



Distribution Center MANAGEMENT

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Managing people, materials and costs in the warehouse or DC

From the Golden Zone

Order Picking – The Eye of the Storm

By Susan Rider

Order picking in most facilities is where all the action is — and with that being said it is where the greatest opportunity is usually found.

Before you improve your order picking process, you first have to ask: Do we even have room for improvement? Usually the answer is yes.

One of the first areas to consider is training. When was the last time an overall training program was completed? Do order pickers know why they are doing steps? If they don't, many may find them irrelevant and skip the process thinking there is no harm.

A typical distribution center will experience employee turnover rates between 50 to 60 percent per year. (Yes, I know many facilities have much higher rates. I was trying to be kind.) With that kind of high turnover, a training program is instrumental in the success of productivity and accuracy. Especially if you have a warehouse management system, pick-to-light, carousels, or any type of automation or software. If your system was installed more than three years ago, the odds are not one person remains who was there during the initial training. Therefore, the nice bells and whistles that you paid good money for are probably not being utilized to the fullest extent possible.

Another area for improvement is second or third shifts. Many times the productivity/accuracy rates are lower on these shifts and managers seem

to be okay with the phenomena. Why? Your team should be just as productive or accurate whether it's light or dark. So work on building that team.

Establish the right attitude and accountability

My favorite area for improvement is attitude. Okay, I see you rolling your eyes! But in many facilities I walk into there is this attitude about the order pickers like they are second-class citizens, and that attitude promotes a complacency that is prevalent in the area. They think, "No one cares so why should I bother to do a good job!" This is a management issue that many managers don't even know exists. When was the last time you walked the floor or picked an order? Do you have a recognition or affirmation program? Seriously, do you spend more time catching people doing things right or do you focus on catching them doing things wrong?

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Accountability is another gold nugget. In the early days of pick-to-light it was not uncommon to get at least a 50 percent increase in productivity. One of the tangible gains was from accountability. Accountability is why labor management systems and standards are so popular. They give you total

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accountability, and if employees know that you will know everything they have done, they have a different mind-set. Whether you have a manual system or an automated system, accountability is a huge key for productivity and accuracy. If you don't know who picked every order every time, start today with a manual system to accomplish accountability and look to invest in an automated system down the road. Start a KPI (key performance indicators) or benchmarking program — it will pay dividends.

Try these simple yet effective slotting strategies

Many people do a poor job reviewing their slotting needs. What are your real slotting pains and what can you do to improve them? A great example is the golden zone. Do you need sophisticated slotting software to put your fast movers in the golden zone? No, a simple spreadsheet and a little management guidance will work fabulously. Review your slotting today. Look for fast movers on the bottom. If you have a fast mover on the bottom of a gravity flow rack and you are

making an order picker bend every time they pick it, over a period of a couple of hours productivity will go down over 10 percent — and depending on volumes, it could be more.

Think about where that productivity is at the end of the shift. Do you have someone else slotting the product besides the order fillers? Is that person's bonus based on the productivity of the order fillers? It should be!

This is a common problem. Receiving usually slots the product and, well quite frankly, many times they just do not care where they put the product because they aren't the ones picking it.

Lastly, don't underestimate the value of another view. Your team gets so used to doing what they're doing they overlook the obvious. Have someone from the outside perform an operational audit. Odds are you'll find lots of gold nuggets!

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