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# LABOR PRODUCTIVITY

Work Group Discussion  
by  
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The work group discussed several productivity areas in distribution centers and made some suggestions for improvement. Time did not permit an in-depth examination of many ideas. Those discussed are listed.

## A. Productivity problems and suggestions relating to people.

1. Many distribution centers may not have good job definitions. This creates confusion and reduces productivity.
2. Many managers don't know the problem areas in labor productivity. Work sampling should be used to identify these areas.
3. Each firm should develop productivity and operating standards for its own situation. Industry standards should only be used for comparison purposes.
4. Knowledge in supervision is lagging. Moreover, supervisors generally can't train people. More emphasis should be placed on research in this area.

## B. Productivity problems and suggestions relating to physical facilities, handling equipment, and materials.

1. At the present, mechanized or automated warehousing systems have not proven to be economically feasible. Some of the problems are

related to the uneven flow of grocery orders and the large amount of time that the equipment is not being used.

2. There is a continuing need for standardization of master container sizes and a numbering system to identify them. Firms could promote the system by developing a standardized system for their private label items.

3. The electric conveyor is the best mechanized grocery handling system but a system needs to be developed to handle the products when they are delivered at the end of the line.

4. The weight of products coming out of each aisle needs to be analyzed to avoid unequal weight distribution on delivery trucks.

5. Warehouse facilities should be designed to allow maximum flexibility so that columns can be shifted to allow changes in aisles and storage and handling equipment at later dates.

6. The wrapping of pallets increases security of the items. Savings amount to 70¢ per pallet.

7. There are some labor economies in smaller warehouses.

## C. Productivity problems relating to management.

1. Inventory turnover is a major factor relating efficiency. Good

inventory management can increase labor productivity. Productivity is greater in the handling of fast moving products.

2. Merchandising programs can be used to redistribute sales and work requirements in distribution centers. The tradeoffs need to be investigated.