

## Assessment case study

### Storage Solution Manufacturer

	<b>ACTUAL*</b>
Racked storage capacity	Increase by 48%
Material handling	Reduce by 50%
Non-value add activities	Reduce by over 20%
Production personnel	Reduce by 13%
Manual handling equipment	Reduce by 39%
Distance travelled by product	Reduce by 38% of original distance
Cost of errors	Saving of £65,000 PA
Overtime required	Reduced by 75%
*Figure = identified improvement	

#### The Scenario

Our Client is one of the largest UK manufacturer of storage solutions (racking, shelving and lockers etc.). Recent activity had focussed on improving the productivity of the factory which resulted in moving the capacity bottleneck to the warehouse, packing and despatch activities.

WBS Group were tasked with reviewing the current state of the warehouse from receipt of product from the factory to marshalling for despatch.

#### The Work

WBS performed an Assessment focussing on the warehouse activities such as storage and replenishment, picking and packing of product. The existing layout, working practices, product flow and disciplines in the area were reviewed with a view to providing recommendations to improve the productivity of the area.

#### The Assessment Findings

Broadly the findings fell into 2 areas;

- Issues with the layout and
- Issues with the disciplines of the working practices.

Within these 2 main areas there were specifics found to affect productivity and throughput. These included:

- Storage space had not been optimised
- Limited discipline for picking of parts or location control of parts
- Parts not stored by usage to reduce travel (i.e. most used closest to pack area)
- Access to racks blocked by pallets and other storage devices
- Excessive time required to search for components
- Lack of procedures/work instructions in place
- Multiple handling of components
- No defined marshalling of loads



## The Future State

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The future state design proposed ;

- Increased amount of racked storage that would allow product to be located correctly and prevent other items blocking access
- Improved flow – reducing travel distances and following a logical pattern (prioritised by usage)
- Clearer responsibilities for specific areas
- Introduction of visible measures and targets within areas
- Better recording of amounts and locations of products

The proposed design also incorporated clear material marshalling areas for storage and packing areas. These changes allowed drastic reductions in material movement, time taken to locate materials, material handling equipment and labour required within the area. The overall benefits identified allowed a strong business case to be put forward to implement the proposed changes.

