



Briggs & Stratton Improves Productivity and Reduces Distribution Costs with Workforce Performance Management

Features and Benefits

Manufacturer and distributor of air-cooled gasoline engines

316,000 sq. ft. replacement parts packaging and distribution center

40,000 SKUs across multiple brands

Ship 22 million parts annually

Industry Group: Supply Chain Execution Systems & Technologies Group

Briggs & Stratton is the world's largest producer of air-cooled gasoline engines for outdoor power equipment. Their replacement parts division ships aftermarket and service parts worldwide from their 316,000 sq.ft. distribution center in Menomonee Falls, WI (MFDC), a facility with both distribution and packaging operations.

Labor Management Challenge

Prior to 2003, the MFDC facility had no standardized way for associates to do their jobs or to measure productivity. The MFDC management team felt they could get greater productivity if they standardized work methods, set goals and measured results. A study by the University of Wisconsin found there was significant opportunity for return on investment if the MFDC deployed labor management technology.

Workforce Performance Management Solution

Briggs & Stratton implemented a Workforce Performance Management solution for the differing needs of their distribution and packaging operations, including preferred methods for performing each task, discrete labor standards incorporating machine-based timing, and advanced labor management software. Briggs & Stratton first implemented workforce performance management in its distribution operations in "monitoring mode" one month before the actual go live date to set a performance baseline. They found they were working at only 67 percent of standard, but within a month, they reduced their pick, pack and ship headcount by about 18 percent while maintaining throughput. Soon after, performance improved to 100-110 percent of standard.

Says David Zuern, director of distribution operations, "Most associates found it fairly easy to make 100 percent of goal once they learned to follow the preferred method, with fewer quality and

safety problems.”

Briggs & Stratton next turned its focus on its packaging operations which occupy half the facility, with 95 percent of all parts being kitted, representing approximately 22 million pieces annually. “The packaging processes resemble manufacturing operations,” notes Zuern. “Each final SKU has a work order with a bill of materials, machine ID, machine rates, operator data, etc. Components are gathered and placed at the machines, then kitted and sent to the DC for storage and eventual sale.”

The light manufacturing environment required a different approach to labor management. The entire workflow from receiving/putaway through the kitting and transfer to the DC had to be included. Measuring performance of the kitting process entailed machine-based timings not present in traditional distribution. The results were immediate and readily accepted by the associates. Productivity shot up almost 20 percent within two weeks.

The program had benefits beyond productivity improvement. “The new methodology changed our management style,” says Zuern. “Associates are now responsible for their performance, so facilitators have become problem solvers rather than enforcers. As a result, associates and facilitators work together to maximize efficiency.



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