

Filled with Hope

“New insights can happen at strange times. Sheltering from winter rain behind a rock on Table Mountain, my climbing buddy, frustrated with my moans about dysfunctional warehouses, told me to visit the Super Group facility in Barbara Road, Johannesburg. He said that it would cure my cynicism. I was sceptical,” says James Cunningham of Barpro Storage.

My arrival there one Tuesday afternoon, late for my appointment with the COO FMCG Lee Johnson and his National Safety manager, Lappies Labuschagne, and somewhat jaded after a rather long day, could have resulted in just another walk around a typical warehouse, albeit one which has a stock turnover, sales value, of anything between R12 and R15 million per day. But even in my condition, I could not miss the miracle that had happened here.

From BC to AD

This was unlike any warehouse that I have ever seen. It is simply world class and the lessons it can offer to South African facilities have the potential of literally moving them from BC to AD.

Some two years ago, Super Group was

experiencing problems in its outbound logistics department and sent in-house consultants to study lean methodology at Unipart in the UK. In addition a lot of processes and methodology from Toyota in Japan have been widely published and used as well. The ideas picked up on this study tour were then applied not only to outbound logistics but as of fifteen months ago, to warehousing as well.

Initiative continues and does not become just another brief management fad

Lean production essentially concentrates on the elimination of waste, which is any activity or resource which the customer is not prepared to pay for.

A sin called Tim

Waste, as far as Super group is concerned, is split up into seven categories, or sins, which they call TIM WOOD. This acronym stands for transport, inventory, motion, waiting, overproduction, over-processing and defects. Essential to this objective of driving out waste is for everyone to look critically at each activity that takes place within the factory or in this case warehouse. The fact

that a certain activity has been done in a certain way for years is no reason to continue if it causes waste.

But Lean requires the adoption of a particular mind-set by everyone. In the Toyota factory, a production line was found to be inefficient.

A problem-solving team investigated and found that the problem lay at that part of the line where the sumps were fitted to the cars. The employee who fitted them needed a stool to stand high enough to tighten the bolts and moving the stool from one bolt position to the next took time. Solution? Only employees who were 6 feet plus could fit sumps. Problem solved.

Successful application

Successfully applying Lean pro-



James Cunningham, Barpro Storage



duction is not easy and particular care must be taken especially where it is moved from a proper production facility like Toyota to a service environment like a warehouse. Terminal 5 at Heathrow Airport was supposed to be based on the principles of Lean production and, as far as the travelling public were concerned, it's start up was a spectacular failure.

Every employee has to internalise the Lean principles and it takes management discipline, given the counter cultural aspects, to ensure that a Lean initiative continues and does not become just another brief management fad.

Here comes the mascot

Getting back to Super Group, the warehouse staff are divided up into departments. Each department has a mascot, For example Operations is "Dikgosi" and Warehousing is "Ubuntu".

Every day there is a 15 minute meeting when the daily, weekly and monthly KPI's (key performance Indicators) are discussed and action plans formulated. Chairing these department meetings rotates so that every member gets a turn. Everyone is given responsibilities and is accountable for making sure that these are carried out successfully. If you are late for your meeting or your cellphone rings, you are penalised as per each department's rules.

Meeting it

Each day the department head attends a management meeting which is also 15 minutes long and happens before all the other department meetings have taken place. I noticed in the Operations Department that each desk had its list of SOPs (standard operating procedures).

As well as employee of the month boards in each Department meeting area, there is also a warehouse "Wall of Fame" prominently displayed near the entrance. In the warehouse itself, each employee is responsible for an area which normally consists of three double fixed racks and the access routes between. He is responsible for the housekeeping in this area, and to ensure all aspects of his area conform to safe work practices before leaving for home each day. His name is displayed at his area for quick and easy recourse if it is not up to standard.

When any problem occurs within the warehouse, ie, a case cannot be scanned, the picker presses a problem-solving siren switch.

Solving the problem

A designated problem-solver then arrives whose job it is to resolve the matter. Not necessarily



a supervisor, he has been trained to solve the problem in a structured way and I was told by Lappies that one of the simple methods taught to a problem-solver of getting to the root cause of a problem was by asking the question "why" systematically five times.

Only employees who were 6 feet plus could fit sumps. Problem solved

The racking itself is checked in-house by a trained stacking supervisor once per week. Any damage found is then fixed immediately or the rack is emptied until the materials are available. Drivers and pickers are now reporting incidents and near misses as well as when they actually damage the racking. I was told that there was to be a rack safety refresher course facilitated by HASLAC the day after my visit and that the warehouse had received a 5 star risk rating from Alexander Forbes.

Internal blue lights

Department employees have begun policing themselves and the "right attitude" is encouraged. Lee mentioned that when problems occur it is mainly when casual workers are on site. In fact the last four incidents involved casuals so it has been agreed that each casual must now be assigned to a permanent employee to look after and instruct them after their induction.

At the head

Jerry Mogotsi, the warehouse manager, has an office which is rather more organised than mine. There is a terminal on his desk showing the daily performance in terms of cases picked by each of his staff. "It is amazing", he says, "how much performance information can be found on a real time warehouse management system".

Daily he downloads graphs via excel which are

then displayed on the departmental meeting board and form the basis of the daily meetings. Although the materials handling equipment was busy, Jerry controls 8 reach trucks, 10 forklifts and 8 men on ride-on machines, he showed me where every vehicle is checked at the beginning and end of each shift.

A designated problem-solver then arrives whose job it is to resolve the matter

Safety faults result in the vehicle being immediately removed from service until fixed. Other faults are notified to the service department and requisitions placed for the parts required. Once these arrive, the machine is fixed in such a way that the warehouse operation is least affected.

Reaching

Although I didn't get to speak to anyone in the debriefing department, Lee informed me that this is where problems tend to emerge. Before Lean was adopted, there were approximately 1000 outstanding PODs totalling R77M. Now, fifteen months later, the number is zero and has been for months. All delivery vehicles have onboard tracking equipment which also records such items as speeding infringements, and excessive braking and idling.

The trucks are barcoded and each pallet is scanned on and then off at the customer. Any returns or rejected goods are also scanned at the time they are received by the driver. This information is then processed while the driver is still on the road and the credit notes prepared before the truck returns.

Critically, each driver is debriefed when he gets back to the warehouse and any infringements or other problems are dealt with at this time. While this aspect of the Lean programme is still in the implementation phase, Lee informs me that they have already realised substantial efficiency improvements.

Partner the losses

An external company called Professional Risk Management, who has partnered and grown with Super Group for a few years now, checks all outgoing goods and is responsible for any losses. As their personnel work in the warehouse, they also participate in the Lean programme, interacting between warehouse and outbound distribution.

Of interest here is a problem that occurred in the dispatch cages. These were getting damaged on a regular basis which was costing R1000s every month to fix. The problem was discussed and the solution was to paint white lines in every dispatch cage. No pallet can be placed on or over the white line. Any infringements are subject to disciplinary action. Result? Cage damages have been eliminated.

Interpersonal relations

One of the most important features of this facility is the interpersonal relations. Everyone is valued and respected. Everyone is really listened to. Everyone is responsible and accountable for what they do.


No-one is placed in a job without training and left to sink or swim. Each job position has been investigated and assigned a predictive index. Applicants for a post are screened to see if their natural aptitudes suit the requirements of the position. On the other hand, while the company does everything it can to make an employee productive, if he fails to find the "right attitude" and does not learn from his mistakes then I suspect that he will not remain employed here for long.

Be committed


And everyone from the warehouse manager downwards needs to be committed to making Lean work. While there must have been setbacks and frustrations, I am amazed by what has been achieved here in the space of 15 months. It also fills me with hope as to what can be achieved in other South African warehouses.

James Cunningham, Barpro, Tel: (021) 552-9190, Email: james@barpro.co.za, Website: barprostorage.co.za

STRIP CURTAINS



- Prevents ingress of hot or cold air.
- Keeps dust, insects and other foreign material out.
- Easy passage for personnel and vehicular traffic.
- Made from specially formulated PVC.
- Features patented Balledge design.



For more information
JHB - 011 452-8723 • CT - 021 551-5076 • KZN - 031 363-5035 • PE - 041 487-2525

www.apexstrip.co.za

Designed by Apex Design Studio. Produced by Coopers & Lybrand. Tel: 011 452 0946