PIECE COUNT

Production Quota is the minimum number of items that team members and a manager needs to price and put out onto the sales floor within a given period.
- Managers are required to meet or exceed production quotas.

Items Per Gaylord
- The average number of items that need to be processed per gaylord vary according to department.
- If used properly, the items per gaylord indicate if raw product is being used appropriately. It also shows if anyone is padding numbers.

Items Per Gaylord	
Cloth	180 –200
Miscel	95 – 105
Shoes	75 – 85
Electrical	40 –45
Linens	80 – 85
Books/Media	250 – 300
Furniture	As donated
Jewelry	As donated

PRODUCTION QUOTA PER PERSON BY HOURS

	8	7.5	7	6.5	6	5	4
Cloth	480	450	420	390	360	300	240
Miscel	530	500	460	430	400	330	260
Linens	400	380	350	330	300	250	200
Books/Media	850	800	750	700	640	530	430
Shoes	250	230	215	200	185	150	125
Electrical	200	190	175	165	150	135	100

Note: Includes paid breaks and floor work, not lunch

DOLLARS TO THE SALES FLOOR/TOTAL DOLLARS PROCESSED

Total Dollars Processed refers to the total dollar amount of processed merchandise.
- The dollars to the sales floor has a direct impact on sell thru.
- Generally, the more dollars put out on the sales floor, the higher the sales.
- To find the total amount processed, refer to the **Production Summary** report.

PRICE AVERAGE

The **Price Average** is determined by dividing the total dollars processed by the number of items processed.
- Price averages should be within 5% of the standard price average for each department.
- Price averages that are too high or low may indicate problems with pricing.

High price average may indicate:
- Pricing is too high
- Too many higher value/quality items are out on the sales floor

Low price average may indicate:
- Pricing is too low
- Too many low value/quality items are out on the sales floor

Miscel	$3.30 - $3.50
Shoes	$7.55 - $8.05
Electrical	$7.75 - $8.25
Furniture	$15.00 - $16.00
Linens	$4.15 - $4.35
Books/Media	$2.45 - $2.55

SELL THRU GOALS BY DEPARTMENT

Procedure:

Sell thru is defined as the percentage of merchandise sold at the register when compared to the amount of merchandise put out from production.
- Locate sell thru percentages on 05- GSMR and Production DataMart report.
- Sell thru percentages vary by department and guidelines for each department have been set to aid in identifying a potential problem area or area of opportunity.

Instructions:
- Pull the 05- GSMR and Production DataMart report.
- Review sell thru percentages for each department and compare to the department goals.

Overall minimum sell thru is 40%. If you are successful with achieving the goals above, you should see a 40% sell thru.

Low Sell Thru may indicate:

- Pricing is too high
- Merchandising problems
- Poor organization or shoppability
- Possible blanket pricing problems
- Team member may be padding

High Sell Thru may indicate:

- Pricing is too low
- Not enough merchandise to select from in those areas

Ladies	28 to 35%
Men's	35 to 40%
Kids	30 to 35%
Miscel	52 to 60%
Shoes	50 to 55%
Electrical	53 to 58%
Furniture	60 to 65%
Linens	38 to 45%
Books/Media	35 to 40%

DETERMINING LOW SELL-THRU

Check the sales floor

- Does the merchandise in each area follow Grand Opening Condition? Is the area clean and organized?
- Is there a good mix of product or many filler items such as coffee cups, stuffed animals, cords, etc.?
- Are the clothing areas sized properly?
- Is the pricing consistent? Is the merchandise blanket-priced or is priced too low? Are there too many high price points?
- Is space determined by demand or on what comes in (i.e., wicker basket syndrome)?
- Is floor work being done on a consistent basis?
- Are team members throwing go backs in pulls, as-is, or raw gaylords rather than rolling back to the sales floor?
- Are there several items misplaced on the sales floor?
- Is product being pulled early (processors are pulling more than one color at a time)

Check production

- Is the team member blanket pricing the merchandise?
    - To identify this as an issue, have pricer pull all items priced at a specific price point (i.e., $3.99 and have team member and manager reevaluate the merchandise prices. This helps determine the quality of product.
- Are team members rolling merchandise all day long?
- Are the correct items placed in the garbage and as-is gaylords?
- Is piece count low due because team members are being too selective?
- Is piece count too high because team members are putting out low quality merchandise? High item per gaylord can indicate poor quality.
- Are team members throwing away bagged merchandise that hangs against the wall?
- Are they bundling merchandise in bags or sets, when possible?
- Are team members rolling seasonal merchandise in a timely manner to maximize sales?
- Are team members using the pricing tools available?
- Are team members padding?
- Are all departments processing consistently?