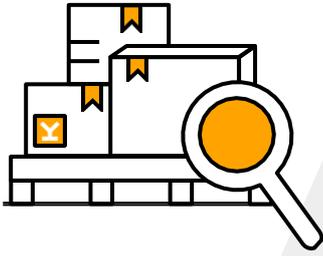




7+1 MISTAKES in
the
WAREHOUSE and
their **SOLUTION**

STAMH[®]





THIS COURSE

shows from the customer's point of view, what are the points that must be followed to identify the most frequent errors that could compromise the efficiency of his warehouse, and then identify the most functional hardware and software structure for begin the change that solves them.

7+1 MISTAKES in the WAREHOUSE

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“Learn from other people’s mistakes, you could never live long enough to make them all yourself”

Eleanor Roosevelt

Companies that work in different sectors often make similar errors when it comes to warehouse management. These errors can cause them to spend huge amounts of money, often big enough to put the financial stability of the entire Company at risk, and for this reason we define them as “mortal sins”.

Being able to clearly identify these errors enables us to understand which of the methodologies we use to manage our warehouse are ineffective and/or generate costs that could be avoided. This is why it is important for you to take an active approach to identifying the areas you could improve in your warehouse, also setting a side an hour of your time to observe the operations **ON SITE**.

We will classify the most serious errors in **7+1 main categories** and see the **10 steps** required to rectify them.

We will see how to make the change designed to improve the performances of your warehouse as “painless/simple/intuitive” as possible, and discover how you can effectively benefit from solutions that solve the problems of thousands of Modula customers every year.

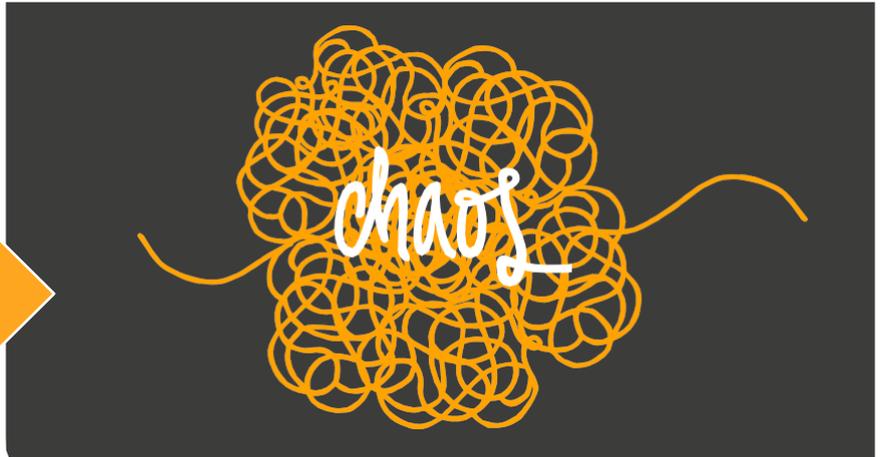
DESCRIPTION

To manage the customer's requirements as effectively as possible, try to understand their point of view, starting with the effort they must make to identify the errors they are making and what they need to do to succeed in effectively improving their warehouse.

1 - IGNORANCE

Not having real-time control over the items...

HOW MUCH TIME
YOU DO WASTE LOOKING
FOR AN ITEM?



2 - SUBSTITUTION

Keep calm it's a picking error....

HOW MUCH DOES
A PICKING ERROR
COST YOU?



3 - DEPENDENCY

Relying on one or more people for the control of your warehouse...

DEPENDENT
ON AN EMPLOYEE?



7+1 MISTAKES in the WAREHOUSE and their SOLUTION

4 - CONFUSION

Lack of an effective logistic structure.



5 - LACK OF AUTOMATION

Without automation, the time wasted increases...



6 - SUPERFICIALITY

Failure to take proper care of one's products...



7+1 MISTAKES in the WAREHOUSE and their SOLUTION

7 - RESISTANCE

“A survivor is not the strongest or smartest element but the one that adapts most quickly to change”.



7+1 - WAITING

Complicated, slow data recovery and analysis process...



■ IGNORANCE



“ In the age of information,
ignorance is a choice. ”

Donald Miller

NOT KNOWING WHERE YOUR GOODS ARE SPARKS A SERIES OF DISADVANTAGES:



■ TIME WASTING

If we can't find a product, the operator has to spend their time looking for it, so each time that we find ourselves in this situation, we are paying an operator to perform an activity that could be avoided.



■ PRODUCTION STANDSTILL

If the item we can't find is essential for the continuation of the production cycle, in addition to the time we waste looking for it, we must also consider the times/costs needed to buy a new one or make a replacement, not to mention those incurred during the halt in production!



■ DETERIORATION OF THE GOODS

If we do not know the location of perishable goods and their expiry date, we risk leaving them in the warehouse too long, meaning that they lose their value.



■ LOSS OF SALES

The goods stocked in finished products warehouses are particularly important. When a customer pays for a product, they want to receive it without experiencing delay or uncertainty. If we fail to meet the customer's expectations, we risk losing the sale or, even worse, the customer, if they are not a loyal client.

Recuperating a damaged relationship is much trickier than building a new one. And then, if they were to speak badly of us which is not hard to do these days on social networks, with guaranteed negative effects it would be a disaster!

SUBSTITUTION



“Everything in this world is connected with everything else. When a butterfly flaps its wings in China, this can have an effect on the path of a hurricane in the Atlantic.”

Douglas Adams

A SIMPLE MISTAKE BRINGS COMPLICATED CONSEQUENCES...

KEEP CALM

MAKING A TERRIBLE IMPRESSION

When the customer opens a package and finds one or more items that are not what they requested, the least we can expect is that they will not be satisfied.



COSTS OF RETURNS

This situation leads to additional costs, both for the customer if they decide to wait for a second delivery, and for us: we will need to manage a return, prepare another shipment and sell under cost price if we decide that the customer can keep the goods.



FINES TO BE PAID

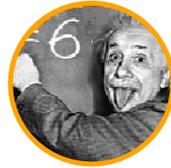
If we have established a supply contract, a fine may be payable if the goods delivered are subject to errors or delays.



INCREASE IN CHECKS

To avoid this situation, staff might be making unnecessary checks (for example, when the goods are sent) which could be avoided if the goods are properly monitored and fully under control.

DEPENDENCY



“ Try to get out of the mess
and confusion
the semplicity. ”
Albert Einstein

DEPENDENCE SOMETIMES YOU WIN. SOMETIMES YOU LEARN...



INSUFFICIENT WORKFLOWS

No matter how efficient they may be, staff will never be able to perform the tasks as accurately as an administration system with automated mechanisms.



WORKLOAD IMBALANCES

A series of correct formulas exists for assigning employees a balanced workload, but new employees can sometimes perform the harder or more repetitive tasks, to the benefit of their “shrewder” workmates.



INDISPENSABLE PERSONNEL

If you can only trust one, or perhaps a few people, to know where your products are stored, and how they are logged and administrated, you are at the mercy of these operatives, and the success of any warehouse depends on how they function.



DISPATCHES RETAINED AT THE WAREHOUSE

In the best-case scenario, the goods are under the control of operatives who, with an “I’ll check and let you know,” are the only people who can give you an answer.



UNMONITORED AND DISHONEST EFFICIENCY

If nobody is more competent than the highest-ranking staff in your warehouse, who checks whether all the operatives are efficient?
If you have no access to the information about the tasks being carried out in the warehouse, how can you calculate how much each task costs?
If an operative took something from your warehouse, would you notice it?

CONFUSION



“The probability that something will happen is inversely proportionate to the desirability of the outcome?”



Arthur Bloch, Murphy's law



WASTED SPACE

If, when storing the goods, we fail to apply and stick to a strict logic regarding its placement, and rely on the human memory, the warehouse is destined to have lots of empty spaces.



WASTED TIME

How many times do you need to move objects to get to the item you are looking for, or must you open the box to make sure you have the right item? The time and energy wasted in these scenarios can be avoided.



INSUFFICIENT STOCK

If you are not in control of the empty spaces, you are tempted to keep stocks to a minimum, and so risk running out of stock. This risk increases when you don't keep records of how much stock is present and update it in real-time.



SLOWNESS OF LOADING/UNLOADING OPERATIONS

Inevitably, looking for an item, checking that it is the right one, and accessing the goods all significantly slow down the picking operations.



SAFETY AT RISK

Having little time to perform their duties and doing so in a disorganised environment tend to increase the stress levels of operators: this means that they are less attentive and more prone to error, compromising their safety in the workplace.

■ LACK (OF AUTOMATION)



“ We cannot ignore the process that leads to automation... it would be like turning back the hands of the clock and believing that we were turning back time. ”

Henry Ford

TECHNOLOGIES ARE IN CONSTANT EVOLUTION. THEY ARE BECOMING INCREASINGLY MORE EFFICIENT AND NOW REQUIRE LESS RESOURCES FOR THEIR USE.



■ SLOWNESS WHEN CHECKING THE GOODS

The need to perform unnecessary checks on the contents of your packages is eliminated. There is now no need to open the box to find out what's inside.



■ UNCONTROLLED GOODS MOVEMENT

Without a technology that enables us to evaluate and optimise how we move the goods in our warehouse, we cannot avoid counter-productive movements such as: having to move an element to reach another one, moving goods into the loading/unloading area, losing track of how the item has been moved, and therefore losing the item, uneven working schedule during the day characterised by intense peaks and/or long periods of downtime, etc.



■ REPEATED DOCUMENT CHECKS

Can we be sure that the warehouse operator only checks the picking orders once and that the administrative offices are not obliged to perform checks?



■ UNKNOWN VALUE OF STOCK

A company's warehouse contains a considerable portion of its total value. This generates costs (staff, errors, space, loss of sales/productivity etc.) and revenue (sales). Are you sure that performing one annual inventory check is enough to keep the situation under tight control? Wouldn't it be better to have a more complete, constant control over your warehouse?

■ SUPERFICIALITY



“The sleep of reason
produces monsters”

Francisco Goia

**A LESS THAN METICULOUS MANAGEMENT OF THE ITEMS IN THE WAREHOUSE
INEVITABLY LEADS TO COSTLY CONSEQUENCES.**



■ INCORRECT STOCK

If everybody has free access to the goods, any item can be picked without this being registered. This generates the risk of running out of stock.



■ THEFTS

“If someone hurts you once, it’s their fault, but if they hurt you twice, it’s yours.”
We use strategies to limit benefits. The goods cannot be within everyone’s reach.



■ CULTURE OF LAXITY

Goods and products have a value, and if this is not monitored using a system that manages it as effectively as possible, we will be conveying the concept that the goods are of little value to those who work with us.



■ RISK TO SAFETY

If accessing the goods is possible, this will occur in an area in which forklifts transit and the risk of accidents occurring is higher.

RESISTANCE



The most substantial change is brought by technology. Each time we implement a new technology, we see it as an unknown entity and initially find it difficult to use, but once we have learned the new method, we realise that it goes against our interests to put up resistance to progress when the choice has been made based on rational criteria.

YOU, the owner

I've always done it like this, why should I change now? It is worth it?

YOU, the warehouse manager

Will it steal my job?
Will I be able to manage this change too?

THE WORKERS

They think they'll resolve everything through automation, but they won't.

SABOTAGE

This can also be difficult to detect, a false acceptance such as: yes, we can do it, but in half the time and with half the budget.



“ Change is never painful.
Resistance to change is. ”

MISTAKES IN INVESTMENTS

Our enthusiasm can lead us to make unwise decisions. There's no guarantee that we need the latest spectacular technology that impresses colleagues and friends.

INTERRUPTION OF THE PROJECT

If the steps are not followed closely, the innovation project could be compromised: if the tools fail to interact, if the training is too short, if the staff fail to follow the instructions...

This is why our solutions indicate 10 steps for achieving an effective warehouse.

■ WAITING



INFLEXIBLE INFORMATION SYSTEM

THE COMPANY COMES TO A STANDS

ESTERNOUSE OF EXTERNAL RESOUR

At the end of the year, when it's time to check the inventory, many resources are dedicated to this operation and cannot be used elsewhere. A tough, repetitive task that must be performed between 26 December and 7 January, when the staff would like to go on holiday, or during a peak time.

INFLEXIBLE INFORMATION SYSTEM

THE COMPANY COMES TO A STANDS

ESTERNOUSE OF EXTERNAL RESOUR



“The most dangerous kind of waste is the waste we do not recognize.”
Shigeo Shingo

The ability to monitor what we have in real time can be a saving grace both in ordinary situations (the customer wants an item in a short time) and extraordinary situations (the company is subject to checks by the board of auditors that requests a quarterly inventory).

INFLEXIBLE INFORMATION SYSTEM

THE COMPANY COMES TO A STANDS

ESTERNOUSE OF EXTERNAL RESOUR

When performing the inventory check, if the company needs to hire additional staff, this increases its costs and the probability of errors being made (as the extra resources are not fully trained).

DESCRIPTION

Making a change entails making an effort that must be recognised. Once the difficulties involved have been identified, we will be better equipped to overcome them, in less time and with less energy. Let's look at the 10 steps designed to guide us as we make this change.

1 - MISCONCEPTIONS

Be motivated and believe in the change taking place...



2 - CHANGING THOUGHTS

Change comes from within...

THE WAREHOUSE IS A RESOURCE!



3 - ENGAGE THE TEAM

Be motivated and believe in the change taking place...



4 - INVOLVE THE MODULA EXPERT

Welcome the opportunity to receive the opinion of an expert...



5 - DEFINE THE OPERATIONAL FLOW

Observe every movement to identify the most suitable strategy...



6 - PLAN THE LAYOUT

Find the most effective hardware and software solution...



MISCONCEPTIONS



“ The secret of success is to do the common thing uncommonly well. ”
Anonymous

TO SUCCEED IN EMBARKING ON A REAL, EFFECTIVE PATHWAY TO INNOVATION, YOU NEED TO OVERCOME ANY PREJUDICES YOU MAY HAVE:



I DON'T BELIEVE THAT I CAN RESOLVE MY PROBLEMS WITH TEN STEPS

You're wrong. We have thousands of satisfied customers who can prove that our solutions work.



TECHNOLOGY IS THE ANSWER TO EVERYTHING

You're wrong. The Modula solutions offer a solution to the problems identified in the past, but they don't replace the need for staff.



I CAN'T AFFORD TO MAKE THESE CHANGES

You're wrong. By comparing the costs of your current configuration with those that would be applicable with a Modula solution, you can easily calculate the time it will take you to amortise your investment, and from then on, you will make nothing but a profit.



These elements, calculated and clarified with maximum transparency, will lead you to make a rational choice and ensure that your warehouse is tidy, clean and safe, with every item in an identifiable position, so making it easy to pick without errors.

CHANGE YOUR WAY OF THINKING



“ Love it ,
leave it or change it. ”
Silvia Zoncheddu

ONCE YOU HAVE OVERCOME YOUR MISCONCEPTIONS, YOU NEED TO DISREGARD A MINDSET THAT SABOTAGES YOUR GOOD INTENTIONS, WITH COMMENTS SUCH AS:

I DON'T WANT TO,
I CAN'T DO IT,
I DON'T HAVE TIME,
MY WAREHOUSE IS UNIQUE AND
DIFFERENT FROM THE OTHERS,
MY COMPANY IS NOT READY,
DOING ALL THIS IS TOO EXPENSIVE.

Sharing the load is where the process begins. A professional with expertise in the sector will assist you in the assessment and, if you want, implementation phases of the processes. We have many case studies featuring all sizes of companies operating in the widest range of industries who can enthusiastically vouch for their satisfaction with the results achieved.

THE WAREHOUSE
IS A RESOURCE!



ENGAGE THE TEAM



“ If you tell me, I forget, if you show me, I remember, If you involve me, I understand. ”

Confucius

MAKE YOUR PROJECT EVERYONE'S PROJECT.

Although the change you need to make starts from one person, it affects all those who work in your company, who need to feel part of it and motivated to see it through.



ORGANISE A MEETING

Make sure that all those directly affected by the change are present: warehouse operators, administrative, production, logistics and sales staff.



APPOINT ONE OR MORE TEAM LEADERS

Choose those most trusted by the team and involve them in the decisions that you will make together.



OFFER INCENTIVES

Offer bonuses or prizes when the results are achieved. Reward that extra effort made by your workers to learn how to use the new technology. Your success also depends on them.

INVOLVE THE MODULA EXPERT



“ Good enough is not good enough when the goal is excellence. ”

Anonymous

CONTACT MODULA

YOU WILL BE CALLED BACK BY AN EXPERT WHO WILL LISTEN TO YOUR NEEDS AND GIVE YOU ADVICE.

Based on the analysis of real values, you will learn the strengths and limits of your current warehouse. This analysis will also enable the Modula professional to find the most effective hardware/software solution for you, based on your data.



DEFINE THE OPERATIONAL FLOW



“The more inventory a company has, the less likely they will have what they need.”

Taiichi Ohno

OBSERVE YOUR WAREHOUSE AND YOU WILL BE ABLE TO FORMULATE THE RULES TO FOLLOW FOR EACH PHASE OF THE OPERATIONAL FLOW

At the beginning, we suggested that you invest an hour of your time observing the movements of your warehouse.

Carefully observing the procedures is fundamentally important if you are to make changes that bring about improvements: it might be useful to batch process your orders instead of managing them individually, organise a new temporary holding area or set up a weight check etc.

Talking to your staff and an independent expert will help you to see the problems more clearly and resolve them using optimised procedures.



PLAN THE LAYOUT



“ Truth is ever to be found in the simplicity, and not in the multiplicity and confusion of things. ”

Isaac Newton

It is impossible to make good choices if these are not based on an in-depth study. This is why every suggestion made by the Modula professional will be based on the experience we have gained by serving 200+ people installing thousands of solutions every year.

Through team work, logistics, automation, IT and data analysis (current inventory, growth forecasts, comparisons, economic factors such as ROI etc.) become the tools the Modula professional uses to provide the best solution.

Based on the current situation, the desired objective and the type of product to be stored, a solution which is sure to offer the best performance is designed.

This may include, for example, implementing multi-order management systems such as Put to Light, adopting SW solutions that guarantee a certain working procedure, or even positioning the machine outside the warehouse, etc.



EXPLORE THE ACCESSORIES AVAILABLE



“Improvement usually means doing something that we have never done before.”

Paul Valéry

The technologies used in the warehouse must be capable of creating a functional, homogeneous system, so Modula creates or selects the most suitable hardware and software accessories to implement therein.

Our long experience in implementing optimised solutions for every type of sector has led us to develop our own hardware accessories such as the picking cart, Put-to-Light, ESD protection system, etc. Our experience also allows us to choose the most valid technological devices compatible with our solutions, such as the counting scale, RFID reader, etc.

Software is not a secondary element. In addition to giving you real-time control over the position of your products and the management of your operations, it also offers optional packages, such as advanced item management, manual warehouse, radio frequency, picking, web and remote support, SAP, etc.



The 10 STEPS of the EFFICIENT WAREHOUSE



LED Bar



Alphanumeric bar



Laser Pointer



Put-to-Light



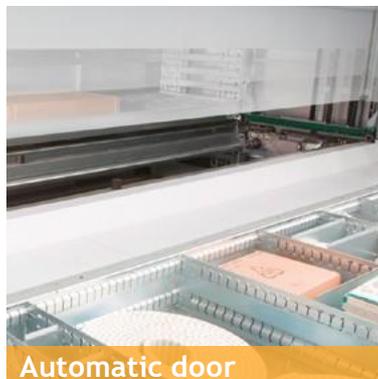
Picking cart



Tray accessories



Sliding console



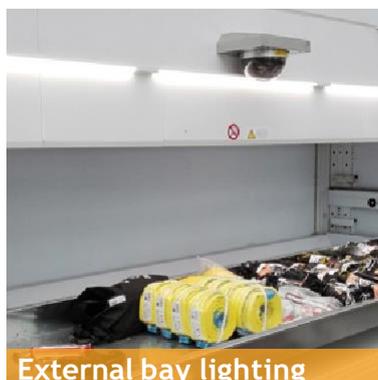
Automatic door



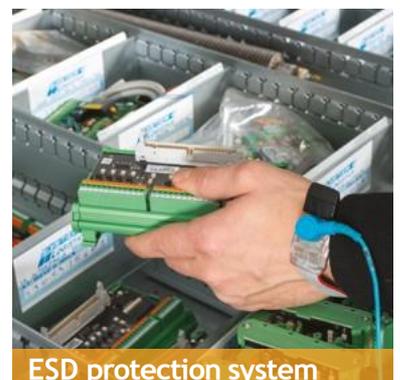
Trolley



Foot bar task complete



External bay lighting

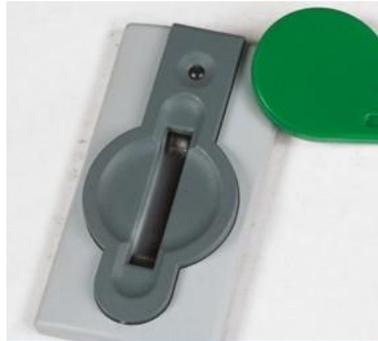


ESD protection system

The 10 STEPS of the EFFICIENT WAREHOUSE



Magnetic badge Reader



EKS Reader



RFID Reader



Counting scale



Label printer



1D or 2D barcode Reader



Telescopic bay



End Picking Button



Weight distribution plates

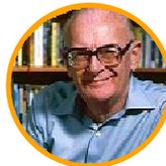


Electrified tray



Modula Green

JOIN THE DOTS WITH TECHNOLOGY



“ Any sufficiently advanced technology is indistinguishable from magic. ”

Arthur C. Clarke

AS WE HAVE SEEN, ONCE WE HAVE IDENTIFIED THE OPTIMUM STRATEGY FOR MANAGING THE MOVEMENTS IN OUR WAREHOUSE, IT WON'T TAKE MAGIC TO IMPLEMENT THEM!

Technology in itself is not the solution, but if it is used appropriately, it can be the element which binds the phases of the solution together and supports us in every phase of the operational flow, so proving an essential tool.

- Human errors are reduced.
- Performances are monitored constantly.
- You can optimise your company strategy based on information that is always readily available in real-time.
- You are no longer dependent on your workers.
- You can tackle peaks with temporary staff.
- You can perform inventory checks in rotation, without waiting for the traditional annual closure.
- You can optimise the space available.
- You can correctly manage minimums stocks.
- You always know the exact location of your product.
- You never have expired products on your shelves.

■ GIVE YOURSELF ENOUGH TIME



“ A stitch in time saves nine. ”
Proverb

THE INNOVATION PROCESS STARTS FROM THE TOP MANAGEMENT OF THE COMPANY AND MUST BE SUPPORTED BY ALL ITS WORKERS, WHO WILL BE RESPONSIBLE FOR ITS SUCCESSFUL APPLICATION, IN VARYING DEGREES.

This procedure is not over in a couple of weeks. The time you dedicate to formulating the layout and training your staff is time well-invested.

Don't let your haste make the entire system less effective. Also, bear in mind that doing a job well done at the beginning will set you in good stead for the future. The opposite is also true and could prove to be a costly error.

The learning curve you need to follow to use our systems is very fast, even for staff who do not have a high level of technical skill. This is thanks to the user-friendly graphic interface present on both the copilot and the WMS.



TEST



“You want to wear yourself to the test?”

01/05

WHAT MAKES ENTRUSTING YOUR WAREHOUSE MANAGEMENT TO ONE OR MORE PEOPLE COUNTER-PRODUCTIVE?

- The picking phase is slowed down
- The phase that entails dividing and maintaining the tasks becomes more difficult
- The operational efficiency of the warehouse is subjected to two conditions: the designated operator must always be present and must also remember where the goods are located

02/05

HOW DOES ONE IDENTIFY THE ERRORS CURRENTLY MADE IN THE LOGISTICS AREA?

- By seeking a warehouse that has implemented the latest technological wonder and comparing our operations with theirs
- By going on site and observing the movements of the goods in our warehouse
- By delegating the decisions to our team and those in charge of the warehouse
- By adopting an analytical and self-critical point of view

03/05

WHICH OF THESE POINTS ARE NEEDED TO CREATE AN EFFECTIVE WAREHOUSE?

- Giving oneself the time to optimise each step, from detecting the errors to training staff
- Implementing a homogeneous technology that supports every logistic aspect of the warehouse
- Adopting a staunch approach to solving problems and making decisions autonomously

04/05

WHICH OF THESE CAN BE THE CONSEQUENCE OF A PICKING ERROR?

- Costs sustained by the customer who must wait for a new supply and costs sustained by the company, which must manage two extra shipments
- If the supply is regulated by a contract, fines may be payable
- If picking errors occur regularly, this could lead to the staff performing unnecessary checks in order to avoid making them

05/05

WHICH OF THESE SITUATIONS IS NOT A "SIN"?

- Ignorance
- Substitution
- Dependency
- Self-Criticism
- Confusion
- Lack of Automation
- Superficiality
- Resistance
- Waiting

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