Improving the Goodwill Sorting Process

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Goodwill Mission
GOODWILL WORKS TO ENHANCE PEOPLE’S DIGNITY AND QUALITY OF LIFE BY STRENGTHENING THEIR COMMUNITIES, ELIMINATING THEIR BARRIERS TO OPPORTUNITY, AND HELPING THEM REACH THEIR FULL POTENTIAL THROUGH LEARNING AND THE POWER OF WORK.

- Digital equity programs
- Youth Aerospace Program
- Youth Maritime Program
- Language Training Courses
- Retail Skills Classes
- Pathways to College
- High School Completion
- Job Preparation Classes
- Job Placement
- Wrap Around Social Services

Proposed Solution

Original Process

Pre-storage sorting: Sorting every item into sellable and salvage as it comes from donations, before being sent to storage.

- Load donation carts
- Put items in boxes by category
- Store
- Store
- Salvage
- Price items
- Classify by category
- Tag items

Cost Benefit Analysis
Implementing presorting saves Goodwill money in multiple ways:
- Salvage items would no longer use warehouse space
- Employees would not need to sort boxes pulled from inventory

With presorting we can calculate sorting costs and monthly sitting costs of unsorted goods in warehouses:

Labor Cost of Current Inventory ($)
- Textiles: 147,102
- Lerner: 9,825
- Items: 76,120
- Electronics: 21,940
- Toys: 60,025
- Shoes: 9,825
- Accessories: 25,856

Monthly Sitting Cost of Salvage ($)
- Suits: 25,968
- Lerner: 26,887
- Items: 1,466
- Electronics: 12,580
- Toys: 15,449
- Shoes: 3,407
- Accessories: 8,643

With presorting we can calculate sorting costs and monthly sitting costs of unsorted goods in warehouses:

Labor Waste $277,154 wages + 22 months of time

Storage waste $582,835 storing unsellable items

Time Studies
Completed time studies to use in simulation of current and proposed sorting processes
Counted number of items that were processed in 15 minute time intervals

Simio model
Model assumptions:
- Seattle Facility (10 stations)
- 1 box = 800 clothing items
- Seattle time studies
- 60% of items are salvage
- 80 boxes arrive per week
- 41% of boxes are sent to storage

Presort method is capable of producing the current method’s numbers without requiring more workers

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