

Order picking, like supermarket shopping, can be improved with a little planning

Systematic product picking

If you're like most catalog operations managers, you're struggling with rising fulfillment costs. So what can you do to fight back? I suggest you review your order picking process.

Let's look at this process. First, the bad news. Based on industry studies and my many years of fulfillment experience, as much as 70 percent of an order-picker's time is spent not picking! The majority of the picker's day consists of other activities, such as walking, searching for the next item, and checking off the item picked on the order.

Unfortunately, many catalog operations have done little to reduce confusion and delays in the order picking process. But imagine how your business would benefit if you could realize just a 20 percent gain in order picking productivity! And here's the good news: It can be done.

To market, to market

For a new employee, order picking in a warehouse is like grocery shopping in a new supermarket. Although you may have a list and the desire to get all the items on the list as fast as possible, there are many delays, headaches and frustrations in your way. For example:

- You don't know where anything is.
- The aisle and shelf markings are unclear or missing.
- Items are not set up in the order of your list.
- Items are not in stock.
- Other shoppers are in your way.

- You are given incorrect directions from store employees.

The same thing can happen in your catalog warehouse, ultimately resulting in order-pickers spending more time searching for items than picking them.

But "profiling" can help put an end to this problem. It's a systematic technique for

space. The larger the picking area, the more time it takes to pick an order and to restock. And it makes sense that haphazard item location assignment is inefficient in terms of labor and space utilization.

With proper profiling, though, you can increase your efficiency in the warehouse in three ways. For starters, you'll increase your pick rates. By concentrating fast-moving items in certain areas and balancing other items between areas, you'll reduce the steps necessary to pick orders.

Second, you'll reduce your labor costs. An efficient layout means fewer people picking and replenishing, less congestion and reduced emergency replenishments.

And finally, you'll save space. A proper forward-picking layout makes the best use of your warehouse space, giving you more room for pickers to work, or for other functions, if you so desire.

Profiling is also relatively easy to implement. Just follow these five steps:

Step 1. Adopt computer tools to help organize everyone's work. All too often, employees are sent out to retrieve orders without specific directions, stock locations or picking procedures (much like the supermarket stock clerk directing you to Aisle 7 for flour without telling you *where* in the aisle it is.) To overcome these delays, you need help from computer systems. A computerized stock-locator system is the most valuable, because it maps out the work for the picker. This system can show



assigning locations to items in the forward picking area that maximizes labor and minimizes space.

Getting organized

In many operations, there can be thousands of items of merchandise. The way you slot, or locate, items in the forward picking area affects both picking time and warehouse

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pickers the most efficient path to select orders and take advantage of batching. A stock locator system reduces searching and errors because the paperwork directs the picker to a specific location with one item in it. In addition, this system simplifies training for new employees; they don't have to know the product, because they're picking by location.

Step 2. Collect and study picking data. To enhance productivity, you need to study individual product statistics. You'll need to know each item's length, width and height, number of sales per week, and sales during peak periods. Getting this data, of course, can be time-consuming, and may require help from your information systems group.

Step 3. Classify each item by unit picking activity. Designate products either A level (most picks in a day), B (medium level of picks), or C (low levels of activity). This process, known as product slotting, is based on hits, or the number of times an item is to be picked. (Be sure to use item movement rather than sales dol-

Finding the right slot

With the thousands of items and the seemingly never-ending flow of new catalog editions that have deleted or added product, how do you keep up in your picking area? Simple. Call on specialized software to act as your assistant.

One helpful program, Layout Master, comes from NRM Systems in Minneapolis. It's designed for the facility layout engineer, and addresses the picking problem from a design standpoint. Layout Master will help you design your forward picking area and tell you where to put each item.

The Slot-It Master program from Performance Analysis Corp. (PAC) in Research Park, NC, has a different function. It's a PC-based software program that performs calculations to determine product slotting. Designed for the operations manager or slotting individual, the program eliminates manual slotting and saves hours of manual labor by performing the calculations and recommending the best location for an item in your warehouse picking area.

Based on your particular criteria, the program will calculate a slot type and compare the calculated slot to the actual slot type. The program will then identify mismatched items and suggest items to reslot. —WT

lars.) Arrange the items in descending sales frequency. "A" items—typically 15 percent of the total items—usually account for 70 percent of the total item movement. "B" items are about 20 percent of the total and account for the next 20 percent of total item movement. And "C" items are typically 65 percent of items, but only

10 percent of the total movement.

Step 4. Revise the forward picking area allocations based on their classification—A, B or C. Revising the locations will shorten travel time. The length, width and height multiplied by the number of sales per week show how much cubic space will be required for each item. A good rule of thumb is to maintain a one-week supply of the item in the forward picking location.

Step 5. Enjoy the benefits. By following the profiling steps outlined above, you'll apply a more dedicated, systematic approach to your picking operations. In addition, you can begin reducing your order-pickers' non-productive time. Indeed, catalog operations that have taken this approach have experienced up to a 25 percent increase in order picking productivity. □

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