



Distribution Center MANAGEMENT

April 2007

Managing people, materials and costs in the warehouse or DC

From the Golden Zone

Don't let your employees become bored to distraction

By Pat Kelley

A mind is a terrible thing to waste, we would all agree; but those of us charged with running distribution centers all too frequently focus more on Profit & Loss ledgers and operating metrics than we do on the mental state of our hourly associates. We do so to the detriment of those very P&Ls.

In a recent survey of employees at work, 75 percent of workers said they knew they could be significantly more effective; 50 percent responded they were doing just enough to get by; and 19 percent actually said they were actively disengaged. Some analysts estimate worker apathy costs American business up to \$300 billion a year.

Actively disengaged? Sounds oxymoronic . . . but in my career I've discovered employees asleep in the racking, pitching pennies in the rest rooms, and — my all-time personal favorite — a few orderfillers hollowed out the inside of a bulk bin holding cartons of paper towels to create a pinochle room. Bored to distraction, our workers sometimes engage in severely counter-productive behaviors. And I'd bet my discovery of such behaviors isn't unique in the world of logistics.

On the lists of the most boring jobs in America, along with the usual candidates such as security guards and long-haul semi-drivers, we also find factory workers and warehouse work-

ers. At first blush, it might appear odd to find our distribution center jobs listed as excruciatingly boring, but if one traces our employees' paths during the workday, it becomes evident how our folks basically go in circles — some small, others wide — most of the day. These people are all on some form of hamster treadmill. Save them!

Proven strategies for engaging employees

Why save them? Top managers know that discovering how to engage their workforces and make them passionate about their work is the surest path to increased profitability. How do we save them? Here are a few ideas:

- **Incentive plans.** Design an incentive plan for your DC that's a good fit for your specific workforce. I personally favor individual incentives instead of team plans (teams work well, but individual payouts are much more powerful), and I like quick payouts — based on weeks or a month — instead of quarterly or annual. This idea requires a fair amount of study, and partnering with HR, but it will return significant dividends, for there's nothing like the right incentive plan to passionately engage a workforce.

- **RAMs.** Supervisors should be empowered to conduct Random Acts of Motivation, or RAMs. I

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like to see supervisors always on the lookout to catch their associates doing something good, and then reward them or recognize them for their accomplishment. I encourage little rewards for everyday accomplishments and encourage DC managers to arm their supervisors with fast food gift cards, lottery scratchers, movie tickets, etc. The idea is to provide supervisors with something they can use to reward and recognize their associate right on the floor.

- **Blue-collar brainstorming.** I recommend each supervisor conduct two or three brainstorming sessions per year with their departments. These sessions are a great way to tap into the knowledge of the folks actually doing the jobs in our DCs, and employees generally see brainstorming as a form of recognition, in that we're asking for their thoughts. Don't want to lose the labor by pulling your people off the floor? Tell your workers you'll buy their lunches if they donate their lunch time to participate in a lightning-round brainstorming session.

- **Southwest strategy.** Whenever I'm on a Southwest Airlines flight, I find myself walking

down the Jetway wondering what these crazy flight attendants are going to do today. I look forward to their little surprises. This anticipation is similar to the way I want the associates in our DCs to think as they're driving to work each morning. I encourage our DC managers to constantly dream up fun things to spring on the workforce: pizza lunches, safety contests, surprise ice cream sundaes on hot summer days, handing out little corsages to female warehouse workers on Secretary's Day (they're as important as your secretaries, aren't they?). There are thousands of things to do — the most important idea is to mix it up constantly and keep your associates guessing. This helps your turnover numbers, too.

I've just scratched the surface of what we can all do to alleviate the boredom inherent to the work lives of our associates; the important thing is that we all make such boredom-alleviation part of our everyday managerial thinking and strategies. To do so is to discover that a mind is a profitable thing to engage.

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