

## ENHANCING RETAILERS' OPERATIONS PERFORMANCE WITH LEAN SIX SIGMA APPROACH

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### ABSTRACT

#### Purpose

Retailers face many challenges due to uncertain business environment negatively influencing their performance. In this context, Lean Six Sigma (LSS) deployment in the retail industry provides various benefits in terms of higher efficiency and effectiveness. LSS is robust and flexible in nature and hence fits well into the fast-paced and competitive retail environment.

#### Design/methodology/approach

LSS transforms the various retail operations and creates competitive advantages by building new operational capabilities for the retailers. To highlight this transformation, the research provides a clear roadmap for LSS deployment in the retail industry. Research develops retail LSS synergy framework as well as financial evaluation metric and underscores that LSS deployment positively affect retailers' business performance. By using these frameworks, research also discusses various illustrations to highlight successful deployment of LSS by retailers.

#### Findings

LSS deployment immensely benefits the retail industry as it mitigates many challenges faced by retailers. With LSS initiatives, traditional retail operations are transformed to represent higher cost efficiency and customer effectiveness in operations and thus helps in building sustainable competitive advantages.

#### Research Implications

Research emphasizes the critical issue of measurement and evaluation of the financial contribution that the LSS practices make on various retail operations. There are various format of retail: discount, specialty, apparel, grocery, convenience stores, and quick-service restaurants. Hence, there is a need to compare LSS deployment performance among various types or formats of retail sector. An empirical investigation that quantifies the overall benefits of retail LSS is necessary and hence future research may focus on it.

#### Originality/Value

The research emphasizes the significance of LSS deployment in retail and underscores how synergy of Lean and Six Sigma enhances cost efficiency and customer effectiveness for a retailer. Research also provides illustrations of successful LSS deployment in retail industry.

**Keywords:** *Lean, Six Sigma, Lean Six Sigma, Retail, Efficiency, Effectiveness, Competitive Advantages*