

NILFISK CASE STUDY

EXPANDING VOICE FROM PICKING TO INDUSTRIAL INSPECTION



VITECH



ABOUT NILFISK

Nilfisk, based out of Brøndby, Denmark, is a world leader in professional and commercial cleaning solutions. With products ranging from vacuum cleaners to rod iron scrubbers, Nilfisk offers more than 28,000 SKU's aimed to provide its customers with a wide range of options to meet their needs. All of the orders placed in North and South America are filled by the 200,000 square foot distribution center (DC) located in Springdale, Arkansas, where quality control inspections also take place. Orders for the rest of the world are fulfilled out of one of four DC's strategically located across Europe.



CHOOSING VOICE

Nilfisk began its search for voice after struggling with productivity in its United States DC. “We were constantly hiring workers to keep up with demand, and quickly realized we couldn’t hire our way out of the problem,” said Demetrius Smith, DC Manager and Head of Operations for Nilfisk’s High Pressure Washer Unit.

Topping out at 30 pickers per shift, Smith realized they needed a different solution to improve efficiency. “We knew we had to gain efficiencies in our processes to be able to handle our projected sales increases for the next 5 years. We couldn’t do that with the processes we were using, and there were no plans to invest in new buildings, so we had to find a creative way to get more work done in the space we had.”

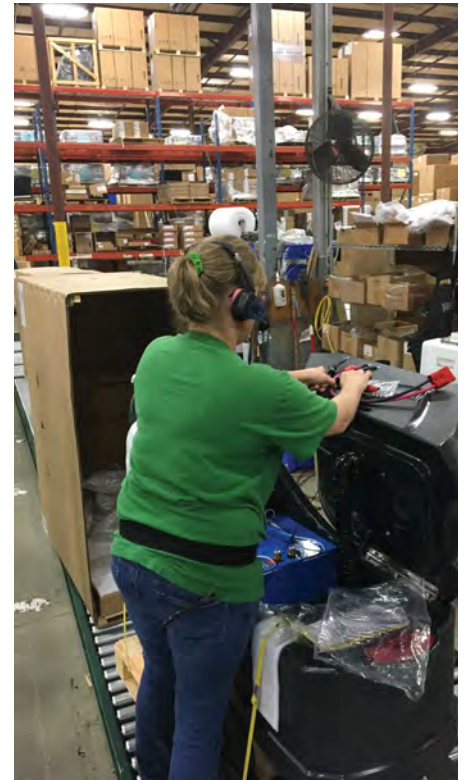
After evaluating multiple different solutions, Nilfisk chose to implement Vocollect Voice for all of the warehouse picking procedures. They selected Vitech Business Group, a Vocollect partner based out of Bellingham, WA, to help with the implementation. “We are leaders in our industry, so we wanted to partner with leaders in the voice industry. We knew Vocollect and Vitech were on the forefront of voice technology, and that was something we wanted to be a part of,” added Smith.

THE INITIAL IMPLEMENTATION

Once Nilfisk began the voice implementation, it was only 6 months before the system was up and running. “One of the main reasons we chose Vitech was their reputation for easy implementations, and they didn’t disappoint,” recalled Smith.

The project included voice enabling all of the batch picking procedures, and since a large percentage of the workforce was Spanish speaking, Smith opted to add the option of Spanish for the picking instructions. “One of the biggest surprises of the implementation was that no one wanted the Spanish option. They all said voice was so easy to use and understand, so they had no problem sticking with English. Some of them were even using it to help them learn and understand English.”

The only issue that arose through the process was with Nilfisk’s internal wireless network, which struggled initially to cover the users in the far corners of the large warehouse. “Even though it wasn’t an error on their end, Vitech helped us figure out how to fix the problem. Once that was accomplished, we started seeing immediate improvements in productivity,” said Smith.



THE RESULTS

Increased Productivity

Shortly after implementing voice, Nilfisk experienced an immediate increase in picking productivity. “Before voice, our pickers could do 10 lines per hour,” said Smith. “Our first month with voice they were up to 15 lines. The second month they were at 17. Now, they are consistently picking 25. I keep getting questions from upper management on where I think that number will stop. I tell them the sky is the limit with voice.”

Reduced Headcount

The productivity gains have allowed them to do more with less, leading to a significant reduction in headcount. “We are able to do more now with 13 pickers on voice than we were able to do with 30 pickers using RF and paper,” stated Smith.

Reduced Operational Costs

Another benefit of the increased productivity has been found in overtime, where according to Smith, the company has seen a decrease of 35% since implementing voice. Additionally, the removal of paper also saved the operation a considerable amount of money. “We were constantly reprinting lost pick tickets. It wasn’t easy keeping up with 35 people’s worth of paper,” recalled Smith.

Increased Accuracy

Along with keeping workers eyes on the assigned task, voice has another benefit over paper- you can’t lose it. “We would have entire picking lines missed for orders because someone lost their list,” said Smith. “But with voice those lists are gone, and our accuracy has increased from 99.2% to 99.8%.”

Improved Safety

According to Smith, one of the biggest unquantifiable benefits of voice is the impact on workplace safety. “We have a three level mezzanine, and before voice someone would have to fill their hands with a bucket, labels, RF guns, and anything they picked up and carry it all up and down the stairs. Now that they are hands free, they are able to safely walk up and down the stairs, securely holding whatever they picked in one hand.”

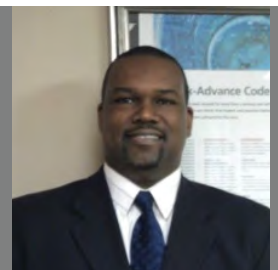
Reduced Training Time

With the use of voice, Nilfisk was able to decrease training time for pickers by more than 97%. “Before voice, it took more than a week. We had new workers spend time shadowing our more experienced workers to learn what to do, where to get the paper and tickets, where things were located, and how to use the RF guns. It was inefficient at best,” said Smith. “Now that we have voice, we can confidently train workers and turn them loose in the warehouse with an hour of training.”



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- Demetrius Smith, DC Manager and Head of Operations



Improved Customer Service

After realizing the efficiencies of voice, Nilfisk realized that they had an opportunity to improve the shipping windows for their customers. “Our turnaround time before voice was 48 hours, now it takes 12. We are now able to take orders up to 3 pm and ship out that same day, which has been great for customer service,” said Smith.

ROI

According to Smith, the ROI for voice was far better than expected. “We were originally quoted at nine months to achieve ROI, but between the reduced headcount and operational costs, we achieved it in three.”

EXPANDING THE USE OF VOICE

In the process of implementing voice for picking procedures, Smith began to examine how voice could impact the rest of Nilfisk’s operation- particularly on the inspection line. The inspection line was set up in three stages, with six employees, all who had to complete their portion, initial a piece of paper, and pass the paper onto the next person. “Voice was able to get rid of the paper in our picking process, so we knew we could replicate that for our inspection line. We needed to cut down on the amount of time it took each assembler to find a clipboard, sign the paper, remove it, and pass it on” recalled Smith. “We also wanted to remove the data entry and paper storage from the process- that was not what we were paying them to do.”



For the inspection process, the voice system guides the assemblers through their portion, logging information back into the system as they go. The system keeps track of which users are completing the inspections, and updates in real time, so there is no longer any need for initialing, data entry, or paper storage. “Voice has saved us so much time,” said Smith. “Not only do we not have to worry about paper when the processes are being completed, but it saves us time after the fact as well. If there is ever an issue with a product, we don’t have to dig back through the sheets to find out who worked on the item. We can just look it up in the system.”

THE RESULTS

Increased Productivity

Once the paper was removed from the inspection process, Smith saw an immediate and impressive change in productivity. “Inspection line time dropped 30% by removing the paperwork, signatures, data entry, and paper storage. The whole processes is much easier and much more efficient now.”

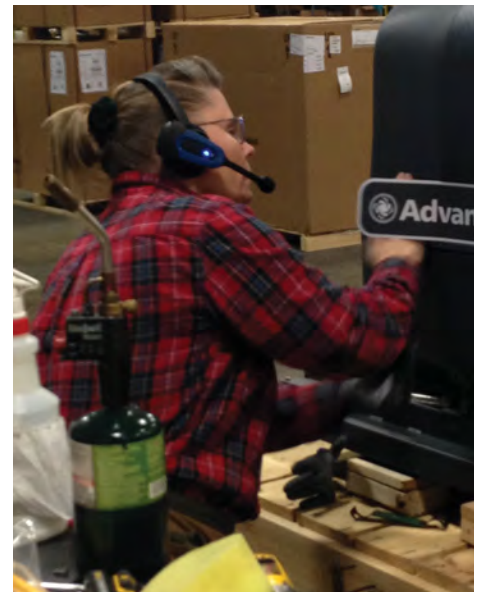
ROI

One of the most compelling parts of extending voice, according to Smith, was the ROI. “Since we already had a majority of the infrastructure in place, we were able to achieve ROI for the inspection line in only one month.”

LOOKING TO THE FUTURE

Moving forward, Nilfisk plans on expanding voice beyond the US operation and into Europe. “Based not only in what we have done in Springdale, but also on our experience with Vocollect and Vitech, the company believes that we can bring voice to our European distribution market as well.” Nilfisk also plans on expanding the use of voice in the Springfield DC to include the inspection line picking.

When asked to give advice to someone considering voice, Smith’s advice was simple. “Pick the leader in the industry, because they know their business and will learn yours. Voice will help you get ahead of the curve and stay ahead.”



VITECH: CUSTOMIZED SUPPLY CHAIN SOLUTIONS MADE SIMPLE

Since 2005, Vitech has helped our customers select, purchase, design, implement, administer, and upgrade their Vocollect Voice solutions. As a Premier Vocollect Voice Total Solution Provider, and a Vocollect Partner of the Year, we know how important it is to get a voice system that meets your expectations. Our team is committed to seeing projects through from concept to completion, and we bring our voice expertise and best practices to every implementation. With a broad base of voice customers around the globe, every day Vitech continues to deliver customized voice solutions that meet the needs of our customers, both today and in the future.

For more information, please visit www.vitechgroup.com.