Edwardson School of Industrial Engineering

7-Eleven Cold-Vault Space Optimization

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Client Background



7-Eleven, a leading global retailer, has about 13,000 U.S. stores in 2024, including around 3,800 under the Speedway banner.



Bruegmann USA manufactures retail merchandising solutions, with offices or production in 7 countries, leading globally in displays and fixtures.

Methodologies

Time Study

Data Analysis

- Duration of time restocking
- Frequency of restocking
- Recording time log sheet

Find confidence interval

Variance based on data

T-test

8-8

Interview Employees

 Questions on the process and their perspective



RULA test

- Identify levels of risk
- Evaluated ergonomic strain posture

Test Store RULA Analysis ~

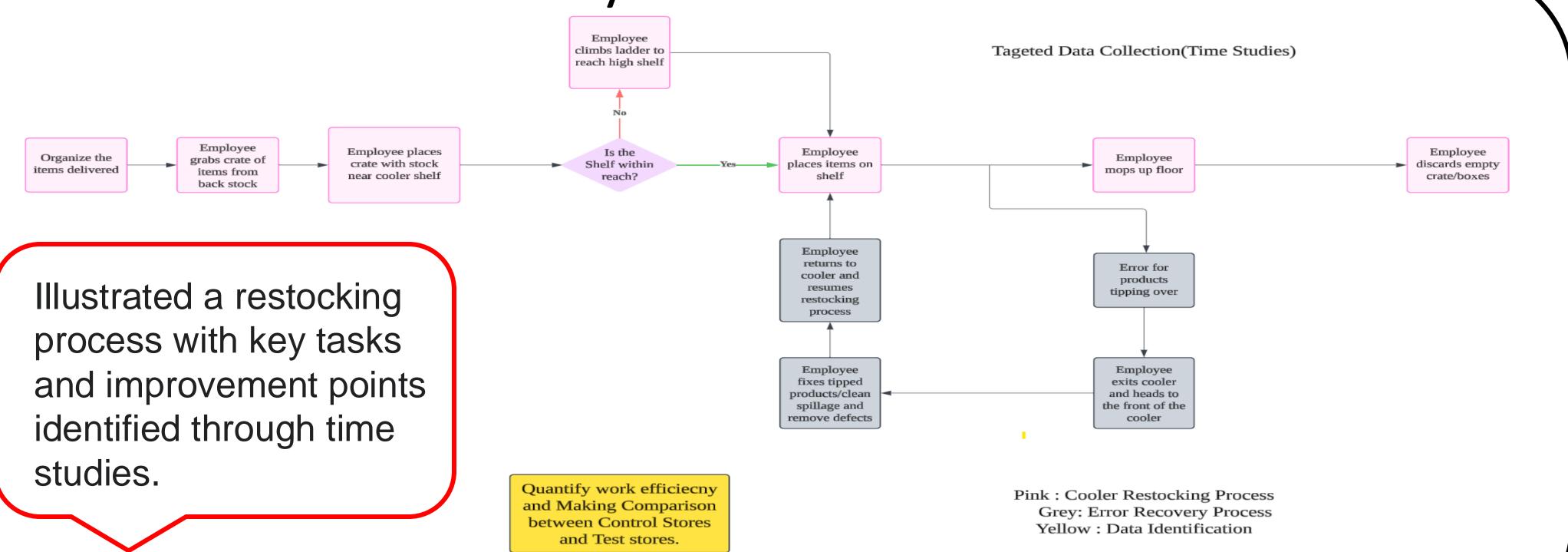
| RULA Component | Score | Notes |
|-------------------|-------|--|
| Posture Score A | 4 | Arm above shoudler, wirst bend are contributing factors |
| Wrist & Arm Score | 6 | Repetitive motion and intermittent load contibuting factors |
| Posture Score B | 5 | Bent trunk position and tilted neck are contributing factors |
| Final RULA Score | 6 | Further investigation and changes are required soon |

- Deeper shelves have **reduced the movement** from back stock to cooler shelves (involves moving the heaviest items)
- Future RULA scores will reflect lower risk levels
- This improvement will be especially noticeable in the force/load category

-Problem Statement —

The client lacks a system to monitor labor activities, measure restocking time, and analyze cold vault operations spatially. They also struggle to quantify efficiency gains from reduced stocking time in the cold vault. As a result, labor time increases, product availability becomes inconsistent, and back stock inventory remains disorganized. These inefficiencies contribute to higher employee turnover, increased operational costs, and lost sales opportunities.

-System Model



-Impacts

With 95% confidence, Test Store **saves 6.67** - **34.39** minutes per stocking session compared to Control Store 1

Implementing deeper shelves reduces risk in the RULA force/load category

Spending less time in cooler improves worker morale and retention

Result

7-Year ROI with 81% sales uplift & Labor Savings

| Scenario | ROI (low Labor) | ROI (High Labor) |
|--------------|--------------------|---------------------|
| Conservative | 440.14% | 456.87% |
| Moderate | 926.14% | 942.87% |
| Optimistic | 1412.14% | 1428.87% |

Queuing Model

The queue discipline is **first in**, **first out** and the employee works intermittently but clears the queue when they restock.

| | Test Store | Control Store 1 | Control Store 2 |
|-------------|------------|-----------------|-----------------|
| Utilization | 10.38% | 9.08% | 5.29% |
| | • | • | |

Restocking is done in **batches**, not continuous, which explains the **lower utilization values**. The lower utilization values mean **no bottleneck**, the **system is reliable**, and the **labor is flexible**. Due to this, the **test store** is working the **most efficiently**.

Discussion



- Decrease in labor time spent in cooler will help with employee retention
- Combined with the uptick in sales will allow the deeper shelves to **pay back** the money invest in them in around **8 months**.

1200 800 400 200 Grabbing & Organizing Restocking Total Time

Variance Comparison

Variance Comparison by Activity and Store Type