANT TERROBX	01W31	-7	\$ -24.78	10/31/16	CS TI
800796	WOOD THRUSH	01W04	-6	\$ -24.00	06/13/14	CS XX Zeroed
3515996	LED BULB BR30 10.5W 6 P	09R01	-1	\$ -22.56	10/30/16	CS WD
3223690	BULB REFLCTR 65WBR30 2P	09R05	-4	\$ -22.56	10/20/16	Zeroed
34839	FAN EXHAUST BATH 50CFM	12R01	-2	\$ -21.78	10/08/16	
3169067	CRIMPR RJ-45/RJ-11MOD	09L04	-1	\$ -21.63	08/31/16	Zeroed
5296132	BOLT HOOK 1/2X6"ZN	18R04	-9	\$ -21.51	11/08/15	CS RC Zeroed
1367424	RYL EXT SG LTX NTRL OT	08R05	-3	\$ -20.37	10/31/16	
3532868	GFI RCPT R&B BUTN WHT15	10R04	-2	\$ -19.62	10/23/16	Zeroed
3515467	REFLCT FLOOD BULB65W12P	09R05	-2	\$ -18.46	10/19/16	Zeroed
64413	BAG FREEZR EZOPN GAL14C	06R01	-6	\$ -16.02	10/30/16	
1969146	RYL INT EGG LTX ULTR GL	08R01	-1	\$ -15.80	10/25/16	



# Adjusted Section - Swell

- ▶ RED BOX
  - ▶ SKUs from the Variance Worksheet
- ▶ GREEN BOX
  - ▶ Variances over \$20
- ▶ BLUE BOX
  - ▶ Variance less than \$20



October '16

Vendor: ACE

## Shrink Report - Adjusted

SKU	DESCRIPTION	LOC	SHRINK UNITS	SHRINK COST	LAST SALE	RESEARCH HINT
7006893	ACE PINE BARK MULCH 2CF	15R04	3	\$ 9.12	10/29/16	
2375871	CUTTER DREMEL 5/16" HS	11R08	2	\$ 9.52	04/24/16	
6300503	GARLIC RCKR CRUSHR GREE	07R02	2	\$ 9.92	10/19/16	
71129	INSECT BUGSTRIP NO-PEST	01W32	2	\$ 9.94	09/30/16	CS TI
1600667	RAPIDFUSE ALL PURP .850	04L02	4	\$ 10.00	10/29/16	CS OT Neg
701348	POT & SAUCER STANDARD 4	23R06	6	\$ 10.20	10/29/16	
7198302	HANGING BASKET 14" BLAC	23R05	1	\$ 10.22	09/06/16	CS OT Neg
57889	SAND MIX 60# QUIKRETE	04L05	2	\$ 10.40	10/21/16	
22011	TORCH KIT W/1 CYLIDR	12L06	1	\$ 11.02	10/13/16	
6138556	PUR ULTIMATE FILTER 1PK	13W01	2	\$ 11.12	10/23/16	CS OT
7206428	EZ SEED SUN&SHADE 3.75#	21R01	1	\$ 11.41	10/22/16	
1600675	RAPIDFUSE WOOD .850Z	04L03	5	\$ 12.50	09/21/16	
7277320	GLOVE LEATHER PALM MED	23L02	5	\$ 13.65	10/30/16	CS OT Neg DISC
10184	AMMONIA GAL ACE	05L02	6	\$ 13.74	10/20/16	
7094386	LOPPER BYPASS 29"	01W28	1	\$ 14.71	09/17/16	
1026871	FEATHERWEIGHT VACUUM	06L06	1	\$ 15.24	10/21/16	CS OT Neg
59671	SHELF MELATEX WHT10"X36	10W01	4	\$ 18.20	10/27/16	CS OT Neg
5080122	SHEET STL 26G GALV12X18	17W01	5	\$ 18.75	10/28/16	CS OT Neg
4164778	SHOWERHEAD CARTRG WHR14	13W02	2	\$ 19.94	07/20/16	Correction
7205347	WALLMOUNT HOSE REEL125'	22W02	1	\$ 21.37	08/30/16	CS WD
8354482	DIRECTOR CHAIR W/ SD TB	NST16	1	\$ 22.31	10/18/16	Multi+
1514231	FRESH WAVE PACK 6CT	07R03	6	\$ 31.26	10/29/16	
7095581	ACE OSC SPRINKLER 3600'	22L02	2	\$ 37.42	09/09/16	CS WD
74633	SPRINKL OSC4000"GILMOUR	22L02	2	\$ 37.48	09/18/16	CS OT Neg
3007523	*DIMMER SLIDE/TOG 3W WHT	10R04	3	\$ 41.46	08/28/16	
8138109	*UMBRELLA GOLF 62"	CASHR	3	\$ 42.24	10/08/16	CS TI
7367964	*STRING TRIMMER 14" B&D	22L04	1	\$ 42.49	10/03/16	CS WD
6187934	*TRASH BAG COMPSTBLE 2.6	06L03	18	\$ 43.02	10/31/16	
48842	*FILTER FILTRETE 16X25X1	13W04	52	\$ 455.52	10/30/16	

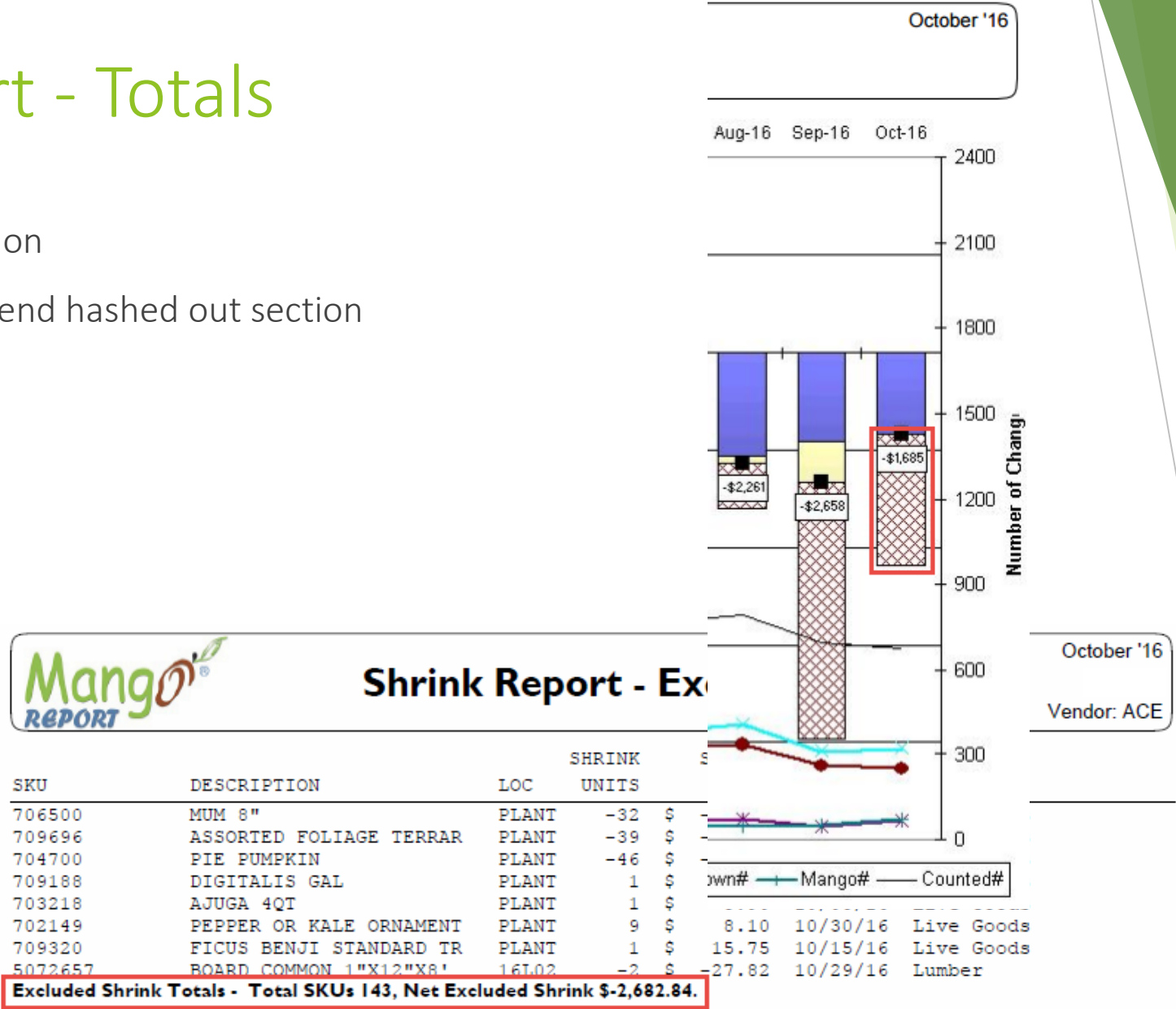
# Excluded Section

- ▶ Grouped by Excluded Reason
- ▶ Sorted by highest shrink to highest swell
- ▶ Still financial shrinkage and worth looking through

Mango REPORT		Shrink Report - Excluded				October '16	Vendor: ACE
SKU	DESCRIPTION	LOC	SHRINK UNITS	SHRINK COST	LAST SALE	EXCLUDED REASON	
<b>Excluded Shrink - SKUs below are excluded from your Operational Level 3 - Shrink metric.</b>							
5364849	CHAIN 2 JACK #16 BRS200	18R06	-115	\$ -35.84	10/09/16	Bulk	
5365168	CHAIN STRT COIL #2 125'	18R06	-63	\$ -27.56	09/20/16	Bulk	
5364658	CHAIN DBL LOOP #1 2N450	18R06	-87	\$ -15.14	10/29/16	Bulk	
45212	WASHER AST BVL PP805-21	13L05	2	\$ 2.44	10/11/16	Bulk	
4027751	HOSE WASHER5/8"IDX1"OD	17R02	50	\$ 24.80	07/08/16	Bulk	
704088	FOO DOG MALE OR FEMALE	CLOSE	-4	\$ -190.00	Never	Closeout	
6194435	KCUP 15 MINI BREWR PLTN	CLOSE	-2	\$ -157.88	09/14/14	Closeout	
3107398	BKR EATON AFCI 1P 15A3/	CLOSE	-3	\$ -120.45	06/15/16	Closeout	
6208904	KCUP K45 ELITE BREWER	CLOSE	-1	\$ -89.20	01/17/15	Closeout	
AL0237	BRINDISI PLANTER LARGE	CLOSE	-1	\$ -84.00	Never	Closeout	
703890	STACKED HERB GARDEN TAN	CLOSE	-4	\$ -41.40	09/17/16	Closeout	
107335	PERSIL UNIVERSAL POWDER	CLOSE	-1	\$ -39.35	11/08/15	Closeout	
809836	LED LIGHT SPORTS BELT R	CLOSE	-3	\$ -37.50	02/02/16	Closeout	
8323834	SPORT-BRELLA BLUE 8'	CLOSE	-1	\$ -35.64	06/04/16	Closeout	
4249603	FIREPLACE PLUG RND META	CLOSE	-1	\$ -34.11	12/16/13	Closeout	
1515717	FROGTAPE SHAPE TAPE WAV	CLOSE	-4	\$ -29.40	02/17/16	Closeout	
92384	FIRST AID KIT 50 PERSON	CLOSE	-1	\$ -27.11	05/03/14	Closeout	
1365832	SPRAY TIP X-WIDE5.0/5.5	CLOSE	-3	\$ -25.47	Never	Closeout	
709696	ASSORTED FOLIAGE TERRAR	PLANT	-39	\$ -66.42	10/29/16	Live Goods	
704700	PIE PUMPKIN	PLANT	-46	\$ -64.40	10/28/16	Live Goods	
708249	HERB BASIL ORGANIC 4.5"	PLANT	-17	\$ -45.90	10/31/16	Live Goods	
708441	BROMELIAD 4"	PLANT	-8	\$ -37.60	10/28/16	Live Goods	
701391	BEGONIA 4.5"	PLANT	-17	\$ -36.55	10/16/16	Live Goods	
707649	VB HYACINTH DELFT BLUE	BULB2	1	\$ 3.28	10/12/16	Live Goods	
709188	DIGITALIS GAL	PLANT	1	\$ 3.64	10/16/16	Live Goods	
703218	AJUGA 4QT	PLANT	1	\$ 3.90	10/08/16	Live Goods	
702149	PEPPER OR KALE ORNAMENT	PLANT	9	\$ 8.10	10/30/16	Live Goods	
709320	FICUS BENJI STANDARD TR	PLANT	1	\$ 15.75	10/15/16	Live Goods	
5072657	BOARD COMMON 1"X12"X8'	16L02	-2	\$ -27.82	10/29/16	Lumber	

# Shrink Report - Totals

- ▶ End of Excluded Section
- ▶ Shrink & Efficiency Trend hashed out section



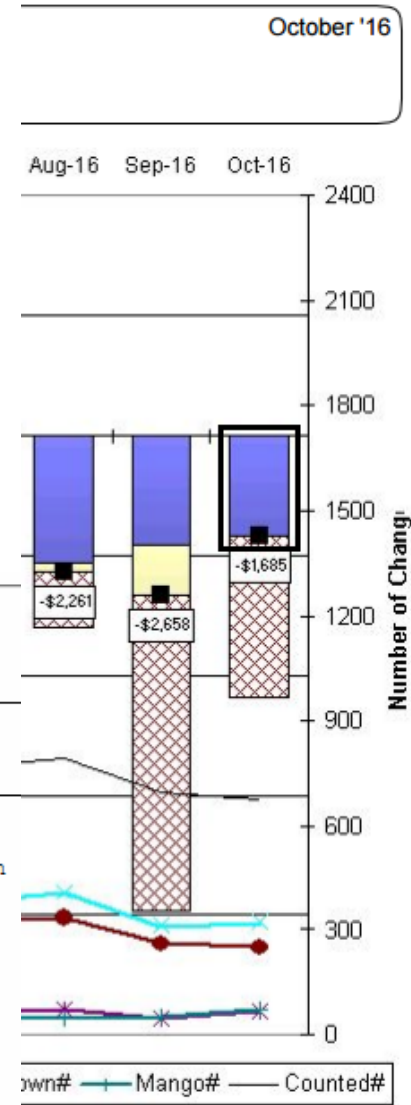
# Shrink Report - Totals

- ▶ Drawing lines between 2 reports

## Mango REPORT Shrink Report - Adjusted

SKU	DESCRIPTION	LOC	SHRINK UNITS	SHRINK COST	LAST SALE	RESEARCH HINT
59671	SHELF MELATEX WHT10"X36	10W01	4	\$ 18.20	10/27/16	CS OT Neg
5080122	SHEET STL 26G GALV12X18	17W01	5	\$ 18.75	10/28/16	CS OT Neg
4164778	SHOWERHEAD CARTRG WHR14	13W02	2	\$ 19.94	07/20/16	Correction
7205347	WALLMOUNT HOSE REEL125'	22W02	1	\$ 21.37	08/30/16	CS WD
7367964	*STRING TRIMMER 14" B&D	22L04	1	\$ 42.49	10/03/16	CS WD
6187934	*TRASH BAG COMPSTBLE 2.6	06L03	18	\$ 43.02	10/31/16	
48842	*FILTER FILTRETE 16X25X1	13W04	52	\$ 455.52	10/30/16	

Totals for Adjusted Shrink	
SKUs Changed:	320 (total)
Shrink:	-253 (down)
Swell:	67 (up)
<b>Dollar Change:</b>	<b>\$ -1,684.66 (net)</b>
Shrink:	\$ -2,850.53 (down)
Swell:	\$ 1,165.87 (up)
<b>Mango Affected - Shrink attributed to SKUs on Mango's Count Sheets (CS)</b>	
Changes:	71 (total)
<b>Dollars:</b>	<b>\$ -2.94 (net)</b>



## New Page

- ▶ Better summary / visibility
- ▶ Count Sheet completion breakdown

Shrink and variance totals for October

	ADJUSTED		EXCLUDED		TOTAL
SKUs Counted	678		214		892
<b>VariANCES</b>	<b>320</b>		<b>143</b>		<b>463</b>
Down	253		126		379
Up	67		17		84
<b>Shrink</b>	<b>\$ -1,685</b>	<b>\$</b>	<b>-2,683</b>	<b>\$</b>	<b>-4,368</b>
Down	\$ -2,851	\$	-2,773	\$	-5,624
Up	\$ 1,166	\$	90	\$	1,256

Adjusted shrink and variance attributed to SKUs on Mango's Count Sheets

MANGO AFFECTED SHRINK	VARIANCES	SHRINK
<b>Count Sheet SKUs</b>	<b>71</b>	<b>\$ -3</b>
Ace SKUs	62	\$ 111
Non-Ace SKUs	9	\$ -114
Excluded shrink subtotals		

EXCLUDED REASON	VARIANCES	SHRINK
Lumber	1	\$ -28
Bulk	12	\$ -91
Closeout	106	\$ -1,918
Live Goods	24	\$ -646

Operational Level 0 - Completion			
MONTH	SKUS REPORTED	SKUS COUNTED	COMPLETION
August	284	284	100%
September	303	303	100%
<b>October</b>	<b>317</b>	<b>317</b>	<b>100%</b>
Ace SKUs	271	271	100%
Non-Ace SKUs	46	46	100%

# Miscellaneous thoughts...

- ▶ Do not delete SKUs with QOH, they will appear on your shrink report.
  - ▶ Follow Mango's delete report
- ▶ If your Adjusted section has a reason code of "No RPH" for every SKU, call us.
  - ▶ We need to do a quick Bomgar, 734.301.4510
- ▶ This is a process which can take a while
  - ▶ Focus on procedures and root causes
  - ▶ Need to clean up the metric before we can use it

Up Next: Efficiency

