

**What if you could...
Improve warehouse distribution
operations through enhanced
collaboration and receive a productivity
increase in only one week?
With Proudfoot, you can.**

A global manufacturer and distributor of lubricant-based oils, chemicals, and solvents was facing logistics bottlenecks in its outbound loading and transportation dispatch process areas; because of this, its ability to serve its international and domestic retail customers, along with replenishing U.S. distribution centers, was greatly affected. Management believed that the total cost-to-serve ratio was relatively high, and they could increase their productivity and reduce costs if they could improve the engagement and performance awareness levels of their front-line operators.

Proudfoot was therefore engaged to accelerate throughput and reduce inefficiencies within the warehouse distribution operation while enabling the company's people to improve their own work processes.

Transformational Approach

Assess

The team began with an analysis of the operations to try to uncover why, despite being adequately staffed there were missed deadlines and operating goals. Working closely with the client, the Proudfoot team launched an initial overall assessment that dove through interviews, observations, data collection and data analysis. Discussions with warehouse associates, dispatchers and team leads revealed that there was a lack of awareness and clarity about the daily aims and objectives of the warehouse and there was misalignment of activities between the warehouse associates, dispatch office and team leaders.

Because goals were not clearly established, it was hard for people to know how well they were doing, and this resulted in being unable to be load outbound trucks and complete all of the planned shipments for the day. Everyone understood they needed to get all outbound trucks loaded for the day, but nobody knew how well they were doing; while they were working hard, they didn't know what good looked like for their day.

With a clear understanding of the root cause, our joint Client-Proudfoot team was able to develop an agile roadmap to implement solutions at speed, while embracing people and change.

Address

With a journey of change laid out, we began to work on both long and short-term solutions that would deliver results at speed. The team started off by implementing quick-win opportunities which easily highlighted the overall impact they'd have to the supply chain when implemented. These included:

- A customized Active Management plan that increased value-added management time which allowed supervisors to engage, train, and coach their teams on the shop floor;
- Three (Short Interval Control) performance awareness meetings at the beginning, middle, and end of shifts to ensure 100% schedule attainment;
- A simple visual board that would capture key metrics vital to the warehouse operation and lead to the formation of Key Performance Indicators (KPIs).

By implementing these quick solutions, the team now had an understanding of how many loads were planned in advance compared to the amount loaded – this in turn, would become one of the central KPIs for the group. Within a number of days, it was clear that several crucial issues were inhibiting performance.

Throughout the engagement, we led a cross-functional team with a people-centered approach to implement new and refined processes to enable dramatically improved collaboration between dispatch, supervisors, and warehouse personnel as everybody would now be working off one plan and set of KPIs.

Achieve

Through the creation and usage of the visual performance board, and the implementation, reinforcement, and coaching of active management - planning, scheduling, intra-day review – the team was able to deliver a dramatic improvement in productivity within one week of utilizing the new visual tools, processes, and new behaviors.

Our joint Client-Proudfoot team was able to implement new behaviors, visual tools and processes, and increase visibility between warehouse, dispatch, and team leadership. Ultimately, we built sustainable awareness of the daily demand, staggered and level loaded schedule and expectations, and vehicle type that needed to be completed. Collaboration between dispatch, supervisors, and warehouse personnel improved dramatically, evidenced by improved gallons dispatched per man-hour, as everybody was working off one plan and set of KPIs.

By understanding the number of outbound trucks being loaded by each type (planned load, unplanned, LTL, Export), team leadership could now effectively determine that they had the available capacity to load more trucks to meet demand.

Going forward, this effort was supported by the client's people who were now empowered with the new tools gained through working with Proudfoot, tools that allowed changes to be maintained and continuously improved. The implementation of a customized active management plan allowed supervisors to engage, train, and coach their teams on the shop floor, and now they could lead the change required for any new processes and behaviors that would be needed in the future.

Remarkable Results

Through process changes, reflected in transparent and frequent score-keeping, we were able to influence new behaviors and increase visibility and collaboration between the warehouse, dispatch, and team leads. By identifying detailed truckload statistics, the client benefited by:

100% schedule compliance in less than 30 days

20% or more increased loading resource capacity

30% increased outbound staging floor space

Significant productivity improvement in just one week

