

25 TIPS FOR AN EFFICIENT WAREHOUSE

Increasing productivity in your warehouse is a top priority, but what's the best way to accomplish the task? With a variety of factors affecting outcomes such as labor hours, staffing, scheduling and vendor performance, it can be difficult to prioritize primary areas of focus. But you need to start somewhere! Here are 25 tips that we think are most important for companies to employ:

- 1. **Embrace Technology.** A warehouse management system can streamline processes, improving operating efficiency accuracy. It also enables easier tracking of data and inventory levels.
- 2. **Empower Employees.** Make them part of the process. Keep them engaged with obtainable incentives, training and asking for feedback. Happy employees are productive employees.
- 3. **Utilize real-time data.** Utilizing a WMS system will help you make more informed decisions. Inventory and operational visibility are keys to greater profitability.
- 4. Automate where possible. Automation has become much more affordable the last decade or so when most everything else (labor, space, time) is rising. Understanding the ROI can help you determine where automation is needed most in your business.
- 5. Secure your operation. Studies have shown that a secure supply chain is often a more efficient one.
- 6. **Don't be left in the dark.** A dimly lit warehouse can lead to poor quality output and tired employees. Proper lighting improves any operation. Consult with an expert on how to best light up your space. Not to mention the energy saving benefits, tax breaks, and utility rebates that accompany (and often finance) energy-efficient lighting systems.
- 7. **Measure this, and evaluate that.** You certainly can't measure everything (such as the cost of a dissatisfied customer), but you can evaluate the overall sales and customer service process and determine how to keep satisfaction high. All other aspects of your business that are quantifiable should be measured.
- 8. Train often, and continuously promote good habits. Employees need regular intervals of training to maintain solid processes. The things you teach new employees should occasionally be refreshed to your veteran employees as well. This keeps skills and proper processes in the forefront, and accidents non-existent.
- 9. Capture and manage critical KPIs. Understand baseline productivity and costs. When you know where you stand, you'll be able to better to assess cost reduction measures and other productivity-enhancing changes.
- 10. Share metrics across the company. By giving employees real-time, up-to-date information, you may realize higher levels of productivity when they have the ability to measure their performance against goals. Where possible, use visual displays and hold regular meetings to keep information fresh.
- 11. **Keep employees involved.** On a regular basis, ask how employees may be able to work better. Once a month or once a quarter, set aside some time to discuss ideas for improvement. Their feedback can be very valuable.
- 12. **Implement a Warehouse Management System (WMS).** A well-designed WMS can help optimize your supply chain, and save money. Real-time visibility into your operations centralizes the data you need to monitor and enable you to make changes that will improve performance.

- 13. **Use equipment designed for your environment**. The right device can make all the difference. Some mobile devices, for example, are designed specifically to support extreme temperatures (such as a cold storage environment). Equipment not suitable for an application can cause downtime, added repair costs and reduced productivity.
- 14. Ensure your communications network is designed for your warehouse. High ceilings, tall shelves and lots of roaming devices are all challenges for wireless connectivity in a warehouse. Make sure your wireless infrastructure is designed for your environment, otherwise those dead spots will be costing you and your employees time and money.
- 15. Collect, record, review and improve. If you haven't incorporated data collection automation in your warehouse yet, you may be falling behind your competition. Barcode scanning, printing and mobile devices keep employees moving; minimizing errors, costs and downtime.
- 16. Institute barcoding in the warehouse. If you haven't yet been required by a customer to put a barcode on your product shipments, you are in the minority. Not only does barcode automation increase productivity and reduce error-related costs and inefficiencies, it can save you thousands of dollars in fines from organizations who mandate it.
- 17. Automate your data in the shipping & receiving departments. The shipping and receiving areas can turn into black holes if processes are inefficient. One way to keep costs down and customer satisfaction high is to implement data collection automation. Barcode scanning can increase productivity dramatically and keep shipments organized with the click of a button. Eliminate keyboard errors and lost shipments as well.
- 18. **Keep the 4 R's of a warehouse in mind.** The right products, at the right place, at the right time, and in the right quantities make up an efficient warehouse operation. A warehouse automation tool gives you the inventory visibility needed to make informed decisions.
- 19. Save space. Clearly defined storage areas and bin locations lead to a more organized and efficient warehouse.
- 20. **Select an expert.** For the most bang for your buck when it comes to making your warehouse more efficient, choose a solution provider that is an expert in warehouse automation. We understand the challenges and have seen the successes of those who implement the right solutions.
- 21. Start right from the beginning. When materials come in, or are completed from the shop floor, take care of the inventory and stocking process in one step. Barcoding, scanners and/or RFID technology greatly reduce time spent updating inventory.
- 22. Talk to your neighbors. Ask neighboring businesses or get referrals from colleagues and share ideas with those who have similar operations and challenges. Idea sharing can be a win-win for both parties, and new business may even result!
- 23. Celebrate your accomplishments! Small steps often yield big results. Make changes thoughtfully and develop processes that simplify and bring efficiency to your business. The first 5 years of a business are the hardest; getting to 25 takes patience, teamwork and smart decisions.
- 24. Keep your technology fresh. If you're looking for better results, it might be time to update your equipment. Choose scanning, printing and mobile computing devices suited for your environment. A good solution provider should be able to offer you a number of options, and even help you calculate the ROI. In most cases, the cost of upgrading technology is far less than expenses incurred using older technology (repairs, labor costs, quality, etc.).
- 25. Mobilize your workforce. If your equipment and WMS is primarily workstation based, consider mobile devices to keep your employees at the point of work, reduce wait times and reduce data entry errors.