



## CASE STUDY: CONSOLIDATED STORES / BIG LOTS, INC.

Consolidated Stores Corporation, which is now Big Lots, Inc., is one of America's leading value-specialty retailers. Their Closeout Division operates 1,230 stores in 43 states, doing business as Odd Lots, Big Lots, Mac Frugal's, and Pick 'n' Save. Their Toy Division consists of 1,320 toy stores in all 50 states, Puerto Rico and Guam for KB Toys, KB Toy Works, KB Toy Outlet, and KB Toy Express.

Consolidated Stores wanted to establish standard maintenance best practices and significantly improve maintenance operations in all of its four Distribution Centers (DCs) — totaling over seven million square feet. They also wanted to have these company-wide maintenance best practices available for use in new and future DCs.

Consolidated Stores desired to conduct a *Scoreboard for Facilities Management Excellence* assessment at two pilot DCs to determine a recommended strategy at all DCs in the future.

Results from the assessments indicated the need for an improved Computerized Maintenance Management System (CMMS), better preventive maintenance (PM), improved planning between DC operations and maintenance, improved storeroom operations, improved shop and storeroom facilities, and the need for a method to measure maintenance performance and service.

A Consolidated Stores Maintenance Excellence Strategy Team was chartered to provide direction and support to implementation of the recommendations and to define a common measurement process to validate projected savings. A combined team effort with all levels of Consolidated staff significantly contributed to a true Consolidated Stores solution.

### **Results over the initial 12 months of the project included:**

- Conducted final selection and implementation of a new CMMS at four DCs
  - Established system on central server for exclusive use by maintenance DC sites
  - Trained crafts people and DC operations personnel in PRIDE in Maintenance topics
  - Established CMMS Benchmarking System to gain full utilization



- Implemented a planning and scheduling process at each DC
  - Developed corporate-wide planner position description/grade
  - Selected and trained one planner and backup per DC in *Effective Maintenance Planning and Scheduling*
  - Supported planners with shop level training
  - Measured planning performance
- Initiated improved Preventive Maintenance
  - Revised and upgraded PM procedures at all sites
  - Improved support from DC operations staff
- Improved storeroom and shop operations
  - Developed strategic storeroom master plan
  - Improved inventory control and accuracy with bar code applications
  - Established modernized central shop and central storeroom at Columbus, OH DC
  - Established new storeroom at Montgomery, AL DC
- Established written standard operating procedures for use at all sites
  - Work order and work control
  - Planning and scheduling
  - Storeroom operations and parts procurement
- Implemented corporate-wide performance measurement process
  - Consensus on corporate-wide metrics (13)
  - Performance goal for each metric established
  - *Facilities Management Excellence Index (MEI)* established for each DC

**Summary: Corporate-wide goals and measurable results achieved as follows:**

1. Development/implementation of a corporate-wide strategic maintenance excellence plan
2. Common CMMS and standard best practices in place and ready to apply at future DCs
3. Greater accountability and productivity of all craft labor and material resources
4. A new DC quickly brought online with effective maintenance practices
5. A renewed focus on PM and planning coordination with DC operations
6. Storeroom modernization and improvement and measurable results 2 times original projections