Project Recap

The Vitamin Shoppe retail locations have experienced strategic difficulties in their sorting and stocking process resulting in inflated cycle time. The current process detracts from customer service because of confusion, over-processing, and waiting. Many of the retail locations do not have an optimized method of sorting and stocking the products as they arrive. Significant amounts of time are wasted with each shipment, introducing numerous opportunities for improvement. To attack this dilemma, Vitamin Consulting performed numerous time and motion studies at the Harrisburg location to gather baseline metrics. On average, the time taken to sort one tote of inventory was originally calculated to be 2 minutes and 12 seconds.

The team tackled this problem by focusing on non-valuing adding steps in the process and sought to eliminate them. The team found that since the stocking process was an issue of confusion there was no way to address this problem in the short term. So instead the team focused on reducing waste from the sorting process only. To do so the team looked up stream at how the totes were packed from the distribution center. After analyzing this process it was determined that reorganizing how the distribution center sorts was out of the project scoop. The team then used a heuristic of shortest processing time to reduce the variability when sorting the shipment, by reducing this variability the cycle time would decrease as well. To incorporate the shortest processing time the team made changes to the shipping label to give the employees more information. The team then detailed a new Standard Operating Procedure for how the sorting of shipments is to be completed.

By meeting the main objective of decreasing total cycle time, store associates’ can spend more time spent customer-facing. The final solution suggests a standardized process able to be implemented across all The Vitamin Shoppe retail locations. A redesigned staging area, restructured standard operating procedure, innovative labeling system, and standard zoning structure eliminated a total of 57 seconds off the average time taken to sort one tote of inventory, resulted in an impressive 1 minute and 15 seconds per tote. The total additional revenue generated that is associated with the reduction in cycle time is projected to be $21,208.72 per year for the Harrisburg, PA location.