



# Distribution center optimizes seasonal workforce to improve performance

Client is one of North America's largest specialty retailers of men's apparel and is consistently listed as one of the top places to work. They value their workforce and desire to give them the skills and tools needed to perform their jobs. However, there was overall business stagnation. The client recognized that one of the contributing factors was continually increasing costs.



## DB&A Analysis

Due to the seasonal nature of the business, costs related to the temporary labor force, overtime hours, and inventory needed to be controlled.

During the two-week analysis, the DB&A team of consultants worked to understand several key processes and how our behavior/culture-based model could bring value. Utilizing our knowledge of proper warehouse operations, best practices and alignment on the client's needs, we knew what needed to be assessed for the analysis. We determined that front-line supervisor and managerial skill sets were lacking the basic fundamentals for managing, planning, and measuring assets (people and equipment). Front-line management were involved in numerous meetings throughout the day and firefighting the majority of the rest of their time. This lack of structure prevented them from being proactive and visible in their areas of control to focus on continuous improvement. What was found as a result that manifested through the organization was egregious differences in pick rates per employee, lack of effective process for preventing stockouts on the pick to light lines, and little understanding of how instituting an inventory

## The DB&A Difference

### Analysis Financial Results

- Guaranteed ROI: 1.7:1

### Actual Results

- Increased average units per week by 15%
- Decreased average hours per week by 17%

control system to concentrate high-volume picking items to easily assessable locations for picking and put away would increase productivity and relieve the organization's reliance on temp labor.

## Implementation Actions

While senior management desired cultural change, they were struggling to make progress and tolerating the deficiencies of front-line supervisor skill sets, forcing them to manage one level down.

As a result, DB&A had to work simultaneously with both senior managers and front-line supervisors in order to achieve the necessary improvements as well as introduce new management tools for driving performance.

DB&A capitalized on the "people-valued" culture by adding structure and a uniform process across all

areas and levels of management, primarily identifying and correcting issues through one-on-one coaching of front-line supervisors including:

- Created customized tools that focused on the five management system elements of Forecasting, Planning, Assigning/Following-up, Reporting, and Evaluating
- Provided managerial workshop training that tied the desired management behaviors to the tools developed
- Flattened the management structure for greater transparency between various levels of the organization
- Developed a procedures manual for perpetuity
- Improved communication and eliminated the silo effect

“We are looking at merchandise that is needed at the stores more carefully. Before DB&A, everything was processed, and it created a lot of unnecessary overtime.”

## Project Results

Through the appropriate use of the tools, supervisors are now able to properly plan for predictability by evaluating planned volumes and the number of hours required to complete work. These actions result in better business decisions overall. Operational results include:

- Increased average units per week by 15%
- Decreased average hours per week by 17%
- Improved manager to employee ratio to 8-10 employees per supervisor and 2-3 supervisors per manager

Through coaching and training, DB&A increased the capacity to manage beyond the project.

DB&A facilitated an overall culture shift that has the ability to support continual and long-lasting performance improvements.

DB&A's superior effort led to repeat business in two additional facilities.



Since 1987 DB&A has provided cross-industry management consulting delivering 15-20% in operational and financial improvements to our clients with a financial guarantee. We deliver customized solutions that maximize existing resources to increase efficiency, capacity, and productivity. Our approach is to work with all levels of management to transform management culture in order to drive accountability where it matters most: the front lines. For more information visit [www.dbareresults.com](http://www.dbareresults.com) or email [contact@dbareresults.com](mailto:contact@dbareresults.com)