

AUTOMATING OPERATIONS AND IMPROVING LABOR MANAGEMENT IN TODAY'S SUPPLY CHAIN



In the last few years, consumer behaviors and e-commerce are driving significant changes in warehouse and logistics operations. Omni-channel fulfillment is revolutionizing the supply chain where having regional and local distribution centers help create an ecosystem that enables same-day shipping and receiving in most areas. The need for two-day to same-day shipping throughout industry sectors, including food and beverage, are transforming how operators invest in their technology and workforce. This leads to greater integration of warehouse automation to meet order fulfillment objectives at higher accuracy rates, while using labor more strategically to complement evolving technologies.

From increased use of robotics, wearables, and pick to voice, to autonomous vehicles and innovative digital technology, companies are focused on enhanced automation and labor strategies that improve operational efficiency.

When implemented correctly, these technologies solve for key attributes needed in today's operations: Automate as it makes sense economically; Remain nimble with space, staff, and software; Scale instantaneously in response to needs; Provide 100% real-time visibility; Provide a customer centric experience.

How Technologies Transform the Supply Chain

Robotics and automation devices include autonomous pickers, tuggers, transporters, and sorters. These devices provide a safe, efficient, and reliable solution for the movement of goods in a warehouse, while improving productivity, visibility, and customer service levels.

For example, employees spend approximately 30% of their shift traveling inside the warehouse. Autonomous vehicles significantly reduce travel time and through machine learning improve inventory pick accuracy. By using autonomous vehicles, employees have more time to complete other, more complex tasks. At one, food and beverage warehouse, the implementation of autonomous vehicles produced 20% operating savings by decreasing labor costs, raising service levels, and improving order accuracy.

Wearable and mobile technology gives managers and employees the capability to exchange data between devices and the network. These devices – including smart phones, sensors, scanners, tablets, glasses, and head-mounted systems – give employees convenient and immediate access to technology and information wherever they are in the warehouse. In automated warehouses, wearables support core processes such as shipping, receiving, routing, inventory management, picking, and replenishment.

Wearables can be implemented inside food and beverage warehouses to improve picking processes. In one instance, the use of the wearables decreased the time it took to pick and scan inventory by five seconds per item and improved efficiency by 20%. With the proliferation of SKUs because of a demand in variety, and when thousands of items are picked daily, those seconds add up to hours saved and lower operating costs.

One new wearable that has become prevalent during the coronavirus pandemic, is being found to have uses going into the future. The FastSensor ADAM, or Active Distance Alert & Monitoring, is being used across Ryder supply chains to monitor if employees are coming within a close proximity of each other. The sensors allow managers to see heat maps of employee locations which in turn show if and where workers are congregating – which can be for picking inventory or socializing. This information can be used to improve efficiencies whether it is moving high touch inventory for easier access or redirecting employee flow.



Improving Labor Management

It's no secret that when deployed and developed properly, a machine or automation system can improve efficiency inside a warehouse. They also supplement a workforce in a time when labor shortages are prevalent. It must also be noted, a machine will not replace human labor inside the warehouse. Instead, machines and human labor work together faster, better, and safer.

Investments in new technology for labor management inside the warehouses are critical. This technology provides performance metrics visibility, labor management, and data automation within a warehouse, enabling stakeholders to build labor strategies that improve efficiency.

As a result, companies gain visibility into performance metrics down to the single employee level, customer delivery status, performance analysis, and contractual key performance indicators. This can lead to double-digit labor productivity improvements, as well as increased employee engagement and improved customer experience.

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A Formula for Supply Chain Success

In today's competitive world, where consumers expect products delivered to their doors expeditiously and at peak quality, it is essential for companies to evolve their supply chains through automation and efficient labor strategies.

At Ryder, our strategy to lead the change and pilot new technology creates customer centric solutions that drive results. It's how we automate operations, and provide companies visibility to proactively manage exceptions in the movement of goods through the supply chain. It is also how we connect multiple people to collaborate in real-time, to solve in minutes, what previously took days or weeks to fix.

We've extensively examined automation technologies to determine how they support supply chains, and deliver the most value to customers while helping them stay ahead of their competitors. Through Ryder's investments in technology we're able to deliver a digital supply chain solution that allows data to flow from mulitple systems and platforms; ultimately leading to advanced analytics and a more cohesive continuous improvement plan.

We are doing this with RyderShare™, the ultimate digital platform for real-time visibility of goods moving across the supply chain. The collaborative logistics platform enables the sharing of data with all stakeholders to make decisions and take actions on exceptions in the transit of products. Through its customer-centric approach, RyderShare enables companies to achieve cost savings by reducing redundancies, driving efficiencies, and creating a more predictive supply chain.

Ryder OpsBox™ our analytics platform for labor management, provides floor visuals for employees, daily metrics, workforce planning, and customer visibility dashboards. Furthermore, OpsBox provides an automated, accurate platform that drives analytics and increases labor productivity more than 10%.

Our leading-edge last mile technology RyderView™, gives manufacturers, retailers, consumers, and distributors real-time visibility into the delivery of products, as well as provides capacity management, intelligent routing, carrier tracking, and the ability to self-schedule deliveries.

And, RyderDrive™ our platform that enables communications between truck drivers, managers, and dispatchers, to streamline trip management and automate operations at transportation hubs. Additionally, RyderDrive's ELD-compliant trip management features eliminates the need for paper trip sheets, including trip updates and document capture. This automation of driver tasks increases fleet efficiency and aids with the speed of information. It also separates driver communications from telematics, allowing better focus on getting your products to market faster and more efficiently.

By automating and digitizing data, these technologies help optimize operations, enhance our employees' capabilities, and improve how we serve you through on-time delivery, exception management, and visibility.

By implementing new technology, planning, and training, companies can overcome the challenges of omni-channel fulfillment, labor shortages, and rising consumer demands. As a result, automated warehouses and labor management technology provides flexible, responsive, scalable, and customer-focused supply chains that can quickly become the most valuable tool in driving efficiency and meeting customer needs.

Discover how Ryder Supply Chain Solutions can improve your performance at **ryder.com**.



About Ryder

Ryder is an \$8.4 billion Fortune 500® commercial fleet management, dedicated transportation, and supply chain solutions company. The company's stock (NYSE: R) is a component of the Dow Jones Transportation Average and the S&P MidCap 400® index. Ryder, which provides commercial truck rental, truck leasing, used trucks for sale, and last mile delivery services, has been named among "The World's Most Admired Companies" by Fortune, as well as one of "America's Best Employers" and "America's Best Employers for Women" by Forbes. The company is regularly recognized for its industry-leading practices in third-party logistics, environmentally friendly fleet and supply chain solutions, world-class safety and security programs, and hiring of military veterans. For more information, visit ryder.com, get insights on Ryder Compass at ryder.com/blog, and follow us on Facebook, LinkedIn, and Twitter.

