



WORKMATE

# **2 Strategies to Drive Efficiency in Your Warehouse Workforce**

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## 2020 has been a highly volatile year as we continue to adapt to the impact of the COVID-19 pandemic.

With disruptions in the supply chain, the pandemic has had a massive impact on global trade competitiveness, economic downturn and the creation of jobs and labour as countries continue to struggle with economic recession.

Specifically, COVID-19 has impacted the warehouse and logistics sector in the following ways:

- Fluctuating export and import demands
- Limited mobility in and across regions due to lockdowns and border closures
- Changes in regulations and practices, especially regarding on-site labour protocols
- Challenges in sourcing and managing qualified workers to fulfil rising demand

**Workmate recently spoke to HR practitioners in the field of warehousing and logistics about the challenges they are facing this year.**

We found that one of the biggest challenges is the pressure to continue meeting daily quotas and maintaining a strong workforce performance to accommodate fluctuating demand, while still improving cost efficiencies to ensure bottom-line health in these uncertain times.

This finding is aligned to results from Zebra's latest survey report, which states that the top challenges warehouses face in 2020 is hiring and retaining qualified workers (56%) followed by demands for lower costs (51%).



of respondents see demands for lower costs as very challenging



of respondents see hiring and retaining qualified worker as very challenging

*\*source: MHI industry Report 2020, Zebra Warehouse Vision Study 2020*



# How can warehouse and logistic businesses continue to improve the quality of their workforce, **while still keeping costs low?**

Let's look at a couple of strategies you can implement to achieve efficiency in your warehouse workforce.





# 1.

## Efficiency in sourcing your warehouse workforce

### **Labour costs take up more than half of all operational costs.**

Research from Kane Logistics found that costs related to manpower take up to 50-70% of total warehouse operational costs.

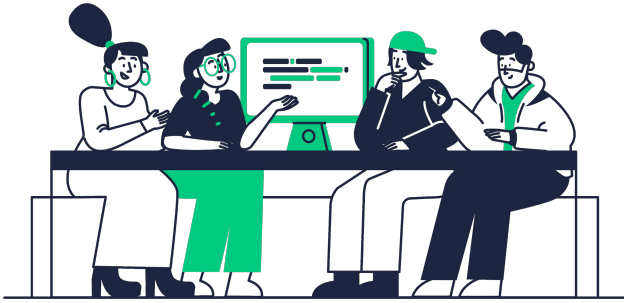
Therefore, Increasing efficiency in your workforce is now more important than ever.

Furthermore, the study revealed that the biggest challenges in managing warehouse workforce is:



Source: Kane Logistics

Evidently, hiring and managing warehouse workforce effectively is crucial, as this takes up a huge part of your operational costs, not to mention the amount of time and effort required in the process.



# Hiring qualified workers to reduce turnover

By hiring reliable workers with better quality, you can minimize costs spent on worker turnover, while maximizing your warehouse productivity.

Worker churn is not only detrimental from a business perspective but also from an operational aspect, both of which can certainly hinder efficiency in expenditure and daily productivity.

There are several costs attached to worker turnover:

- Cost to advertise open positions in your roster
- Cost to interview and select candidates
- Costs in training and onboarding workers
- Costs to provide requirements like uniforms and safety equipment to new workers

At the same time, worker turnover also impacts your warehouse productivity in the following ways:

- Gaps in your workforce causes a decrease in operational productivity in the warehouse
- Time spent on recruiting workers
- Time spent on onboarding and training new workers
- New workers will not start off as productive as existing experienced workforce, causing some disruptions in productivity





# Steps to ensure you are hiring the right workers to increase workforce efficiency

## Use a more holistic approach to worker screening and selection

Beyond the hard skills and competencies required on the job, you should also consider including soft skills in your candidate selection process. Communication skills, the ability to cooperate with others, problem-solving skills, attitude-

and time management are several examples of soft skills that give additional indication on the likelihood of a worker to complete tasks well, and continue working in your workforce.

## Evaluate past performance

You can anticipate the reliability of a worker by reviewing their past performance on similar jobs. By looking at their past employment records, including duration of employment- you can see if a candidate is likely to churn fast.

## Leverage employee referral programs

A program where workers can refer others to join your workforce is a strategy that can balance worker quantity and quality requirements. However, ensure that you have laid out the following information very clearly first:

- Comprehensive and detailed job description
- Appropriate details regarding the employment contract
- Appropriate details regarding worker compensation and benefits (including health insurance)



## 2. Efficiency Through Workforce Management Technology

**A survey done by Zenra in 2015 revealed that 70% of C-Level executives in the warehouse and logistics industry are planning to implement automation strategies in their warehouse operations in the next 5 years.**

Fast forward to 2020, most warehouses are now using some form of technology automation in their warehouses, to the point where those who are still relying on manual tools will not be able to scale their operations fast enough to compete.

However, the adoption of digitalisation should not only exist in your warehouse operations, but also in how you manage your warehouse workforce.



# Challenges in managing your workforce manually

In order for your workforce to meet daily quotas and achieve optimal productivity, there needs to be a solid and efficient workforce management process that organizes and enables workers to deliver effectively.

However, many warehouses are still operating on shift schedule Excel spreadsheets, text messages for communication, manual clock-in and paper based timesheets.

These manual legacy systems are not integrated with each other, causing the need for multiple back and forth coordination between parties and time spent on reconciling records and timesheets.

Apart from being an inefficient process, this leaves a lot of room for miscommunication, human error and misalignment which results in missed shifts, inaccurate payments and disgruntled workers who churn.

Furthermore, data and reporting comes in bits and pieces and is often delayed, which means that it is often too late for warehouses to action on areas to optimize.

**Manual workforce management processes are time consuming and prone to human error, directly impacting worker productivity and overall efficiency.**



# Warehouse Management System

## VS

# Workforce Management Platform

While your **Warehouse Management System** looks at automating the inventory management and operations in your warehouse, it should also be supported by a **Workforce Management Platform** that automates the management of your warehouse workers day-to-day.

Both of these technology solutions combined can result in incredible improvements in your warehouse efficiency.

Some benefits that both of these solutions can provide:

- Speed up operational processes
- Increase transparency
- Increase accuracy with less human errors
- Data is ready in real-time, giving you immediate visibility on areas to optimize

# Warehouse Management System VS Workforce Management Platform

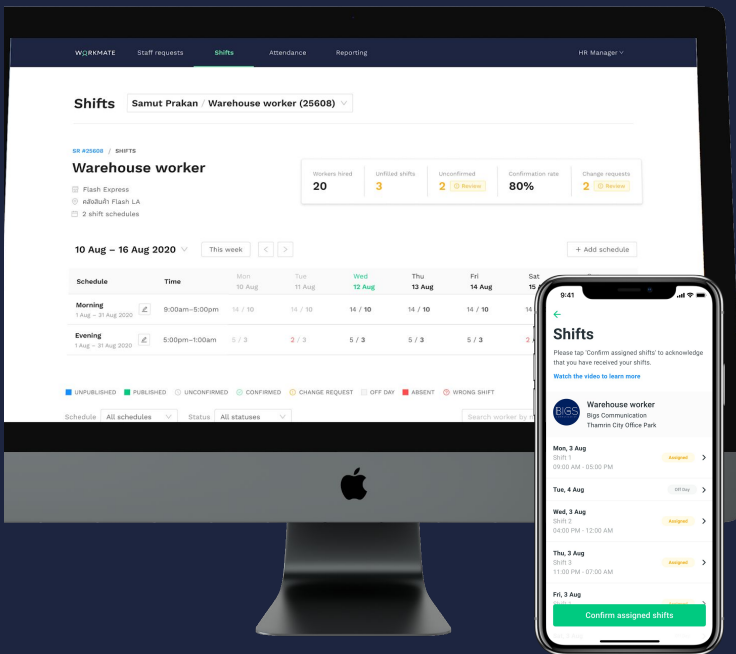


## Benefits of each of these technologies:

Warehouse Management System (Operations)	Workforce Management Platform (Manpower)
<ul style="list-style-type: none"> <li>• Manage inventory accurately with centralized stock reports</li> <li>• Monitor stocks in real-time</li> <li>• Optimize inbound and outbound logistics</li> <li>• Better planning and forecasting using data trends</li> <li>• Manage deliveries more timely and effectively</li> </ul>	<ul style="list-style-type: none"> <li>• Schedule and communicate shifts without bottlenecks and human error</li> <li>• Automate clock-in and record attendances with precision and security</li> <li>• Reconcile timesheets and payroll with accuracy and speed</li> <li>• Real-time monitoring of worker performance</li> <li>• Source additional qualified workers using real historical performance data</li> </ul>



# How can you benefit from a workforce management platform?



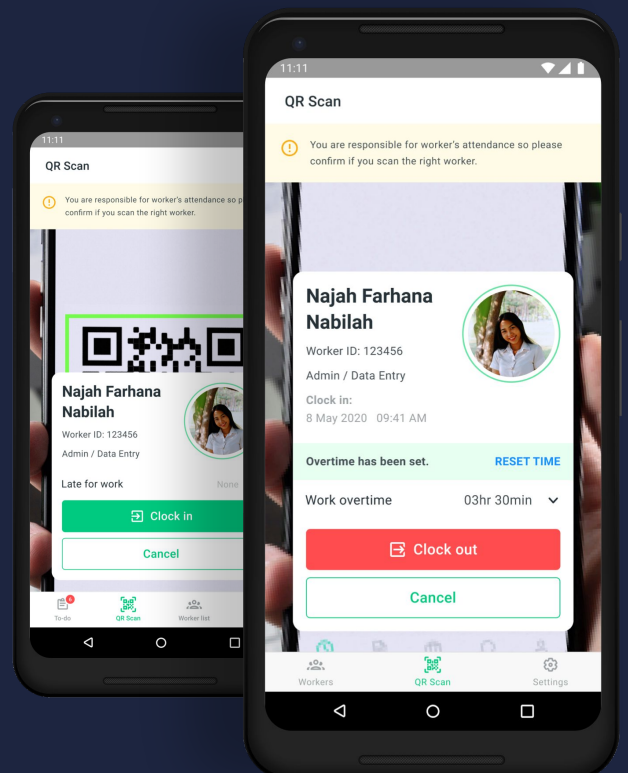
## Manage shift schedules at scale

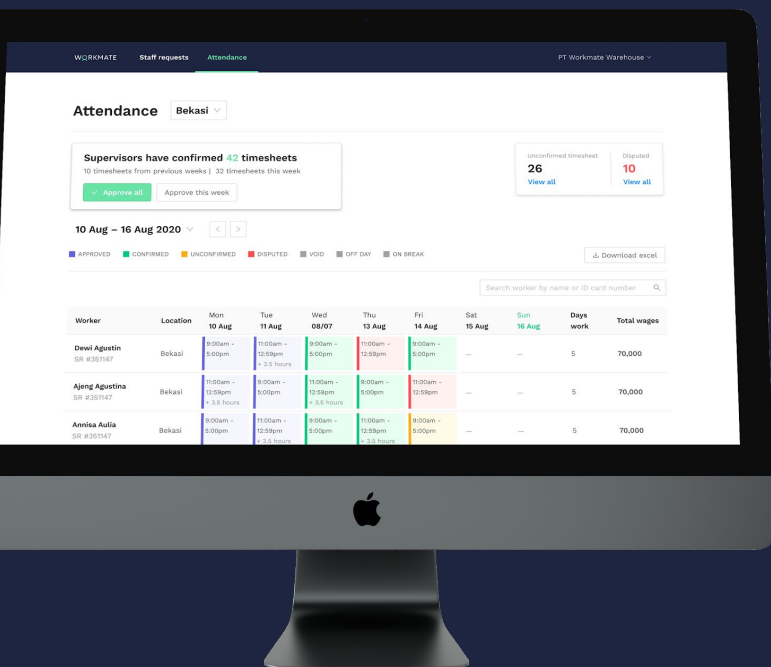
Instead of using manual spreadsheets that are both time consuming and error-prone, you can create, change or communicate shift schedules all in one platform.

Shifts are automatically coordinated and confirmed with your workers, so you can be sure that workers are coming to the right shifts and quotas are met.

## Track time and attendance-effortless and error-free

With fast QR clock-in technology, your Supervisors and on-ground Operations Managers can ensure worker attendances are secure and accurate, with the option to add in late or overtime adjustments that are automatically reflected on the recorded timesheets. This means that timesheets can be approved in 1-click without spending days on reconciliation.





## Instant and accurate payroll

Approved timesheets are automatically sent to payroll for processing, so workers receive accurate payments on time. This results in happier, more productive workers and overall lower turnover.

## Real-time performance data

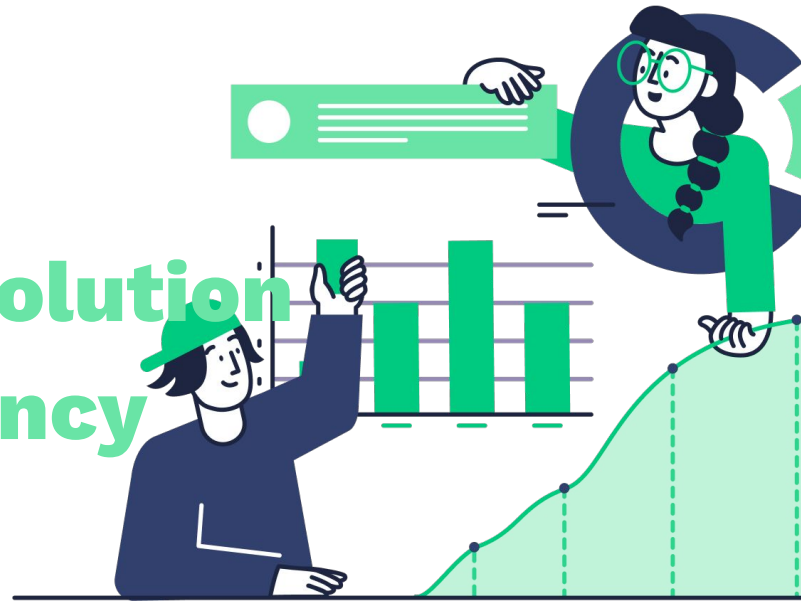
Gain immediate visibility on your warehouse performance without having to leave your desk.

With real-time analytics dashboards, you can track your fulfilment rates, performance, and overtime costs- so you can spot potential issues early on and can immediately optimize for better output.

You can also track worker retention rates and see churn reasons in detail, so you know which locations are problematic and can make the appropriate fixes fast.



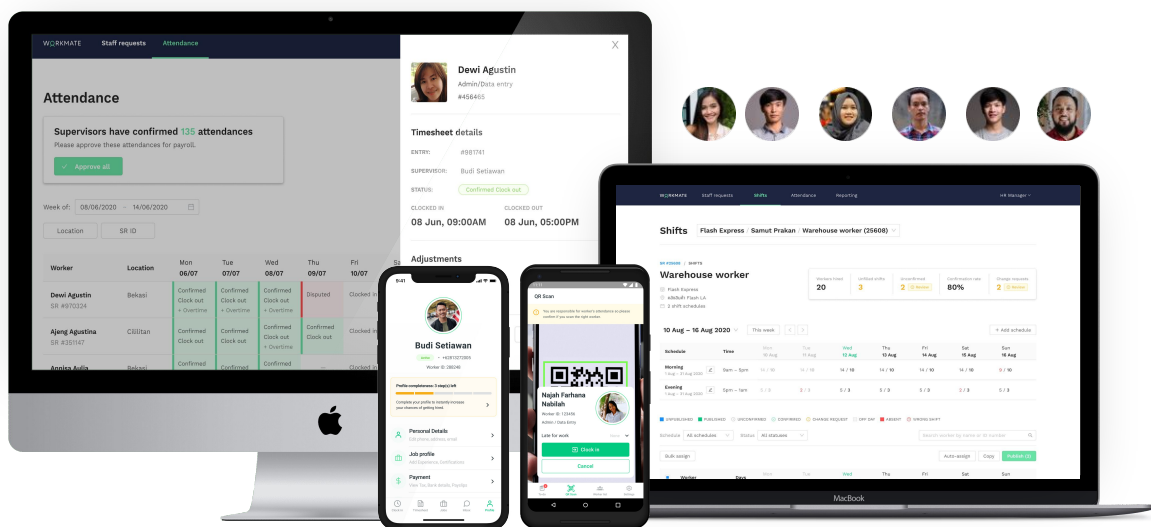
# Workmate, Your one step solution towards efficiency



In one **Workforce Management Platform**, Workmate automates your day-to-day workforce management processes including shift scheduling, time and attendance tracking, and payroll - so you can reduce inaccuracies caused by miscommunication and human error while saving hours of coordination time. Built specifically to enable the blue collar workforce, our tools are designed to predict and shape worker behaviour to increase business productivity and efficiency. .

Furthermore, real time data on shift fulfilment, workforce performance and retention gives you full visibility on areas you can immediately optimize for efficiency.

# Your Workforce Management Platform- fully integrated to a worker network.



Workmate's workforce management tools enable you to organize your workforce, seamlessly and accurately, improving shift attendance rates, better workforce performance and retention.

If you need additional workers, our integrated worker network is ready to fill any gaps in your workforce. Our AI-algorithm processes real historical data we have on worker attendance, performance, and ratings provided by previous employers- so you can be sure that workers are qualified and reliable.



# WORKMATE

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