

Gap Management – What is Gap Management

Date: 23.09.2025

To: Site Leaders, Inventory Team & Group Operations Manager

From: Inventory Team

RE: What is Gap Management and why do we do it?

Gap Management is a huge focus going forward for the business. They are an issue that costs sales daily across all sites.

What is Gap Management?

Gap Management is the process used to eliminate Gaps at a site

How do we achieve our goal of minimal Gaps?

- Team investment and commitment is required to achieve minimal gaps
- A Procedure put in place to assist teams to eliminate Gaps
- Targets are set for each site – Targeting the Retail/Hardware side of the business

What is a Gap?

A Gap is when we do not have the physical stock in its location where a customer would expect to find it

- An empty hook or shelf space – Taking in to account multiple hooks
- A normal or SLR stocked product that has a Min and a Max against it that is out of stock

******A Gap is a lost sale – and an opportunity for a competitor**

Procedure

A consistent weekly process keeps gaps visible and actionable

- A report will be provided weekly – Run Monday Afternoon to consider Warehouse orders – These will be site Dependent *See example below
- The report will outline zero stock on hand with Min Maxes and be filtered by Department and Location
- These Reports will have additional benefits
 - They will show Obsolete and deleted stock
 - Stock on order
 - Old Purchase orders that need to be closed
 - Negative stock
 - Suppliers – Potentially alert you to missing orders
 - Products without locations



- A physical check of the sites locations to investigate lines on the report – Use of the Honeywell to identify and fix easily identifiable issues
- Identify gaps that are not on the report – Use the Honeywell to identify these potential issues
- Follow up with the required action needed to eliminate the gap.
- Physical count of gaps to continue to be submitted on Mondays Via Mangers report. These will include Department breakdowns.

Action	Product Code(K0)	Qty OnH	Dept(0)	Description(006)	Bin Loc 1(00)	Supplier Alpha(00)	2nd Supplier(01)	Min Stk	Max Stk	Qty On	Usage	Flag St	s 2(042)
	3278546		100	WATERPROOF SLEEVE BLIND SMALL	SF0512	M10	BONDALLMARKE	1	2	2			
	4970695	-2	100	HINGE BUTT 70X50X1.6MM FP ZP	SF0601	M10	TRIO GROUP A	1	2	5			
	2050482		100	HOOK CABIN PB 75MM WCA1075	SF0604	ITWPROLINEPL	ITWPROLINEPL	2	3				
	2177673		100	WHEEL CCAVE PK S/DOOR	SF0609	M10	HMCOWDROYPL4	2	4	3			
	3241569		100	DRAUGHT STOPPER BAG DOOR BLACK/GREY	SF0651	MEDALISTANVI	MEDALISTANVI	3	6	10			
	7508054		100	RUBBER SPONGE EPDM ROUND BLACK 6MMX5M	SF0658	HMCOWDROYPL3	HMCOWDROYPL3	2	3	3			

Responsibilities

Whose responsibility it is to ensure we have minimal gaps at a site?

Site Manager

- Provide the relevant reports to team members to assist with the Gap Management process
- Ensure that Gap counts are completed weekly – by Department
- Complete follow up tasks
 - Submitting Stock adjustment sheets to Inventory
 - Uploading the Min Maxs after team members submit them
 - Identifying and actioning shrinkage
- Ensure all ordering is up to date and outstanding Purchase orders are actioned weekly
- Stock receipting is completed correctly and in a timely manner
- Customer hold areas are kept up to date
- Returns and claims to suppliers are actioned weekly
- Negative stock reports are actioned weekly
- Warehouse Confirmation reports are sent to Inventory after every warehouse order is placed

Team Members

- Use the reports to assist in identifying every gap by location – using the Honeywell's
- Complete any follow-up tasks required
 - Fix Min Maxs in the Honeywell and send report for Manager upload
 - Complete electronic Stock adjustments if stock not located – Submit to Manager for follow up
 - Identify shrinkage and submit to Manager to action
- Monitor Gaps and follow up on any ordered stock that has not appeared



A simple weekly rhythm

Monday: Gap counts – submitted by departments
 Weekly report run and sent to Sites to be reviewed

During week: Physical checks
 Honeywell scans with investigation and follow-up

Ordering: Warehouse orders placed and confirmations sent to Inventory

Saturday & Goods inward to be empty of saleable stock

Sunday: All overstocks actioned from Goods in storerooms and top stock

Next week: Recheck results and repeat

The Key: Gaps are not a one-off exercise – they require weekly ownership and follow-through

Support

Inventory will provide support to the Site Managers and their teams

- Provide a How to, and a video for team members to follow – These will be available via the Intranet and SharePoint
- Run reports for sites to show zero stock on hand against Min Max products
- Assist in Min Max alteration – bulk changes – via Table Magic
- Key all Stock adjustments in a timely manner
- Action Warehouse confirmation reports weekly
- Ongoing support as requested
- On-Site support if required

Partnership: Inventory provides the tools and support – The site owns the stock and the process

Questions?

- Inventory**
- How best to tackle at store level?
 - Smaller sites, full store?
 - Larger Sites, break into departments or segments – still weekly?
 - What day suits you best?
 - Report submitted to Site Managers Monday – still require Gap count for GM on Mondays.
 - Do we use a calendar to keep everyone on track?
 - Is there anything we can do to help make this easier?

**Team
 Feedback**



COMPANY VALUES

Customer
Service

Accountability

Fairness

Friendliness

Honesty &
Integrity

Professionalism

Sound
Work Ethic

Respect

Teamwork