



Operational Excellence Program & iAuditor Platform

OEP/FSA OVERVIEW FOR ALL IGA TASMANIAN STORES

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Introduction

The Operational Excellence Program is to create and maintain high-end Operational Excellence across the Metcash network including Tasmanian stores. **The program is designed to help retail stores ensure a shopping environment of superior operating standards that** contribute to their shoppers having a great and consistent experience when visiting any IGA across Australia. This entails a great offering that is merchandised neat and tidy with a consistent stock supply and availability within the entire network. The goal is for retailers to maintain these standards throughout all departments at any given time, including holidays and peak trading periods. All Retail Operations state teams will be operating on a standardised assessment process in an effort to increase instore service execution excellence country wide. Assessment criteria carpark amenities, cleanliness, food safety, point of sale information and the stocking of items promoted in IGA catalogues.

The OEP has been developed in order to set baseline standards but is also designed to help retailers identify potential areas of service improvement. Introduced in May 2017 it supersedes the Retailer Standard Appraisal (RSA) and GAP buster analysis, which was previously used to measure the quality of a retailer offering.

Link to other Metcash Programs

The Current year OEP scores and results will form the basis of the Awards of Excellence selection criteria in each state and each state follows the same criteria and checks...

OEP Tiers

The Operational Excellence Program consists of three tiers, Basic (Silver), Best (Gold) & Elite (Platinum). Each level must be surpassed & maintained to move up tiers. All stores will begin at the basic level and will have the opportunity to move up tiers based on their Operating Standards consistency. Your personal contribution to the achievement of these goals is critical to the success and sustainability of the program in the IGA community.

	Proposed Channel 4	Tier 1: Silver – Basic in Class	Tier 2: Gold – Best in Class	Tier 3: Platinum – Elite in Class
Operating Standards	Store does not comply with minimum basic standards and fails to meet required score range as defined for Tier 1	Store complies with minimum basic standards required for IGA Brand. Store consistently meets basic daily operating standards with significant room for improvement by adding considerably more details and increase execution excellence in all departments.	The store displays operational standards on par or above average compared to other IGA stores and competitors. Store upholds best daily operating standards across all departments and at any trading hour, especially peak periods.	The store displays excellent operational standards above average compared to other IGA stores and competitors. Store upholds elite daily operating standards across all departments and at any trading hour, especially peak periods.
Requirements	Three months of below-basic operating standards compliance met with all store walks concluding with a score of under 85%	<ul style="list-style-type: none"> Three months of basic operating standards compliance met with all store walks meeting minimum score of 95% 	<ul style="list-style-type: none"> Four months of best operating standards compliance met with all store walks meeting minimum score of 95% 	<ul style="list-style-type: none"> Six months of elite operating standards compliance met with all store walks meeting minimum score of 95%
Assessment Template	Basic OEP Silver/De-banner	Basic OEP Silver	Best OEP Gold	Elite OEP Platinum
Score Range	>95% in 3 consecutive store assessments	95% and higher To be eligible to move to the Gold standard assessment the last available store walk must be concluded with a score of 100%	95% and higher To be eligible to move to the Platinum standard assessment the 4 th consecutive store walk must be concluded with a score of 100%.	95% and higher To be eligible to be awarded the Platinum Tier the 6 th consecutive store walk must be concluded with a score of 100% and maintained to remain in tier
Sing-Off on Tier completion	State Retail Operations Manager	Area Manager	State Retail Operations Manager	National Operations Manager

*Tier 1 Silver: Initial assessment of entire store network

iAuditor Platform

Hosted by Safety Culture Ltd., iAuditor is a cloud-based inspection app combined with a web platform, providing the tools to build and conduct tailored online check lists, audits, store walks, surveys, etc. and delivering insights to help raise safety and quality standards across the organisation. Teams using iAuditor can collect consistent data, standardise operations, send reports, identify failed areas, and trigger corrective actions.

Team members can instantly access the most up-to-date forms from any location and complete inspections regardless of internet access or not. The application is compatible with any iOS, Android, or Windows smartphone or tablet.

Platform Owner/Host/ State User

Metcash Account Owner	Retail Operations/Retail Excellence Project Manager Retail Excellence National Operations Manager Martin Money
Metcash Admin & Analytics	Retail Operations/Retail Excellence Project Manager Retail Excellence
Tasmanian Independent Retailers	Head of Member Operations -TIR TIR Member Services Retail Operations- Richard Oliver TIR Member Services Retail Development- Craig Smith
Technical Support	Safety Culture Ltd. Safety Culture OEP Team.

iAuditor Templates

Currently available templates on the platform are:

Program	Template	First Launch	Current Version	User Group	Owner
OEP	Basic OEP Silver	April 2017	3.0	All	Metcash Operations
	Best OEP Gold	October 2017	2.0	All	Metcash Operations
	Elite OEP Platinum	2021	1.0	All	Metcash Operations
	OEP Competitive Walk	May 2017	1.0	All	Metcash Operations
	OEP Store Strategy	June 2017	2.0	All	Metcash Operations
Food Safety	FSA Food Safety Retail Compliance Audit	August 2017	2.0	Retail Operations/Food Safety	Metcash Operations
RMS	RMS Service Report	June 2017	2.0	RMS Team	Metcash RMS
DSA	DSA Opportunity (DSA Project Assessment)	January 2018	1.0	Project Team Retail Support	Metcash Retail Development

Tasmania to use the same platform as Metcash but Controls all data and it is confidential to Tasmania.

6.1 Basic OEP Silver

This walk is to be conducted by each Area Manager for each store in their assigned area at the set down program of three OEP over the 12-month period, upon completion of 3 consecutive audits at an overall score of $\geq 95\%$ the store will be awarded the Tier Silver status. To move to the Best OEP Gold assessment level, the last walk must be completed with 100%.

6.2 Best OEP Gold

This walk is to be conducted for stores that have achieved Tier Silver status at a minimum of once a month. Upon completion of 4 consecutive audits at an overall score of $\geq 95\%$, with the fourth audit achieving an overall 100%, the store will be awarded the Tier Gold Status.

6.3 Elite OEP Platinum

This walk is to be conducted for stores that have achieved Tier Gold status at a minimum of once a month. Upon completion of 6 consecutive audits at an overall score of $\geq 95\%$, with the sixth audit achieving an overall 100%, the store will be awarded the Tier Platinum Status.

6.4 OEP Competitive Walk

Each Area Manager is required to conduct one walk weekly at a Major Competitor's store (Coles, Woolworths, Aldi) in his assigned area. This has currently been paused in Tasmania.

6.5 OEP Store Strategy

Head of Member Development will be setting up the store development strategy plan for each of their assigned SSO stores in cooperation with the store owner. The plan must be created and signed off by Retailer and will be provided to the Area Manager for each financial year latest at the 31 August. Results and updates on target progression must be added and the plan completed latest each 30 June in any nominated year.

6.6 Gold / Platinum Store Awards

Action	Gold Status	Platinum Status
Requirements	<ul style="list-style-type: none"> Four months of best operating standards compliance met with all store walks meeting minimum score of 95% 95% and higher. To be eligible to move to the Platinum standard assessment the 4th consecutive store walk must be concluded with a score of 100%. 	<ul style="list-style-type: none"> Six months of elite operating standards compliance met with all store walks meeting minimum score of 95% 95% and higher. To be eligible to be awarded the Platinum Tier the 6th consecutive store walk must be concluded with a score of 100% and maintained to remain in tier
Completion	<ul style="list-style-type: none"> 4th walk to be completed in attendance of Head of Member Operations Min. 1 weeks' notice to be given to National Operations Team prior to completing final walk 	<ul style="list-style-type: none"> 6th walk to be completed in attendance of National Operations Manager and/or Head of Member Operations Min. 1 weeks' notice to be given to National Operations Team prior to completing final walk
Sign Off	<ul style="list-style-type: none"> Head of Member Operations 	<ul style="list-style-type: none"> National Operations Manager/ Head of Member Operations
Award Presentation	<ul style="list-style-type: none"> In-store presentation by Head of Member Operations or TAS CEO and Area Manager 	<ul style="list-style-type: none"> In-store presentation by EGM Retail Operations, Head of Member Operations and Area Manager
Official Documentation	<ul style="list-style-type: none"> Framed Gold Certificate 	<ul style="list-style-type: none"> Framed Platinum Certificate and Trophy
In-store Signage	<ul style="list-style-type: none"> Ceiling Banners/ Posters/Badges To be delivered and set up by Area Manager (3rd party required for montage) 	<ul style="list-style-type: none"> Ceiling Banners/ Posters/Badges To be delivered and set up by Area Manager (3rd party required for montage)
Additional Celebratory Procedures	<ul style="list-style-type: none"> Owner/Store Manager to be presented with bottle of Champagne Achievement presentation at State Board/Chanel Meeting 	<ul style="list-style-type: none"> Owner/Store Manager to be presented with bottle of Champagne Team Morning Tea or BBQ Achievement presentation at State Board/Chanel Meeting
Communications	<ul style="list-style-type: none"> MYIGA / IGATAS Website 	<ul style="list-style-type: none"> MYIGA / IGATAS Website

	▪ First store to be recognised with short article in Successful Independent	▪ First store to be recognised with short article in Successful Independent
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6.7 FSA Food Safety Retail Compliance Audit

The **FSA** Food Safety Compliance Audit is developed in cooperation with the Group Good Safety Team and in alignment with the National and State Food Safety Legislation. The audit is to be conducted Twice times annually in April and October in all participating stores with a target score of $\geq 85\%$. For a store to achieve Tier Gold status, the last available audit result of $\geq 95\%$ is mandatory.

6.8 FSA Food Safety Retail Compliance Audit/ REFSS Program

The Food Safety Compliance Audit is alignment with the National and State Food Safety Legislation, The Information in the **FSA** Food Safety Compliance Audit is mirrored in the REFSS Program which is available at different levels for the stores departments to be covered by Food Safety. The REFSS program is Maintained by Icon Global Limited which is separate to Safety Culture who runs the OEP / FSA Program.

7.0 Data sharing with stores on completion of Audit.

The OEP/FSA Audit documents once completed at store level will be emailed to the stores nominated email address, this is to provide the confidential loop with the Area Manager and the Owner/ Manager. The Area Manager will contact the store for further discussion on the Audit once the Owner/ Manager has had a chance to View the information. If the owner / Manager is not happy with the result he can request another Audit done in his presence within a 7-day period of the Audit being done but cannot be redone after the 7-day period.

8.0 Maintaining Data Accuracy

Every Area Manager user is responsible for administering and maintaining their user account and only store fully completed store walks and audits that are relevant for store assessments. A general clean-out of incomplete and test audits and/or duplicates will be processed by Metcash OEP Team at the end of each month centrally. Data that has not been saved/synced with the account will be permanently deleted.

9.0 Tasmanian Member Services Operations / Development Team

Head of Member Operations – Richard Oliver

Area Manager - Area 1. Nick Bartle.

Area Manager - Area 2. Robbie Berne.

Area Manager - Area 3. Todd Johnston.

Fresh Specialist – All Areas. Mathew Wiltshire

The Area managers will be conducting the OEP / FSA Audits on the designated Area of stores that comes under their control, this means the OEP Audits for your store which is Completed three times a year and the FSA Audit which is Completed twice a year which has been listed earlier in the document. Each Team member works with the one common goal of growing your business.

Any questions please Contact your area manager or Head of Member Operations – Richard Oliver 0363 910231

Head of Member Development - Craig Smith

Development Team Member. Wayne Richardson

Development Team Member. Paul Barker

Development Team Member. Tyler Claxton.

The Development team also use one of the documents for planning purposes and will form part of the ongoing development of store growth. The OEP Document is OEP Store Strategy Audit is used to position the store in Development of the growth moving forward for a specified period. Certain data is required to complete this Audit, and this will help your business develop and grow moving forward.

Any questions please Contact Head of Member Development – Craig Smith 0363 910230