ORDER SELECTION

Historically, the order selection process has received the most attention from distribution center management because it is the largest cost area of the operation and the function most easily quantified for production accountability. It is also the lifeblood of the facility because success or failure in this operation directly affects the retail food customer who needs to receive the product ordered on time.

Recent history shows a movement away from mechanization toward the application of information systems. New systems currently being tested include wrist-mounted computers with scanners that make the order selection process paperless. The orders are loaded into the order selector's computer via a radio frequency (RF) technology. A screen is provided to display the pick list and other important messages that may develop during the process of selecting the order. The order selector scans the selected product or rack label when the item is picked and receives immediate verification from the computer. This system eliminates mistakes and provides dynamic information to management about the order selection process.

Several companies are testing a voice controlled order selection system where the selectors are given verbal commands during the picking process. They respond by talking via headsets to acknowledge each time the correct number of pieces are selected. The 1990s also saw the successful application of new types of mechanized order selection systems, such as carousels, pik carts and A frames. All of these systems are used primarily for small case/item pick products such as tobacco, candy, HABC, general merchandise and pharmaceuticals.

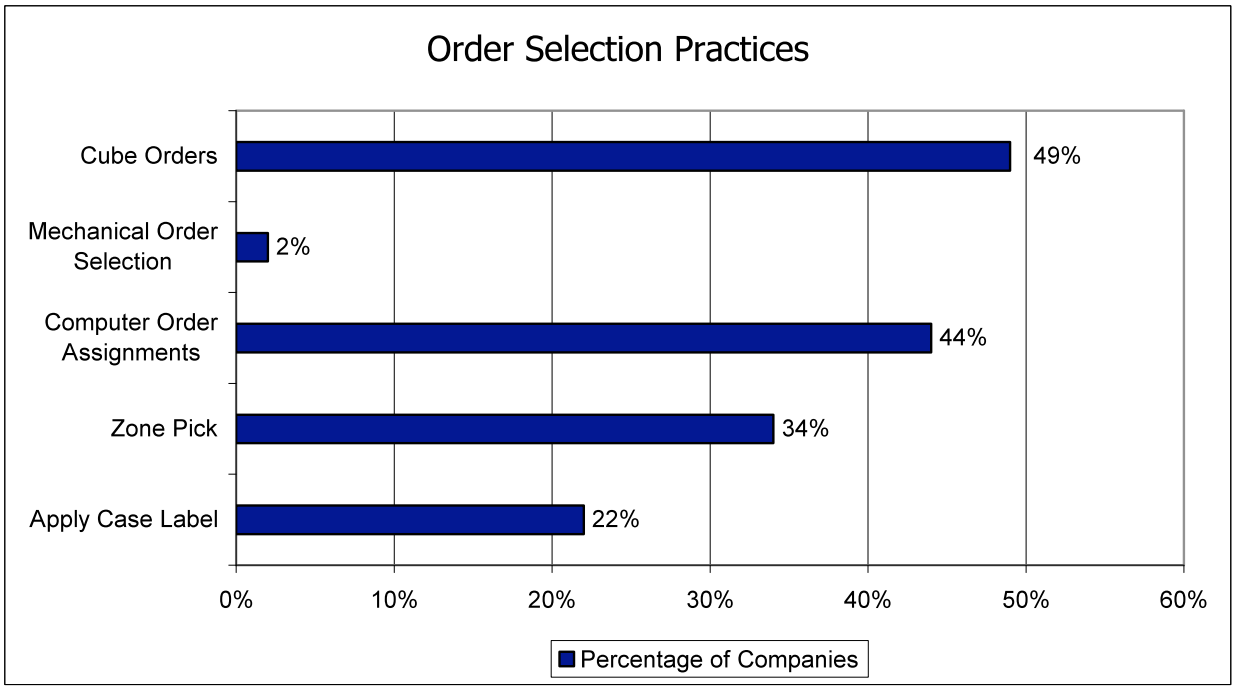
HIGHLIGHTS FOR ORDER SELECTION

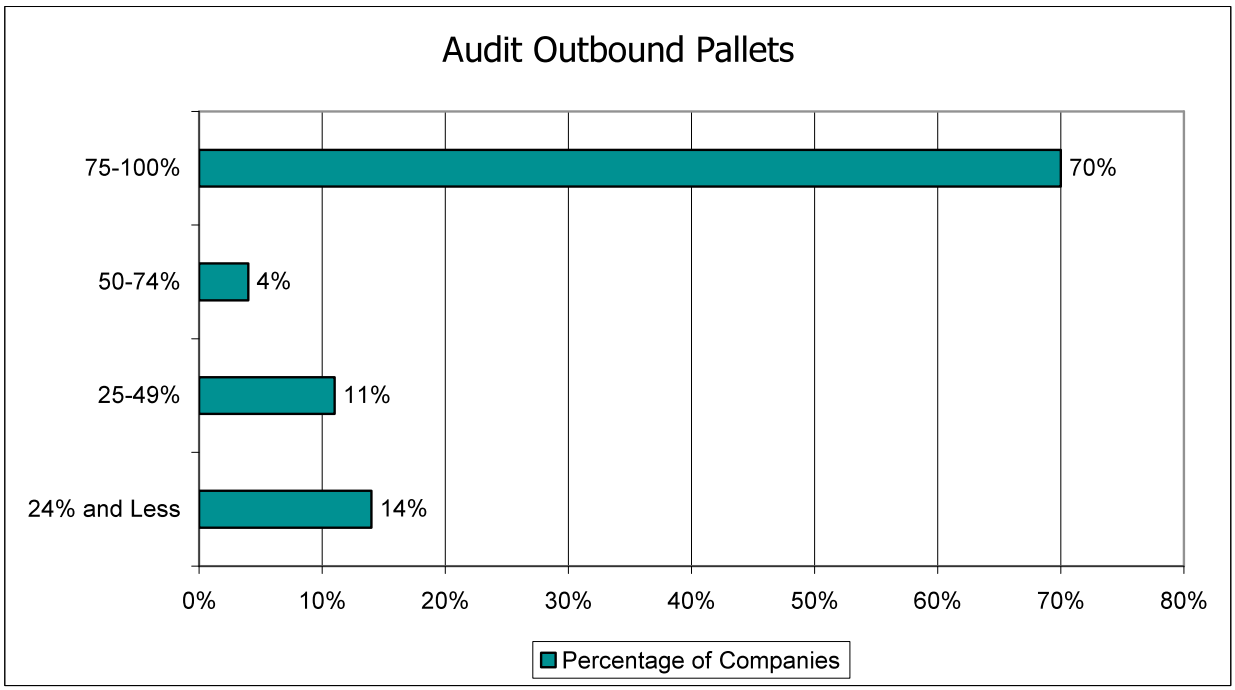
- **Order Selection Systems:** **Many different pick patterns with single or double pallet jacks and forklifts.**
  Zone pick, where appropriate
- **Technology:** **Engineered labor standards with computer sign-in/sign-out screens**
- **Mechanization:** **Conventional order selection only**
- **Cube:** **Different for each product area**
  49% currently cube customer orders
- **Loading:** **Few require selector loading due to combination and multiple stop loads**

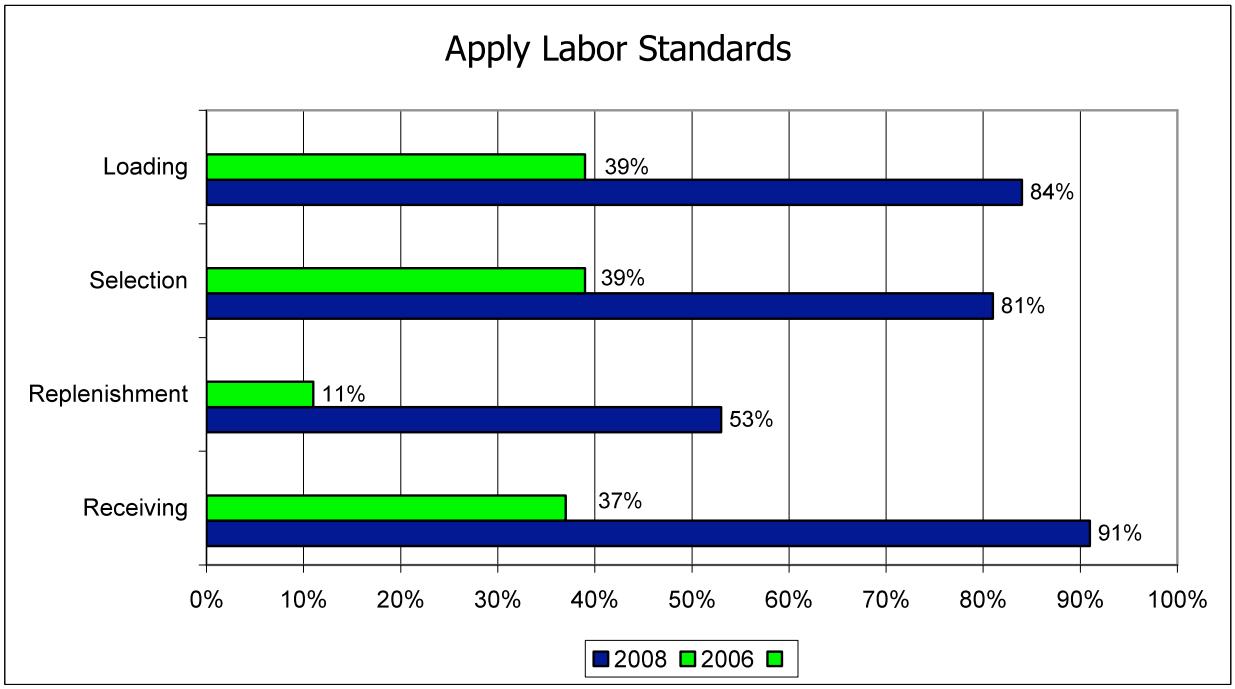
- **Auditing:** **Almost all (95%) orders are checked prior to loading**

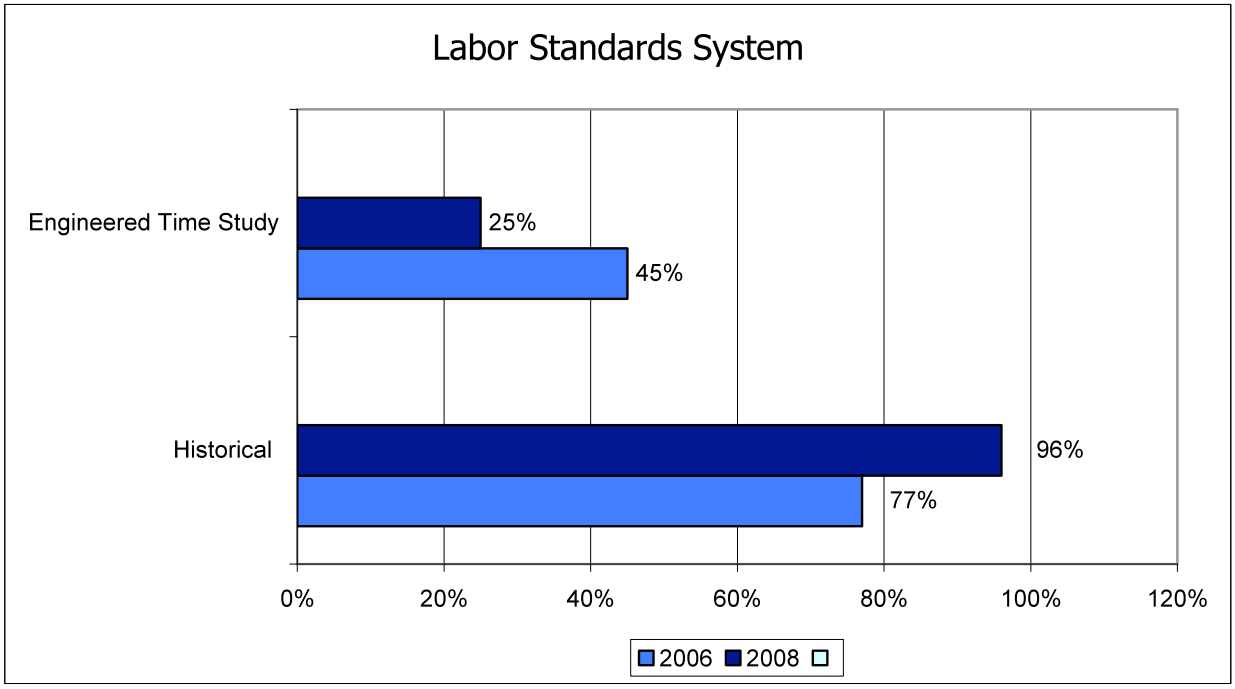
Figures 24 through 27 indicate key trends and developments in the vital area of the operation. The following summarizes the results:

1. **Computer Assignments:** Approximately 44% of warehouses control the order selection process through computer assigned systems in year 2008 which also require the pickers to sign on to an order via a keyboard entry or card swipe system. This has increased from 36% in year 2006, and 26% in year 2001. Upon completion, the order selector signs off the order. From this system, management can monitor performance of the entire shift as well as the individual selector. The picker also receives feedback on his/her productivity immediately following the end of the order.
2. **Historical Standards:** Most companies (95%) are utilizing historical selection labor standards to encourage productivity. Almost all of the orders are audited prior to loading into the trailer, with most (70%) auditing over 75% of the order.
3. **Mechanization:** Only 2% of companies continue the use of mechanized or automated order selection equipment, as most are emphasizing conventional methods of operation.
4. **Selection Systems:** Many different order selection systems are employed to select the customers' orders.
5. **Selector Load:** Some companies (20%) require the order selectors to load the selected pallets of merchandise onto the trailer as part of their workload. This system is very effective when shipping a single product category on a one-stop delivery.
6. **Selection Hours:** Many companies (53%) take less time to select product now than it took five years ago.


Order Selection Practices
Cube Orders
Mechanical Order Selection
Computer Order Assignments
Zone Pick
Apply Case Label
49%
2%
44%
34%
22%
0%
10%
20%
30%
40%
50%
60%
Percentage of Companies


Audit Outbound Pallets
75-100%
50-74%
25-49%
24% and Less
70%
4%
11%
14%
0%
10%
20%
30%
40%
50%
60%
70%
80%
Percentage of Companies


Apply Labor Standards
Loading
Selection
Replenishment
Receiving
39%
84%
39%
81%
11%
53%
37%
91%
0%
10%
20%
30%
40%
50%
60%
70%
80%
90%
100%
2008
2006


Labor Standards System
Engineered Time Study
Historical
25%
45%
96%
77%
0%
20%
40%
60%
80%
100%
120%
2006
2008

2008 IARW-WFLO PRODUCTIVITY BENCHMARK
SURVEY REPORT
Order & Selection - Comparative Results
Years 2008, 2006 and 2003

ORDER & SELECTION	2008	2006	2003
	Percent Yes		
1.) Apply cased labels during selection for full case items?	22%	22%	13%
2.) Apply price labels during selection for split case items?	3%	2%	
3.) Pick orders by geographic/vendor product zones?	34%	30%	15%
4.) Control order assignments and production accounting via computer?	44%	37%	19%
5.) Do you use a computer card-swipe system to track selction hours?	6%	11%	4%
6.) Does it take more or less time to select product now versus 5 years ago?			
a.) Longer	22%	35%	29%
b.) Shorter	53%	47%	44%
c.) Same	25%	19%	27%
7.) Use mechanized order selection systems,	2%	4%	2%
8.) Check orders on the dock prior to loading?	95%	93%	98%
If yes, % audited is:			
a.) 75-100%	70%	67%	80%
b.) 50-74%	4%	0%	2%
c.) 25-49%	11%	7%	4%
d.) 1-24%	14%	26%	13%
9.) Have order selector move selected product directly into trailer?	20%	22%	13%
10.) Cube the customer orders?	49%	56%	38%
11.) Use labor standards to control productivity?	61%	48%	47%
If yes, indicate which functions are managed:			
a.) Receiving	91%	37%	55%
b.) Replenishment	53%	11%	14%
c.) Selection	81%	39%	68%
d.) Shipping/loading	84%	39%	68%
e.) Other	11%	0%	0%
What kind of system has been implemented?			
a.) Historical data	95%	77%	88%
b.) Engineered time study	25%	45%	32%
c.) Other:	14%	20%	20%