

The Calgary Donation Centre OPMA 411 Winter 2017

1.0 Executive Summary

The primary problem facing the Calgary Donation Centre involves inventory issues for the Free Furniture Program, and how to incorporate a layout that best suits the warehouse square footage. The timeline for the project was 3 months, and was produced for the Field Investigations in Operation Management (OPMA 411) class during the 2017 winter term at the Haskayne School of Business, University of Calgary. The purpose of this report was to identify these inventory issues, apply operational management tools to improve the process, while bringing to light any additional reasons causes for issues. The goals were to increase inventory volume for higher clientele service levels, develop some inventory tracking ability, and offset costs of operation through increased revenue. Using operational tools, we collected sample statistics from the free furniture program inventory. We analyzed the data to come up with possible alternatives, where we produced suggestable recommendations, with an implementation plan to employ them. Important findings included: lower than attainable on-hand inventory, excess floor space available for use, the need for a simple tracking system to control defective product, and new sales opportunities for fabrics. Recommendations included: increasing inventory levels to support a 95% client service level, using a colour-coded sticker inventory system, and using excess fabric to create rags, which would be boxed in house, and sold to offset operating costs.