

Warehouse Management News

November 2009

The latest news from QC Software



Message from the President

My staff recently attended a seminar and heard Colin Powell, former Secretary of State and retired four-star general, speak on leadership. He stated that a good manager/leader knows what is going on with employees, from the lowest to the highest ranks. He encourages managers to talk to everyone and get their perspective on the organization. Not only will you gain valuable information, you give employees a sense of empowerment when they feel their input counts.

I agree with Powell. I found it is important to meet regularly with employees and find out what is going on in the trenches. Their first-hand knowledge of the day-to-day operations is invaluable and employees can more readily see how one process affects the rest of the organization. Issues can often be found and resolved more quickly, which means you save time and money in the long run. Participation of everyone in the organization is a key feature of Total Quality Management, which companies have used for 50 years to successfully improve products and processes. You can't argue with success.

Rich Hite
President

INSIDE THIS ISSUE...

- 1 Message from the President
- 2 Powerful Shipping Solutions
- 2 How Smart Are You?
- 3 How to Increase Picking Efficiency
- 4 How a WCS Benefits Direct Sales Organizations
- 4 Comments & Suggestions



Powerful Shipping Solutions

How Smart Are You?

- 1) How many times have the NY Giants played in the Super Bowl?
- 2) What decisive battle in the American Revolution resulted in the British surrender?
- 3) In the movie Men in Black II, what was the name of the pug dog?

The answers will be published in the next newsletter.

Answers (August 2009 issue):

Who won the 1969 World Series? **NY Mets**

Who was President Eisenhower's vice president?
Richard Nixon

How many pieces are there on a chessboard? **32**

As fuel prices unpredictably rise and spike, keeping transportation costs down has become more challenging. With this in mind, QC Software's engineers developed our Shipment Management System™ (SMS) application to streamline the shipping process. SMS provides a customized shipping solution to accommodate your changing requirements, a check and balance system to ensure accuracy, and a carrier-compliant manifest system.

To further streamline the process, we decided to partner with ConnectShip, Inc., a well-respected company and wholly-owned subsidiary of UPS, to provide enhanced multi-carrier functionality. The ConnectShip™ application supports all major carriers for national shipping and more than 40 origin companies for international shipping. It provides regular carrier updates and allows you to efficiently rate shop to find the most cost-effective solution. Along with SMS, ConnectShip is configurable to accommodate different business needs.

QC Software has two certified ConnectShip Integrator Specialists on staff to not only install and maintain the application, but to make sure each customer is thoroughly trained. When ConnectShip's application is incorporated into SMS, you get a complete shipping solution to efficiently ship your product throughout the world.

We offer ConnectShip as a value-added option to our SMS application. Keep in mind that you can apply your UPS dollars toward the purchase of ConnectShip's application. If you are not using our SMS with ConnectShip, we encourage you to call and let us help you optimize your shipping operations!

Need More Info?

For more information on our products, visit our website:
www.qcsoftware.com

When you are ready to talk about your application:
<http://www.qcsoftware.com/products/apply.html>

Fun Fact

One of the first attempts at aerial mail transportation began on September 23, 1870 using balloons. This was not very successful since the balloons could not be controlled and some were never seen again.

How to Increase Picking Efficiency

The best solution depends on the size of your operation, type, size and amount of product to be shipped, etc. In some cases, a combination works well. Following is a summary for piece picking.

1. **Basic Order Picking** – Since the order picker picks one order at a time, this method works best with a small number of orders and high number of picks per order. When there are a low number of picks per order, travel time can be excessive; when there are a large number of orders, this method causes congestion by having too many pickers in the same area.
2. **Batch picking** – Multiple orders are grouped into small batches and all orders within a batch are picked in one pass. You can use this method to consolidate orders with the same items. With low picks per order, this method can significantly reduce travel time. Batch picking requires deconsolidation at packing and procedures must be in place to ensure orders are accurately packed. For maximum productivity, there must be enough orders in the system with enough similar picks to create batches.
3. **Zone Picking** – Order pickers pick items from a specific zone as the conveyor moves the orders from one zone to another. This method is most effective in large operations with high volume orders and low to moderate picks per order. To maintain a consistent flow, the number of picks from zone to zone should be balanced. For high productivity, fast pick areas should be close to the conveyor. Each zone can accommodate specialized picking techniques.
4. **Wave Planning** – *Waves* are a collection of pick tasks that will be processed together. This process involves selecting the proper collection of orders to optimize the picking efficiency. Items may be picked according to size, location, carrier, destination, etc.

Wave Picking – All zones are picked at the same time. Items are sorted later and packed into individual orders. This is the fastest method for picking multiple-item orders. This method is efficient when there are a high number of SKUs and moderate to high picks per order.

Once you decide on which method(s) to use, look at what technology will work the best:

1. **RF terminals/bar code scanners** – For operations with a large number of products and low volume picking, scanning terminals are easy to use, cost effective and provide accurate data.
2. **Pick to Light** – For high volume, operator-based picking, this technology improves order accuracy and increases productivity. The LED display lights up and provides the location and quantity of the item to be picked. It eliminates the need for pick sheets.
3. **Voice-Directed Picking** – This technology is efficient for a large number of products and low volume operation.
4. **Pick to Carton** – When picking and packing items similar in size and weight, pick-to-carton logic is useful in selecting the optimum shipping carton before order picking begins. Items are picked directly into the shipping carton, saving picking and packing time.
5. **Carousels** – Horizontal carousels are generally used to pick batches of orders with high volume, low to moderate picks per SKU and low to moderate picks per order. Horizontal carousels provide very high pick rates and storage density. They are often used with pick-to-light systems.
6. **Automatic picking machines** – An automated dispenser such as an A-Frame is efficient for high volume orders of similar products.
7. **Automated conveyor and sortation systems** – essential for large-scale operations.

How a WCS Benefits Direct Sales Organizations

Direct sales companies have some unique business requirements because of the nature of their business. Consultants/Advisors sell the products directly to the consumer, so essentially this type of company assists the consultant in running his/her own business. Since orders are shipped directly to the consumer, backorders and returns have a negative effect on the consultant as well as the company. Retaining consultants is a priority for the direct sales organization, which means that order accuracy and efficient order fulfillment are especially important.

Because virtually all orders are customized, inventory control is more complex and order fulfillment must be individually cartonized in high volumes. A WCS, as opposed to a WMS, is better able to handle these types of issues because it provides a single point of control to direct and manage all warehouse operations. In addition, a WCS modification is easier and significantly less costly than a WMS modification. A WCS can be modified within days, whereas it may take weeks to modify a WMS. And for a company with multiple locations, QC Software can typically modify and install the software at a fraction of the cost incurred with the first installation.

Our customers have realized a lower cost per order with our WCS, in part by providing practical solutions that improved order accuracy and the quality control process. For one direct sales company, we installed a feature that allowed them to check for order accuracy by weight, which was significantly faster than manually checking each container. Another solution was to install a quality control module that provided system flexibility, allowing quality control employees to monitor order integrity using various criteria to target specific areas. They were able to set the percentage of orders to be verified by advisor, shipper, SKU, location, etc.

To see how we increased productivity, streamlined the shipping process, and reduced waste, we invite you to visit our website and read our case studies on the home page: www.qcsoftware.com

Final Thought

"When you're out of quality you're out of business."
--Unknown

Comments and Suggestions

We are committed to improving the industry and believe we can all learn from each other. If you have any suggestions, comments or questions, we would love to hear from you. You may email us at info@qcsoftware.com

