



Supply Chain

Moneyball 2.0 Leadership training



Proudly made in JOE collaboration with

Christian Ravenberg

#512 - Head of Supply Chain



AGENDA

- 1 **Why is this skill important?**
- 2 How to master the skill
- 3 Sum-up and Impact
- 4 How to apply into practice



WHY IS THIS SKILL IMPORTANT?

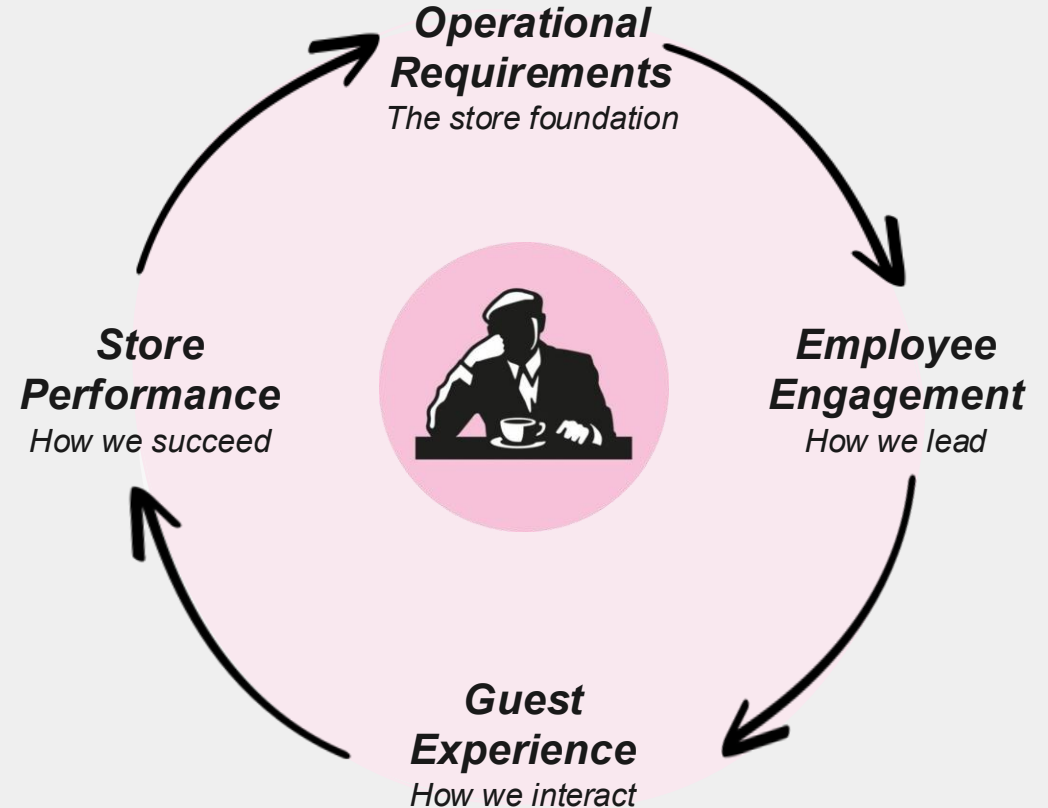
Learning goals for this manager session

LEARNING GOALS

Understanding your COGS effect on the stores' P&L and how to optimize it through managing ideals, waste and stock handling procedures:

1. Recap of **count and waste ladder** to manage stock
2. Understand all elements of the **COGS report**
3. Identify discrepancies **between orders, deliveries & invoice**
4. Update **ideals** to reflect seasons and in-store trends

CIRCLE OF OPERATIONAL EXCELLENCE

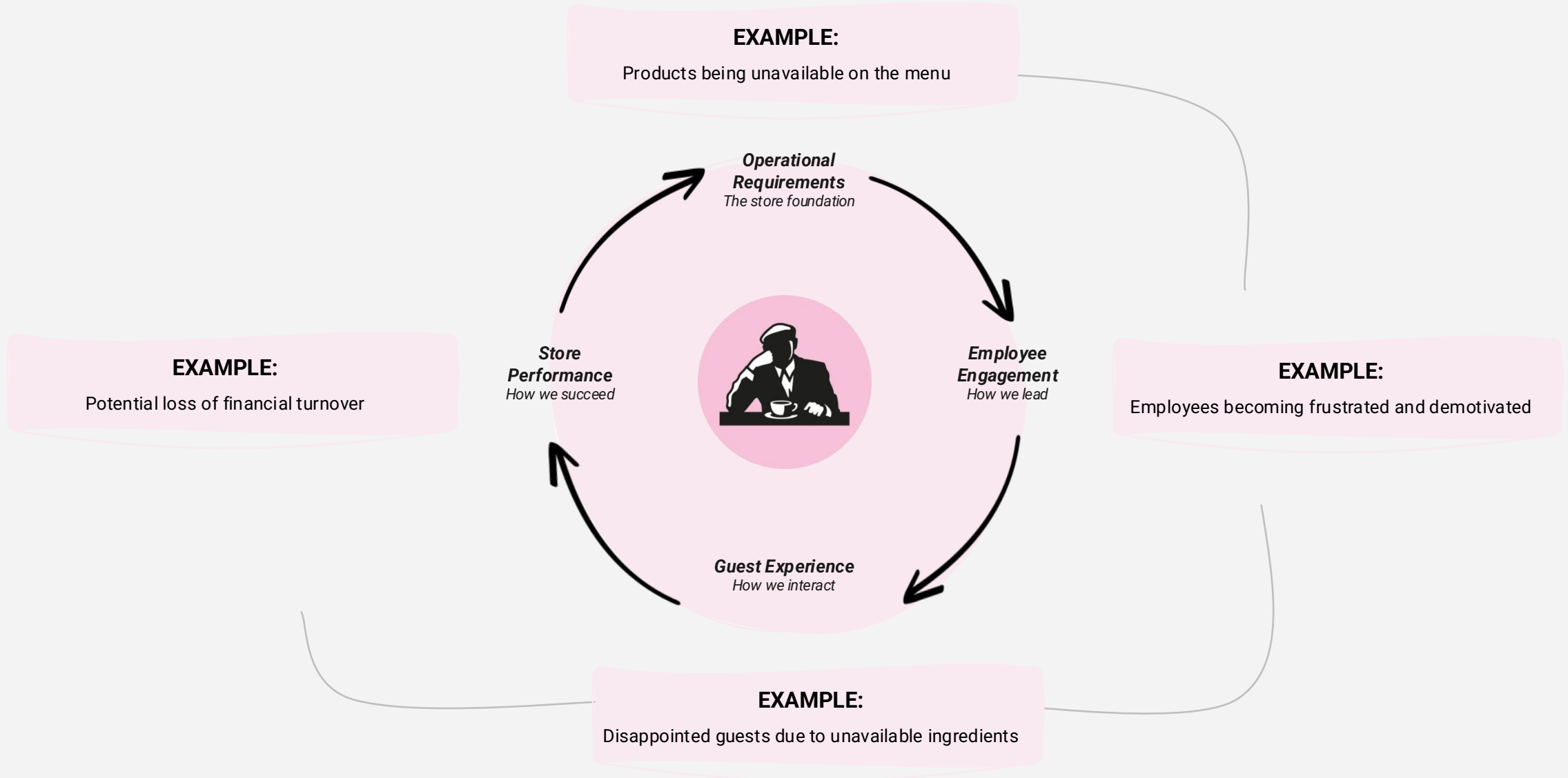


How does mastering these skills affect each area within
the Circle of Operational Excellence in your store?



WHY IS THIS SKILL IMPORTANT?

How does mastering these skills affect each area within the Circle of Operational Excellence?





AS WE SAY IN JOE

Why do we say it?

“ONE APPLE MORE
ONE LESS STORE”





PURPOSE

Striving for Operational Supply Chain Excellence

By analyzing the financial impact and elements in the COGS reports, we support leaders track costs and identify **opportunities to reduce unnecessary expenses.**

*"Our goal is to **align supply chain and operational decisions with overall business goals**, driving better performance and long-term success."*

- Global Supply Chain Department



AGENDA

1 Why is this skill important?

How to master the skill

- Counts & Waste Ladder Recap

2

- Performance Measurement
- The COGS Report – Profits & Losses
- Day-2-Day Supply Chain Leadership

3 Sum-up and Impact

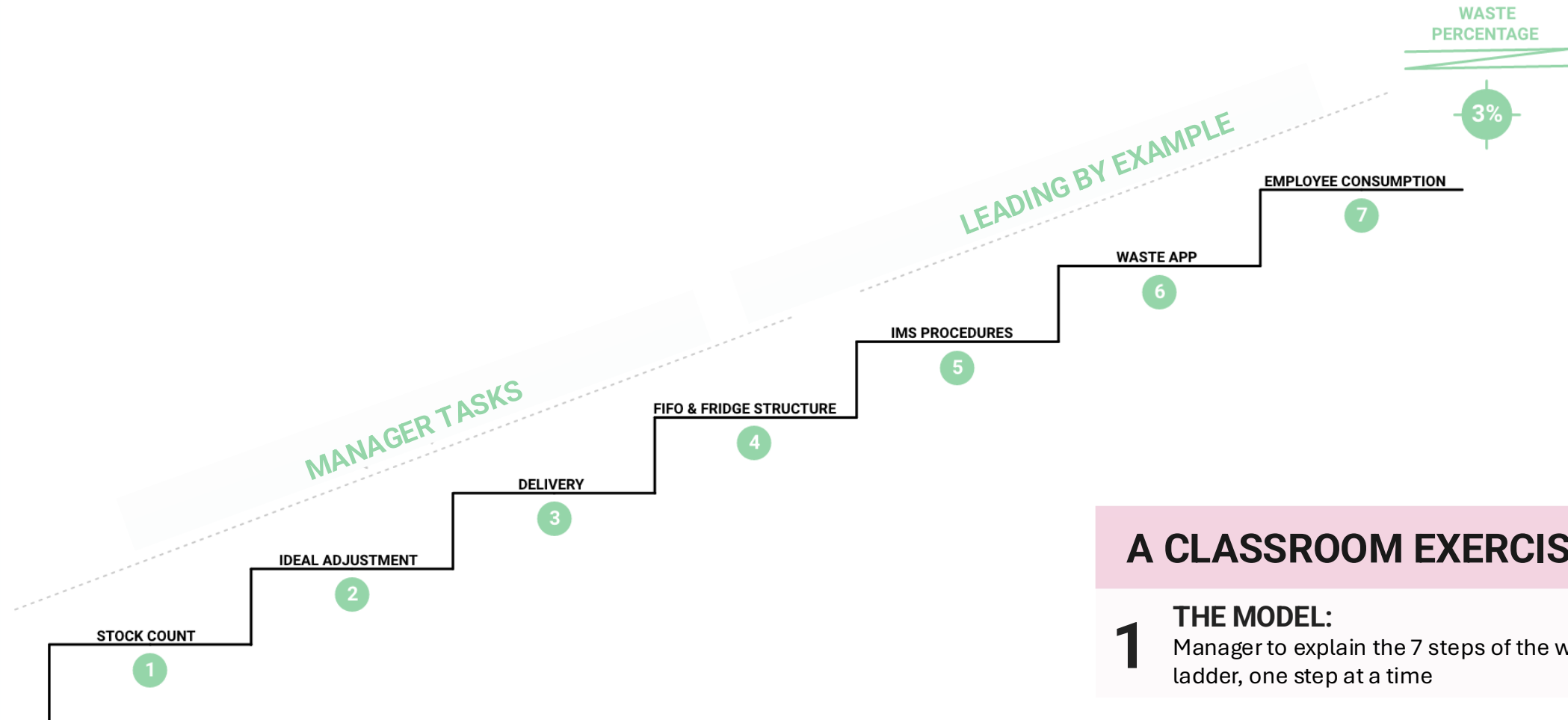
4 How to apply into practice





THE WASTE LADDER

Walkthrough of the 7 steps of an already known concept



A CLASSROOM EXERCISE

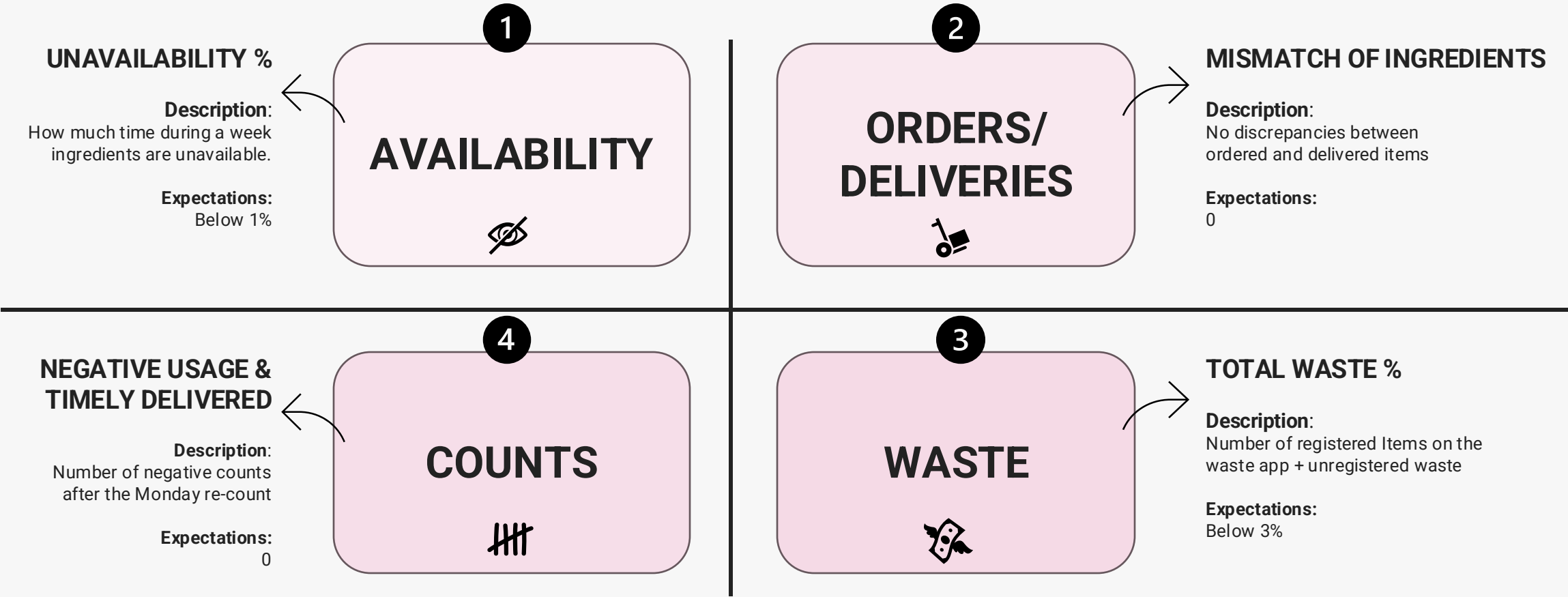
- 1 THE MODEL:**
Manager to explain the 7 steps of the waste ladder, one step at a time

These steps ensures an optimized and as low as possible waste %
- Use as trouble shoot guide for high waste.



HOW WE MEASURE PERFORMANCE

Your four parameters within supply chain



The Store Manager ensures high product availability, timely and correct orders and deliveries, accurate stock counts, and minimal waste through effective supply chain management and operational efficiency.



A COGS DEEP DIVE

Understanding the 8 parameters within COGS

Turnover	1.000,00		
COGS	- 200,00	-20,0%	
DOC	- 100,00	-10,0%	
Salary	- 250,00	-25,0%	
Rent	- 150,00	-15,0%	
Delivery Fee	-	0,0%	
SOC	300,00	30,0%	

COGS	Cost of Goods Sold
DOC	Direct Operational Costs
Salary	Salary Costs
Rent	Location Costs
SOC	Store Operational Contribution

COGS REPORT

1	Food Costs	- 200,00	-20,0%
2	Packaging Costs	- 10,00	-1,0%
3	Registered Waste	- 10,00	-1,0%
4	Unregistered Waste	- 20,00	-2,0%
5	Employee Meals	15,00	1,5%
6	Distribution	50,00	5,0%
7	Bonus	- 20,00	-2,0%
8	Discounts	- 5,00	-0,5%

DEFINITIONS

- 1 FC: Cost of ingredients used in sold products.
- 2 PC: Cost of takeaway packaging.
- 3 RW: Documented waste (via waste app).
- 4 UW: Undocumented waste, grey area.
- 5 EM: Tracking of employee meals.
- 6 Di: Cost of deliveries and fees.
- 7 Bo: Cashback and bonus deals with suppliers
- 8 Dis: Campaigns, Black card, etc.

This report provides important insights on where and how overall costs are distributed and hereby understanding how to find solutions and implement actions to improve



THE COGS REPORT & YOUR MANAGER IMPACT

Understanding where you can impact as a manager and where HQ will do the job

	Budget		Executed		Budget Δ	
Turnover	100.000,00		90.000,00		-10.000,00	
Food Costs	-	15.000,00 -15,0%	-	13.500,00 -15,0%	1.500,00	0,0%
Packaging Costs	-	750,00 -0,8%	-	675,00 -0,8%	75,00	0,0%
Registered Waste Costs	-	2.500,00 -2,5%	-	2.500,00 -2,8%	-	-0,3%
Unregistered Waste Costs	-	1.000,00 -1,0%	-	1.000,00 -1,1%	-	-0,1%
Product Costs - Employee Meals		1.000,00 1,0%		1.000,00 1,1%	-	0,1%
Distribution And Logistics Costs	-	1.500,00 -1,5%	-	1.250,00 -1,4%	250,00	0,1%
Supplier Bonus Costs		1.500,00 1,5%		1.500,00 1,7%	-	0,2%
Discount Or Campaign Costs		500,00 0,5%		750,00 0,8%	250,00	0,3%
COGS (Cost of Goods Sold)	-	17.750,00 -17,8%	-	15.675,00 -17,4%	2.075,00	0,3%
GM (Gross Margin)		82.250,00 82,3%		74.325,00 82,6%	- 7.925,00	0,3%

OPERATION

HQ

This report provides important insights on where and how overall costs are distributed and hereby understanding how to find solutions and implement actions based on what is within or out of your control as a Store Manager



1 DAY-2-DAY LEADERSHIP

Which behaviour do you expect from your employees? And how will you follow up when desired behaviour is not followed?

2 PRESENTATION

Prepare a 2-minute conclusion including where this element influences your COGS report

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Turnover
Food Costs
Packaging Costs
Registered Waste Costs
Unregistered Waste Costs
Product Costs - Employee Meals
Distribution And Logistics Costs
Supplier Bonus Costs
Discount Or Campaign Costs
COGS (Cost of Goods Sold)

Leading and following up on Supply Chain Behavior in a store's day-to-day operations is crucial for improving COGS and ultimately P&L performance



DAY-TO-DAY TASKS

The financial impact

TYPE IN CULTURE



IMS PROCEDURES



FIFO



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EXERCISE: THE INVENTORY CONTROL SHEET

How to identify discrepancies between what's ordered and delivered

GROUPS OF TWO (PER STORE)

- Review the **count** and **ideal** status from the exercise sheet
The assumption is that what's been ordered has been delivered

1 FILL OUT:

- Fill empty columns (J & K) correctly
- Column L indicate if's it's been done correctly or not

2 ADJUST:

- Discuss and prepare the ideals you'd like to adjust
- Reflect on why you would you adjust them?

- Open discussion based on above steps
- Sharing of overall learnings



	A	B	C	D	E	F	G	H	I	J	K	L
	Store Name	Supplier	Product Code	Global Product Name	Unit	Count	Ideal	Ordered Amount	Store Transfer Amount	Delivered Amount	Invoiced Amount	Status
1	Store 1	Supplier 1	123456	Apple	Kg	10	15	5	-1			Orders/Deliveries/Store Transfer not matching
2	Store 1	Supplier 1	123457	Banana	Pcs	20	30	10	-1			Orders/Deliveries/Store Transfer not matching
3	Store 1	Supplier 1	123458	Tuna	Kg	50	75	25	0			Orders/Deliveries/Store Transfer not matching
4	Store 1	Supplier 2	123459	Mighty Juice Cup	Pcs	100	150	50	-10			Orders/Deliveries/Store Transfer not matching
5	Store 1	Supplier 2	123460	Normal Juice Cup	Pcs	5	7,5	3	-2			Orders/Deliveries/Store Transfer not matching
6	Store 1	Supplier 2	123461	Handtowels	Pcs	1	1,5	1	0			Orders/Deliveries/Store Transfer not matching
7	Store 1	Supplier 2	123462	Napkins	Pcs	2	3	1	1			Orders/Deliveries/Store Transfer not matching
8	Store 1	Supplier 1	123463	Chicken	Kg	20	30	10	0			Orders/Deliveries/Store Transfer not matching
9	Store 1	Supplier 1	123464	Tomato	Pcs	25	37,5	13	2			Orders/Deliveries/Store Transfer not matching
10	Store 1	Supplier 1	123465	Lemon	Pcs	30	45	15	-3			Orders/Deliveries/Store Transfer not matching
11	Store 1	Supplier 1	123466	Powder - Collagen	Kg	1	1,5	1	0			Orders/Deliveries/Store Transfer not matching
12	Store 1	Supplier 1	123467	Turkey	Kg	2	3	1	0			Orders/Deliveries/Store Transfer not matching
13	Store 1	Supplier 1	123468	Serrano	Kg	20	30	10	1			Orders/Deliveries/Store Transfer not matching
14	Store 1	Supplier 1	123469	Grapefruit	Pcs	25	37,5	13	-1			Orders/Deliveries/Store Transfer not matching
15	Store 1	Supplier 1	123470	Ginger	Kg	5	7,5	3	0			Orders/Deliveries/Store Transfer not matching
16	Store 1	Supplier 1	123471	Carrot	Kg	1	1,5	1	0			Orders/Deliveries/Store Transfer not matching
17	Store 1	Supplier 1	123472	Strawberries	Kg	2	3	1	2			Orders/Deliveries/Store Transfer not matching
18	Store 1	Supplier 1	123473	Blueberries	Packs	20	30	10	-3			Orders/Deliveries/Store Transfer not matching
19	Store 1	Supplier 1	123474	Pineapple	Pcs	10	15	5	0			Orders/Deliveries/Store Transfer not matching
20	Store 1	Supplier 1	123475	Kiwi	Pcs	10	15	5	0			Orders/Deliveries/Store Transfer not matching
21	Store 1	Supplier 1	123476	Spinach	Pcs	10	15	5	0			Orders/Deliveries/Store Transfer not matching
22	Store 1	Supplier 1	123477	Broccoli	Pcs	10	15	5	0			Orders/Deliveries/Store Transfer not matching

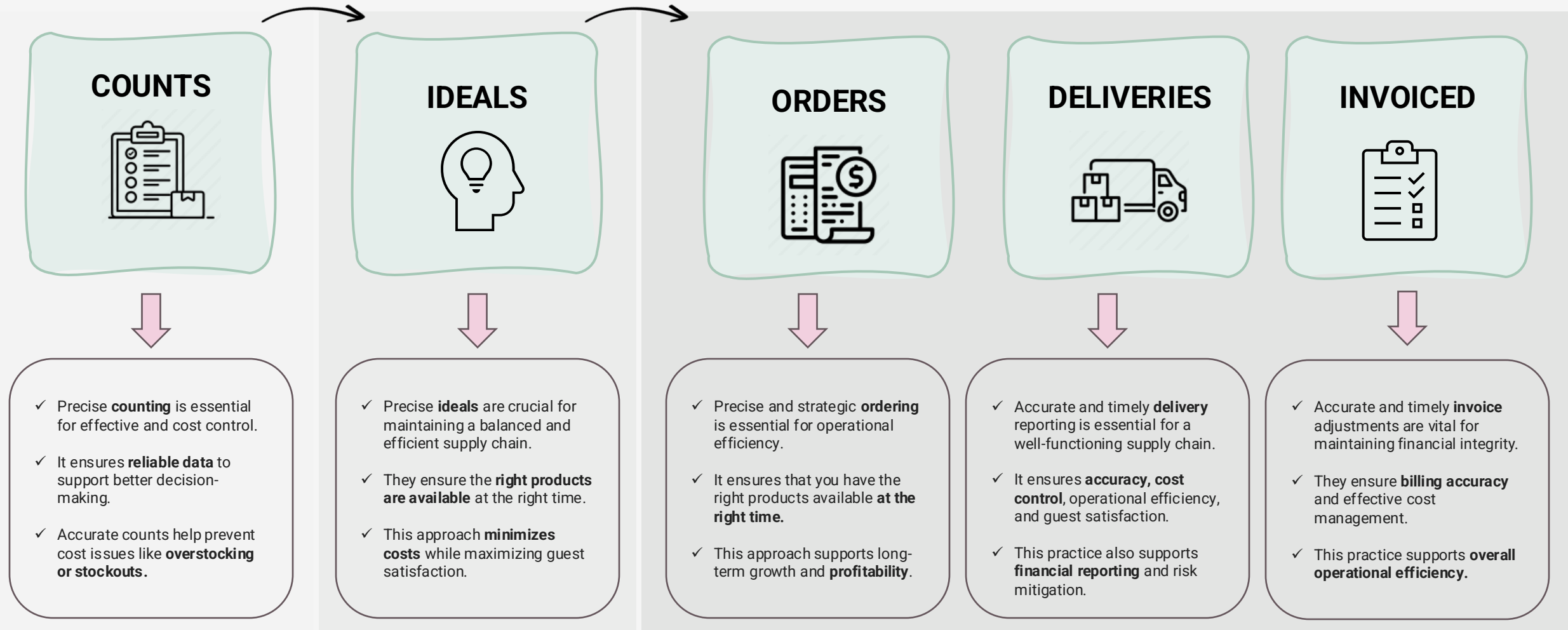
Invoice Supplier 1				Invoice Supplier 2			
Supplier	Product Code	Global Product Name	Invoiced Amount	Supplier	Product Code	Global Product Name	Invoiced Amount
Supplier 1	123456	Apple	5,00	Supplier 2	123459	Mighty Juice Cup	50,00
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Supplier 1	123463	Chicken	9,00	Supplier 2	123462	Napkins	2,00
Supplier 1	123464	Tomato	13,00				
Supplier 1	123465	Lemon	15,00				
Supplier 1	123467	Turkey	1,00				
Supplier 1	123468	Serrano	10,00				
Supplier 1	123469	Grapefruit	13,00				
Supplier 1	123470	Ginger	3,00				
Supplier 1	123472	Strawberries	1,00				
Supplier 1	123473	Blueberries	10,00				
Supplier 1	123474	Pineapple	13,00				
Supplier 1	123475	Kiwi	15,00				
Supplier 1	123476	Spinach	1,00				

The overall exercise will secure good flow on the stock based on both your ideals and counts

THE INVENTORY WALKTHROUGH

How you can impact your overall Cost of Goods Sold

THE INVENTORY FLOW





AGENDA

- 1 Why is this skill important?
- 2 How to master the skill
- 3 Sum-up and Impact**
- 4 How to apply into practice





SUM-UP AND IMPACT

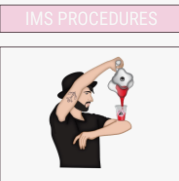
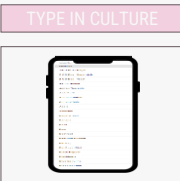
From class-room theory to practical in-store skills

What are your **key learnings**?



DAY-TO-DAY TASKS

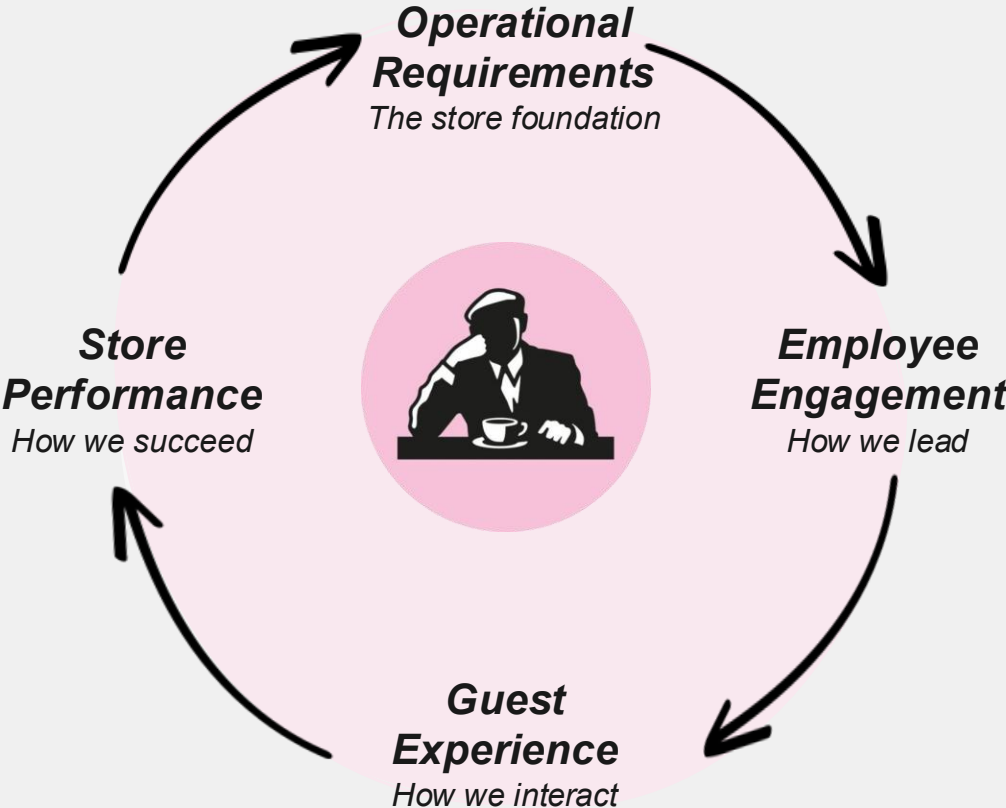
The financial impact



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Packaging Costs	750.00	675.00	-75.00	-10%	750.00	675.00	-75.00	-10%	750.00	675.00	-75.00
Registered/Memo Costs	2,500.00	2,500.00	-	0%	2,500.00	2,500.00	-	0%	2,500.00	2,500.00	-
Licensing/Memo Costs	1,000.00	1,000.00	-	0%	1,000.00	1,000.00	-	0%	1,000.00	1,000.00	-
Product Costs - Employee Meals	1,000.00	1,000.00	-	0%	1,000.00	1,000.00	-	0%	1,000.00	1,000.00	-
Distribution/Air Logistics Costs	1,500.00	1,250.00	-250.00	-17%	1,500.00	1,250.00	-250.00	-17%	1,500.00	1,250.00	-250.00
Supplier Bonus Costs	1,500.00	1,500.00	-	0%	1,500.00	1,500.00	-	0%	1,500.00	1,500.00	-
Discount O-Overage Costs	500.00	250.00	-250.00	-50%	500.00	250.00	-250.00	-50%	500.00	250.00	-250.00
COGS(Cost of Goods Sold)	17,750.00	15,675.00	-2,075.00	-12%	17,750.00	15,675.00	-2,075.00	-12%	17,750.00	15,675.00	-2,075.00
GMI(Gross Margin)	82,250.00	74,325.00	-7,925.00	-10%	82,250.00	74,325.00	-7,925.00	-10%	82,250.00	74,325.00	-7,925.00

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CIRCLE OF OPERATIONAL EXCELLENCE



How does mastering these skills affect each area within
the Circle of Operational Excellence in your store?



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HOW TO APPLY INTO PRACTICE

From practical in-store skills to daily, weekly, and monthly habits

Assistant Store Manager	Assists the Store Manager with supply chain management with aim to improve COGS performance. Capable of leading processes in the absence of the Store Manager
Store Manager	Responsible for overall supply chain management, and ultimately leading processes to improve costs and overall COGS performance
District Manager	Mentors and supports Store Manager in achieving supply chain targets to improve overall performance in COGS report by providing constructive feedback and sparring.



MANAGER SPECIALIST SESSIONS

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