

See how CONTINUUM helped a World Class North American Power Tool Manufacturer and Distributor relieve operational stresses across their distribution center through operational optimization within a bottleneck function.



Project Data

Client: Major North American Power Tool Manufacturer & Distributor

Location: Greater Memphis Area

Timeframe: 1 Week

Key Project Factors: Client was ultimately looking for opportunities to increase throughput in the operation by at least 25% to support a reduction of labor hours associated with upstream/downstream operations given the bottleneck the Pick Mod represented in the facility. Continuum performed observations to help identify and quantify opportunities and focus initiatives into immediate, short term and long-term improvements for the client's leadership team.

The Challenge

The client requested an evaluation be performed by CONTINUUM to identify quick-win improvement opportunities associated with the distribution centers Pick Mod. Their leadership team had identified and the facility was realizing challenges with productivity, throughput, flow and upstream/downstream operational processing gaps; all driving negative impacts to labor cost, order fulfillment and staff balancing. Inability to increase throughput past current limitations in the Pick Mod was the main driver to overtime labor for the remaining operations in the facility incurred during the weekend shifts and if the appropriate increase could be achieved within the Pick Mod functions the additional labor cost within the facility could be eliminated.

The Approach

CONTINUUM performed tactical engineering observations in the target area to evaluate the operational functions, identify opportunities for improvement, quantify effort versus impact and prioritize a go-forward improvement plan for the client.

The Results

The fast-turn assessment performed for the client by CONTINUUM's Performance Team yielded 7 quick win initiatives (High Impact / Low Effort), 4 short term initiatives (High Impact / Moderate Effort) and 2 long term initiatives (High Impact / High Effort) focused on relieving the Pick Mod bottleneck within the facility. Through immediate implementation of all quick win initiatives, the client was able to immediately eliminate all weekend overtime work across the facility and begin stabilizing flow and staffing throughout the facility, exceeding the 25% throughput increase sought by client leadership. CONTINUUM was also able to quantify an additional 37.5% Labor Performance Improvement expectation given improvements being implemented within the Pick Mod functions; supporting client leadership to move forward with the short- and long-term recommendations including System Enhancements, Alternative Processing Solutions, Engineered Labor Standards, Labor Planning and Staffing Models, Performance Coaching Solutions and a robust Labor Management Program supporting an Incentive Based Pay Program for Associates in this operation.