



# Distribution Center MANAGEMENT

July 2008

Managing people, materials and costs in the warehouse or DC

## From the Golden Zone

### A detailed employee training program will help improve your retention rate

By Susan Rider

The turnover rate is high in the logistics industry and training is critical. But what is the first item eliminated from budgets? Training! Stop already!

The average cost to hire, recruit, and train a new employee is more than 60 percent of his or her salary. And yet, many companies do not seem to take this into account. If you're struggling with employee retention, the first program you should implement in your facility is a detailed training program.

Design the training program with the right information. Don't just train employees how to perform a certain task. Instead, teach them why that task is important. And don't forget to involve the people you are training. Most people learn better by doing the action they are being trained to complete. The worst training programs are implemented by a "trainer" from HR who really doesn't understand what he or she is training. The trainer does nothing but talk to employees in the conference room for three hours, and at the end, declares they have been trained. Sound familiar? Then you have opportunities galore to improve your training program.

Training should be interesting, fun, and ongoing. The quality of the trainer is just as important as the content. Unfortunately, too many DC managers hand off the task to a supervisor. That

supervisor puts together a lackluster training program and says, "We trained them, so there." Then the DC manager wonders why he or she hasn't realized an increase in productivity.

To start an effective training program, you must pick a person who understands how to train. As you know from your school days, there are good teachers and bad teachers. Think about how much you remember from a class taught by a bad teacher — the same goes for training. Once you have the person that will implement the program, design the curriculum to match the person being trained. "Keep it simple" is a good motto.

#### Keeping things simple

Incorporate training tools that help you keep it simple. For example, try putting instructions on laminated cards hooked with rings on storage racks, forklifts, or packing stations. These all add value when someone forgets the process. Employees can easily check the process instead of using the guessing game.

Another area critical to a facility's smooth operation is overcoming the language barrier. If you are hiring people whose first language is not English, then you better be prepared to support them. Many DCs are not prepared for this, with signs that are only in English, training

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that is only in English, and announcements over the intercom that are only in English. And yet, they wonder why this process is failing. The diversified work force creates many challenges in training that should be recognized.

Once training is completed, you should implement a validation program. This is not a “fail and you are fired” scenario. If you position the program correctly, your employees will understand that the validation is just to confirm that they now have the tools to complete their job in an exemplary manner. Training is not a one-size-fits-all program. Some people are faster learners, while

others may take longer but become very valuable after they finally “get it.” The validation program will help you determine if they are “getting it” or if they need another review.

Finally, don’t forget to listen to the people doing each job; they’ll tell you what they need to do their jobs better. They will also tell you if anything they have to do doesn’t make sense — and they’ll tell you ways to improve.

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