Logistics Help
Scale Without Stress

RETAILUP
WEDNESDAY WEBINARS BY NORA

Supercharge your eCommerce fulfilment

WEDNESDAY 14 OCTOBER @11AM AEST

To make advanced logistics optimisation available to everyone

Logistics Help are the experts in helping you build competence and capability in your logistics operations so you can get your stock right, ship on time and keep your customers happy.

Then you can relax and focus on what is important to you.

Supercharge your eCommerce Fulfillment Webinar Review

Get control over your ecommerce logistics   Call us +61 2 8078 6903

Key Discussion Points

SPEAKERS

Barbeques Galore®
Angus McDonald
CEO

booktopia
Orson Tonkin
Head of Supply Chain & Logistics

Logistics Help
Andrew Clark
The Logistics Linchpin

Discover the logistics journey that every business must go through when scaling up.

Find out why process design matters and which warehouse processes you need to have in place for fast and accurate fulfillment.

Learn what key technologies are required to support your fulfillment as your business grows.

Understand why outsourcing often fails for Online Retailers and how running your own distribution can be cheaper and give you more control.

Get control over your ecommerce logistics

- In the garage life is simple, you can see everything and do everything easily
- Out of the garage you feel great and you have more of everything
- Starting to scale – cracks start to appear
  - Run out of stock – poor purchase planning
  - Can't find stock that should be there – no location tracking
  - Slow order fulfillment – slow picking, disorganised packing and shipping
  - Lots of mistakes – time and cost to fix mistakes slows performance further
- Crisis
  - In house is a failure – So you outsource – But that is worse!
  - So you bring it back in house do it right but it's slow and expensive
- Scaling up requires you to
  - Design effective processes
  - Train staff
  - Maintain operational discipline
  - Apply technology to improve process

See the journey of Go-To Skincare from garage to growth at https://youtu.be/er9xYaHNwbI

- Most businesses are people dependent not process dependent
  - This leads to inconsistent and ineffective processes with lots of mistake fixing
  - **Poor Process + Low Volume = Works OK**
    - False sense of competence
  - **Poor Process + High Volume = Death Spiral**
    - Incompetence revealed – customers leave, reputation is damaged
    - Death spirals are terribly expensive, and if you can get out, it will not be cheap. Some businesses do not get out or have to rebuild a damaged reputation.
- Process dependent businesses are aware of and consciously design their processes and they continuously improve them.
- Process design must come before the application of technology
  - Good technology does not fix poor process
  - Good process can make poor technology work
  - Call us on **02 8078 6903** to learn how to fix your processes

See why your processes SUCK and how to fix them
https://www.youtube.com/watch?v=GSJk73OMqME

Do your processes SUCK or do they SCALE?

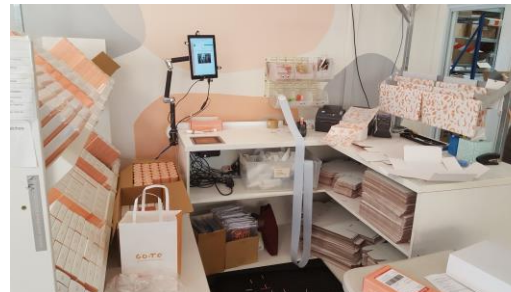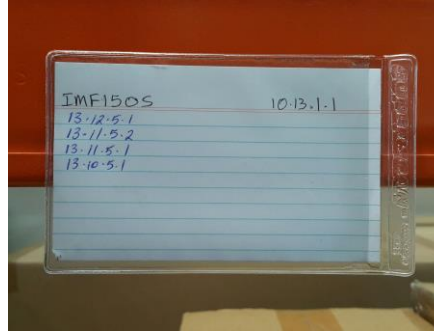|	
Slow	• Slow processes kill your business. Slow processes are constrained by staff expertise that can't be shared quickly. Labour increases excessively as you scale up. Data entry, double handling, poor communication, poor use of technology are common causes.
Uncoordinated	• If the process does not flow without errors and waiting time then it is uncoordinated. It will be slow with lots of work in process that is not tracked and therefore not able to be managed and which hides lots of unknown problems that appear unexpectedly.
Complex	• Complex processes require a lot of expert operator knowledge that is seldom shared and never documented. Only the expert can do it well everyone else screws it up and creates errors.
Keel over under load	• Almost any process works OK at low volume because you have time to fix the mistakes. When volume comes you create so many mistakes you simply cannot handle them. Your customers are disgusted with your service.
Speedy	• Speedy processes have no waste and use the latest technology and there are very few errors that require rework.
Coordinated	• Coordinated processes flow without friction or waiting. Work in process is low and everyone in the process can see their work and always have what they need to do it.
Accurate	• Accuracy must be built in to the process with good physical layouts, procedures and training, and technology.
Learnable	• Eliminate complexity by breaking a process in to clearly defined learnable steps. Use technology to remove cognitive load.
Easy	• People are lazy so your processes must be easy to follow. The correct process should be the easiest way to complete the task.

Logistics Help

- Move from family group storage to warehouse location management

- Storage and Putaway Process

  - Bulk stock locations – use a stock card or spreadsheet for bulk stock tracking if you don't have multi-location management

  - Set up pick faces for fast moving items

  - Replenish pick faces from bulk storage

  - Direct putaway to locations

- Picking Process

  - Single order picking is slow – too slow for eCommerce

  - Batch picking can be done on paper by most systems and significantly helps productivity

  - Advanced picking methods

    - Multi-order picking beyond a few orders needs system support

    - Multi-batch picking is ideal for eCommerce fulfillment but requires a WMS

- Packing & Shipping Process

  - Set up a packing bench with everything to hand

  - Freight Management Systems are essential when you start to scale up

    - Some systems provide basic order fulfillment function when connected to your webstore

12 Principles of High Performance Warehousing

1 Align business & warehouse strategy
- Your business strategy will determine where you fit in the supply chain and what type of warehouse you will need and also whether you should outsource or not.

2 Design your processes around value chains
- The ways your business creates value for your customers affects your distribution channels and type of warehouse. Optimise your warehouse processes to best support value delivery to your customer.

3 Match storage systems with inventory and order profile
- Choose storage systems that match the order and inventory profiles of your value stream to maximise space utilisation and picking efficiency.

4 Match materials handling equipment with storage systems
- For each storage system there will be a variety of materials handling equipment options. Each type of materials handling equipment will also suit a particular inventory and order profile.

5 Optimise warehouse layout for minimum travel path
- Once you have an optimised process you can build the right racking for your products in the right layout with the right products slotted in the right locations. This builds in productivity and efficiency.

6 Organise receiving processes for continuous flow
- Organise your receiving processes for continuous flow by integration with suppliers upstream and put-away downstream.

7 Create storage strategies to minimise travel
- Create product storage & pick area replenishment strategies that minimise travel in picking, replenishment and put-away.

8 Use advanced picking strategies
- There are 4 ways to pick - Single order, multi-order, batch & multi-batch - plus variants. Choose the right picking strategy for your inventory and order profile to dramatically improve productivity

9 Integrate picking, packing and despatch processes
- Integrate your picking, packing and dispatch processes to eliminate bottlenecks and get flow and responsiveness into your outbound operations. Freight system integration is essential.

10 Invest in technology
- Investments in information systems will support more productive business processes for each value stream and build in accuracy and efficiency. Use conveyors and automated system with caution.

11 Measure performance
- Measure your performance to give feedback to staff and keep your business on track for success. Keep your measures simple to understand easy to produce, set goals, discuss widely.
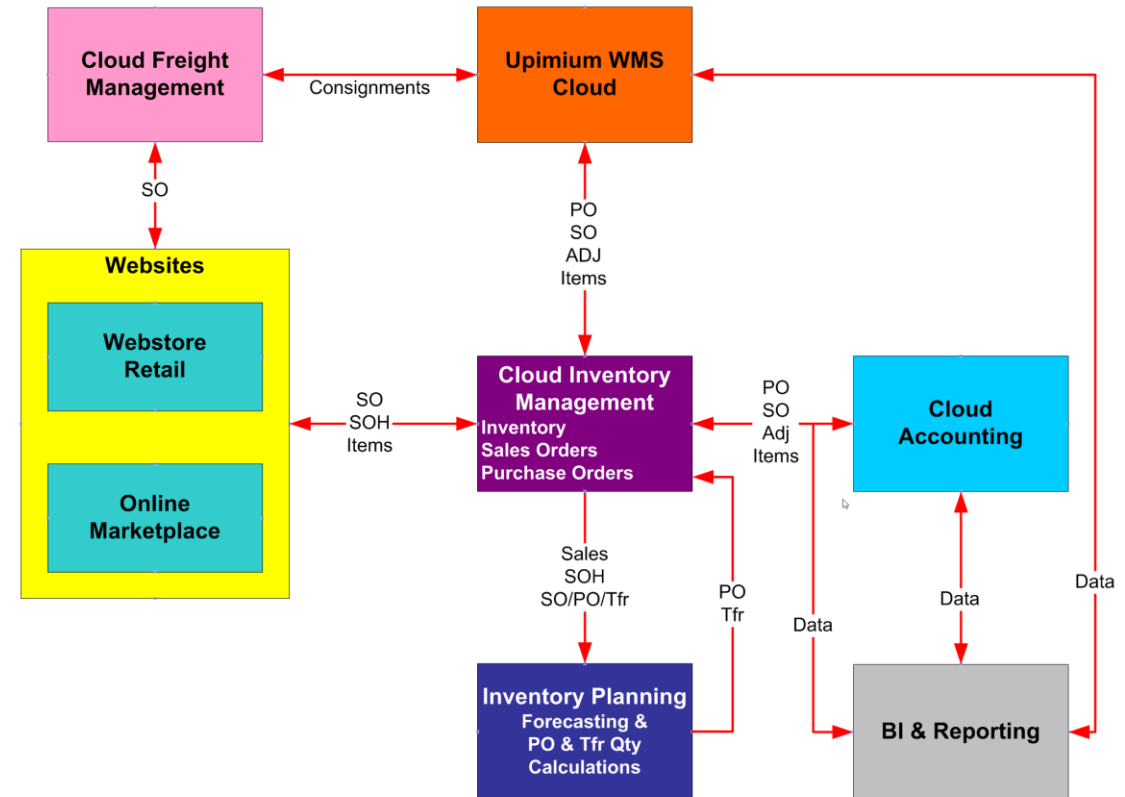
12 Drive continuous improvement & innovation
- Drive continuous improvement and innovation with Lean thinking in your warehouse. You don't need to go the full Black Belt, just absorb and apply the principles in your business to keep you sharp.
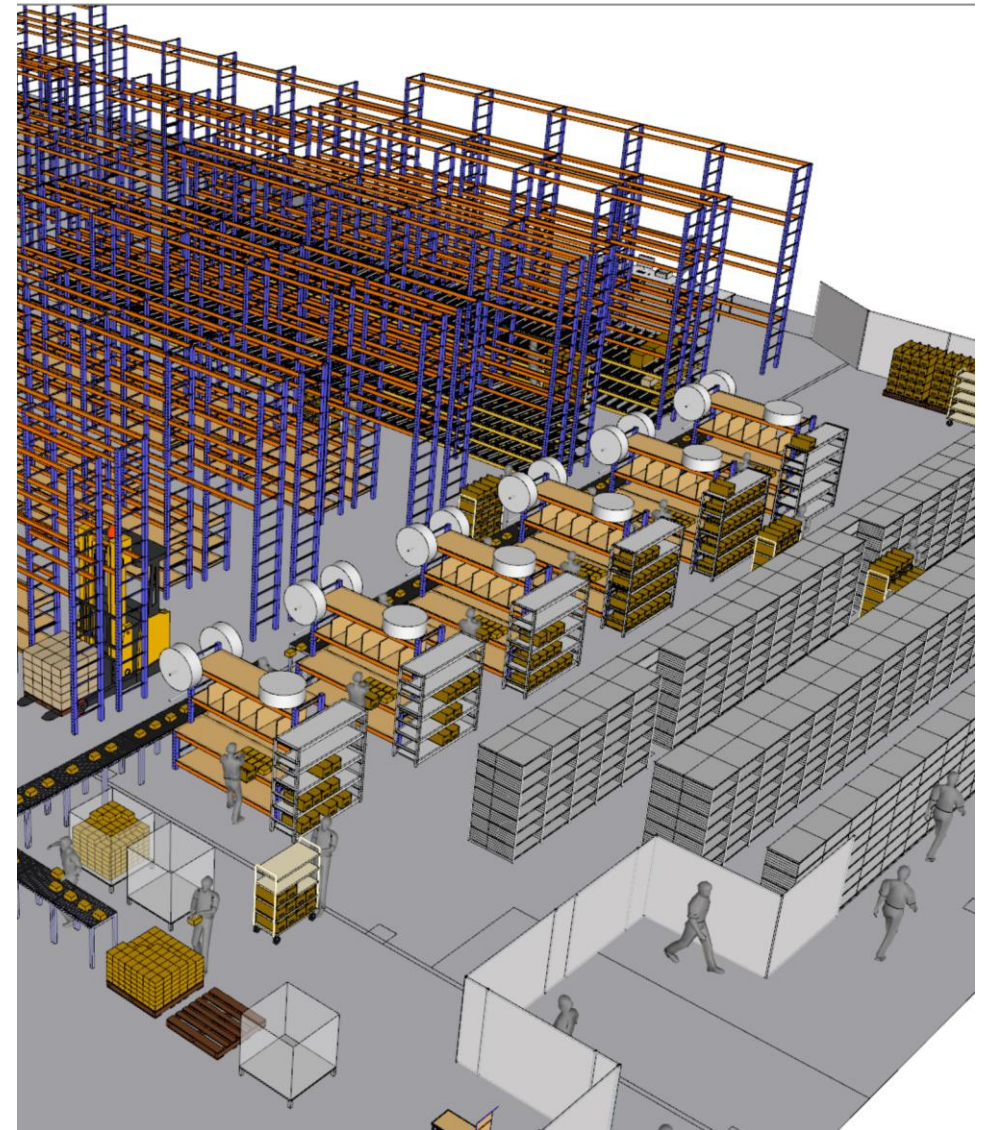
- Start with a webstore and an accounting system
  (commonly Shopify and Xero but there are many options)

- Add a Freight Management System
  (Shippit, Starshipit, Shipstation and others)

- Add Inventory Management and/or WMS
  - If you have complex supply and purchasing arrangements, you may need an Inventory Management System.
  - If your primary problem is warehousing, implement a Warehouse Management System. Many pure online retailers have simple inventory management needs but complex warehousing operations that are better served with a WMS.

- If you manage your own vehicles
  - Add Delivery Management System to give you traceability to customer
  - Add Fleet Management System if your fleet is large, and the delivery volume is high

- If your supply management is complex
  - Add inventory forecasting and planning systems to better match supply to demand. (Autostock, Slimstock, inventoryplanner.com, Netstock.com)

- Add Reporting
  - Operational and management reporting is essential to drive and monitor performance. Standard reporting on most systems is weak and separate reporting may add a lot of value
  - There are many online BI tools (Qlikview, Tableau, MS Power BI) but you will likely need expert support to get the best results from them.
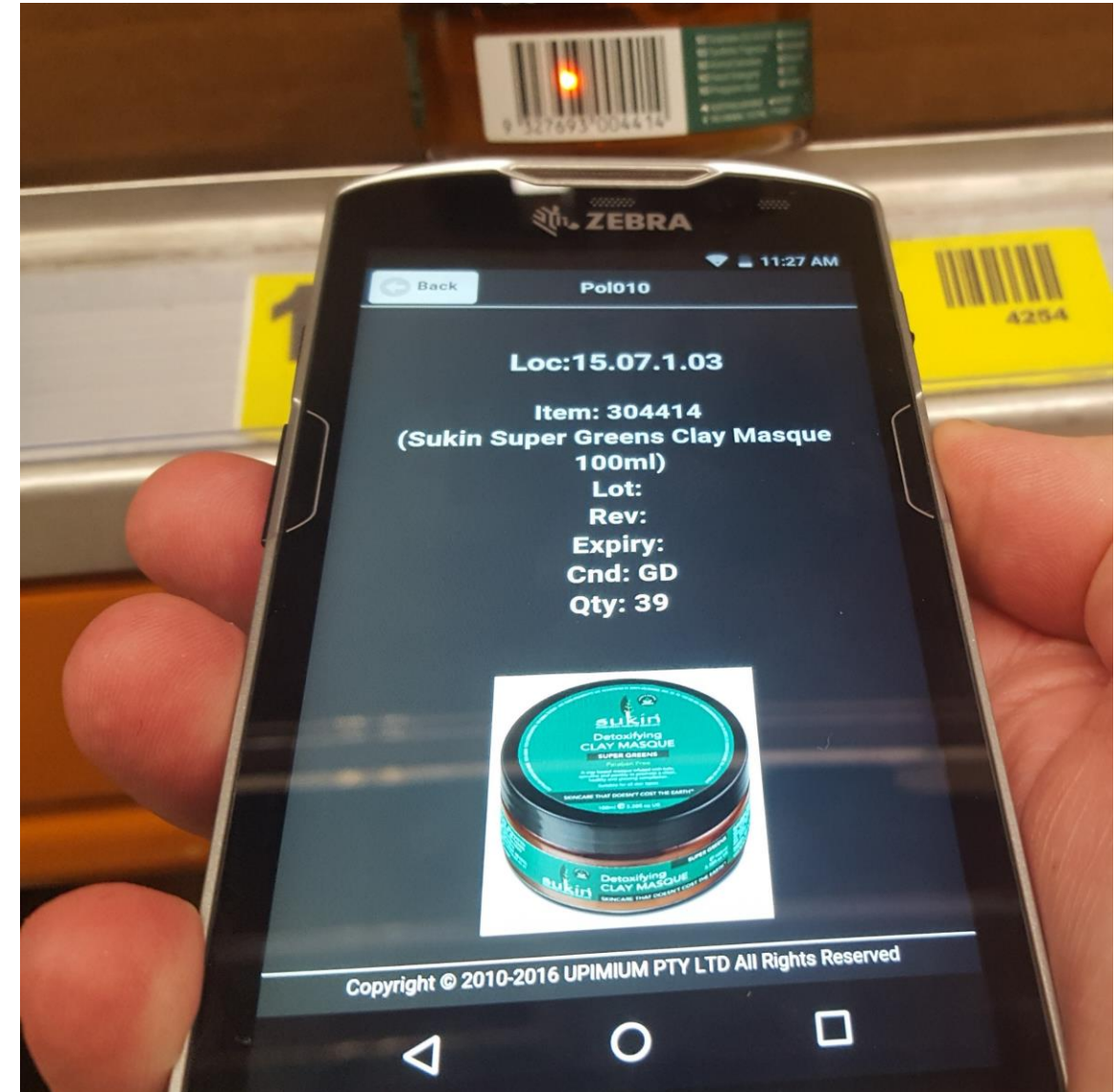
Why it can be better to run your own warehouse

- Outsourcing often fails for eCommerce businesses because the 3PL industry has been built to serve the traditional wholesale/retail distribution market
  - Bulk picking to store vs direct to customer small order
  - Labour required for ecommerce orders is much higher than traditional supply chain which kills productivity and cost for traditional 3PL, and they end up underservicing with slow fulfilment and errors.
  - New 3PLs are emerging to service the market and this will inevitably improve over time.
    - If you do outsource, choose a 3PL partner who has done similar work before. Outsourcing is not set and forget; the relationship must be managed.
- Often the only reason a business outsources its warehousing and distribution is because they lack the skills to do it well themselves.
  - Doing your own warehousing means you control the service delivery to the customer which is the key to your success
  - Doing your own warehousing well is cheaper and better than outsourcing
    - 3PLs have generic processes for everyone
    - You can optimise your process when you run your own warehouse
- Logistics Help's mission is to help you create competence and capability in logistics so you can scale without stress.
  Find out more at https://logisticshelp.com/
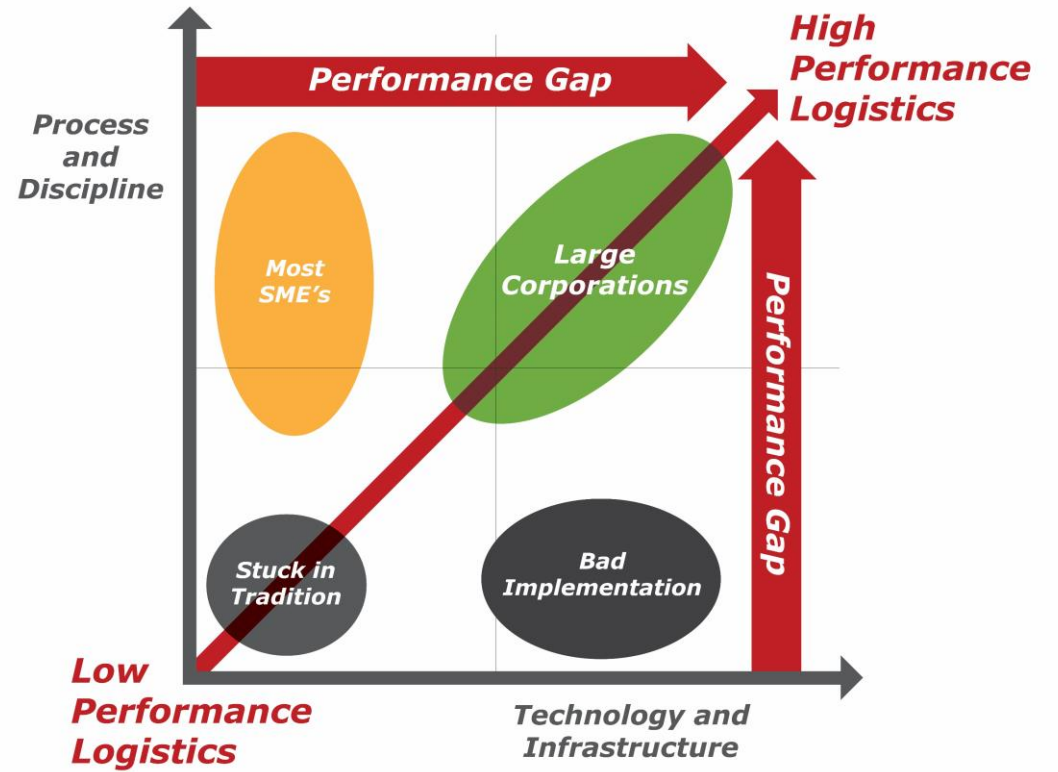
Upimium WMS Key Capabilities

- ***A WMS will give you control over your warehouse that is not possible with standard accounting and inventory systems***

- Tracks all stock movements in and out of the warehouse in real time using mobile scanners.
    - The mobile runs on an Android app or on any device using Chrome browser
    - Mobile workflows are customisable to work any way you want

- Uses barcodes on items, locations, and stock carriers (e.g. pallets, trolleys, tubs) to speed data entry and track movements

- Receives stock against Purchase Order or Ad Hoc receipt

- Directs putaway to locations but allows override by user

- Directed replenishment of pick faces

- Advanced picking methods
    - Batch and multi-batch picking with scan packing to ensure speed and accuracy

- Connects with Freight System to print shipping labels on demand during packing

- Integrates with many commonly used accounting, inventory and ERP systems

- Tracks user activity to performance standards for staff management and continuous improvement

- Tracks inventory and activity by client and calculates billing for 3PL

- Flexible hosting options - onsite, shared cloud or dedicated cloud.

Read more https://logisticshelp.com/upimium-wms/

- Call us on +61 2 8078 6903

- Find out more on our website https://logisticshelp.com/

- Follow Andrew on Linked in https://www.linkedin.com/in/thelogisticslinchpin/

- Send us an email sales@logisticshelp.com

High performance logistics is developed by a combination of Process & Discipline plus Technology and Infrastructure. Logistics expertise is systemically stuck in large corporations because the skilled practitioners they employ, stay in that realm, creating a knowledge gap between big business and Small and Medium Businesses. We're bridging the knowledge gap so you can bridge the performance gap.