



Project Data

Client: Premier North American Outdoor Sporting Goods Distributor

Location: Nevada, United States

Timeframe: 3 Weeks

Key Project Factors: Management, routine, and staffing challenges were driving increased labor costs and negatively impacting productivity within the facility. Direct augmentation of the client's on-site leadership team and the implementation of performance management improvements was critically needed to support immediate and sustainable operational effectiveness. Continuum was tasked with ensuring business needs were achieved, operational initiatives were executed successfully and leadership teams were properly supported across the distribution facility.

The Challenge

During a new WMS implementation project at a client site it was identified that operational productivity, facility quality and inventory accuracy reporting was not correctly aligned to reflect distribution center performance in these areas. Increases in operational performances tested on the floor failed validation in the system and didn't reflect the actual improvements realized by the client. Quality reporting was showing skewed data for some Associates but not all based on the functions performed and represented a fairness gap that impacted program support and negated these accountability metrics. In addition, holes in point-to-point inventory tracking and systemically mis-mapping of locations within the facility drove a lack of visibility into inventory accuracy. As productivity, quality and inventory reporting were critical to driving accountability within the client's network, leadership was unable to leverage this information into positive decision making and ultimately could not drive improvement in these areas until it was corrected.

The Approach

Root cause investigation efforts were pursued and a complete system reporting validation was performed on the floor in order to identify whether the reporting gaps were due to people, process and/or system misalignment. A process adherence review was performed with every associate to ensure standard operating procedures (SOP) were being followed. System process flows were mapped against on-the-floor functions to ensure alignment between system and processes. Associate retraining on work instructions and system/process steps were completed to ensure gaps in past training efforts were eliminated as a root cause. And all systemic transactions in the operations were validated with real time data from active floor operations to ensure they were triggering correctly and correct any gaps identified within the reporting.

The Results

While it was initially thought that system issues were the cause for the client's challenge, Continuum's validation effort identified user errors, process adherence and training gaps represented the root causes of the reporting inaccuracy. While a full validation had to be performed to rule out all contributing factors, reporting accuracy was immediately achieved after people, process and system alignment was reestablished. The corrected, validated reports and associated operational visibility allowed management to make performance-based staffing decisions and improve overall building efficiency, quality and accuracy. This was most apparent in the client's packing functions where operational efficiency increased **76%**.