

Boots takes new approach to shrink management

Boots the Chemists is managing shrink using a new web-based management tool from ORIS that provides shrink management information across its entire estate of 1400 stores via its intranet.

From Retail Technology 14 November 2005



The solution provides crucial data to key areas of the business including loss prevention, logistics personnel and store operations. The data is importantly located in one place which assists access to and navigation around the system by means of easy-to-use interrogative software tools.

The Shrink Information Database (SID) replaces the manual records that the retailer used to employ to try and keep track of its loss through shoplifting, administrative glitches and internal theft. Since adopting the technology Boots has already started to make significant in-roads into its shrink management.

“This tool has simply changed people’s lives in terms of the intelligent way it delivers information to key departments and allows us to share data with our supply-chain partners so that we now have a more collaborative approach to shrink management,” says Boots head of loss prevention Robert Jennings.

The web-based system delivers reports on screen and in hard-copy. It also employs tables, graphs and charts as part of its easy to use format to track shrinkage nationally, regionally and by individual store.

In addition, it collates valuable information about incidents from any one of Boots’ 1400 stores and assists loss prevention managers in keeping track of investigations using its case management facility that enables effective feedback into the business to prevent problems at the grass roots level.

It also factors in individual and influential details about a store’s performance including the names of the store management team, the number of employees and the types and quantity of security equipment and services at each location to give a total picture of performance in the round.

By making this information available it shows the entire business the extent of the problem and the contributing factors. Users can also access the data remotely via the Boots intranet to share with and involve individual suppliers and store managers in the fight against shrinkage.

Two of the unique selling points of the ORIS software were its easily-retrievable and readable data and its ability to track ‘career’ shrinkage – individual store manager performance which for the first time provided Boots with a total picture of the task ahead.

“Our fight against shrink was historically restricted by limited central access to key performance data and before we could improve, we recognised that we needed to establish what we were up against. We liked the fact that the system immediately made our lives easier by informing key departments including loss prevention and stores of the pressure points and the fact that it allows us to bench mark store performance. By identifying problem areas and product losses we are now able to share information easily, measure progress and above all reduce shrinkage,” says Jennings.

Boots liked the fact that SID was intuitive and required little user training. As it was designed by retailers, it produces the data in a language and format easily understood by them.

Boots initially took the existing ORIS core modules of shrink results, asset management and employee tracking, and has now integrated the system with the company’s SAP HR function to measure manager tracking against shrinkage. ORIS has worked closely with Boots and its IT suppliers Xansa and IBM every step of the way to make sure that the data is presented exactly how users expect to see it.

New modules have been added especially for Boots, which share information on stock write-offs, cash shortages, ‘shrink school’ results and incident reporting. There is also a module delivering case management for fraud, access to this area of course being restricted to the loss prevention team.

Involvement of the entire Boots workforce in the project underlines the collaborative approach, but also creates a ‘halo’ effect informing staff that shrink is now being closely monitored in a more sophisticated way.

Now from chief executive to store manager, Boots personnel are able to view the data on screen, print it, export it into excel spreadsheets or save it into power point slides for communications meetings.

Jennings says, “We can clearly see the benefits of this management tool at head office, but the time savings have transformed the way store managers can react to and therefore reduce shrinkage in their own stores.”

Contact

ORIS

www.orisgroup.co.uk