

Staffing a Carmaker's Distribution Center



North America

Business Issue

When your brand and your price say “premium,” clients expect exceptional service. One German premium car manufacturer delivers fast repair and maintenance services by locating its parts distribution centers across the United States. The distribution warehouses make more than 24,000 parts available to nearby dealerships. Third-party logistics providers manage all warehouse operations, including staffing with their own personnel at most of the manufacturer’s regional distribution centers.

When the automaker began plans for its sixth distribution center, it wanted to pilot a new operating model designed to save costs and give the automaker more control over its facility. With the exception of the operation manager and facility manager, the entire warehouse workforce would be outsourced directly to a staffing provider.

Solution

Manpower implemented an end-to-end staffing program managed by an onsite manager and five Manpower supervisors onsite at the facility, which ships between 3,000 and 8,000 parts each day.. Approximately 60 Manpower associates staff three shifts in inbound parts receiving, picking, and packing for outbound shipments, bin inventory maintenance, quality control, administrative, and maintenance positions.

An onsite team is comprised of a human resources manager, a quality supervisor, and four warehouse supervisors. They work closely with the auto manufacturer’s two employees to manage the warehouse workforce and related human resources responsibilities. A Manpower associate also serves as a client service representative to parts managers at the eighty car dealerships in the region.

To find warehouse candidates with the skills and abilities to meet key performance indicators in the facility, Manpower developed a targeted recruiting program that includes behavioral interviews, interviews by the lead Manpower onsite manager, assessments to evaluate attention to detail and ability to work quickly and thorough background checks and drug screening.

To attract talent and engage associates, the onsite team runs an awards program that recognizes top performing associates. A referral bonus program helps Manpower maintain a steady stream of candidates, while Manpower’s benefits program helps to reduce associate turnover.

Training contributes to productivity on the job and the success of the partnership. For example, an onsite trainer leads new associates through a floor training program developed jointly with the auto manufacturer. Supervisors participate in training sessions at the company’s other US distribution centers. Manpower associates who have volunteered to be first responders are also trained in CPR and AED (Defibrillator) operation.

Results

The facility is the automaker's most cost-effective distribution center in the United States, and the partnership meets the company's objectives for greater control and greater responsiveness to its clients' needs. This distribution center won the company's Gold Award for KPI improvements and was awarded the cup for the best regional distribution center in the world. The warehouse is now showcased as a training facility for the rest of the German company.

Companies in transportation, warehousing, and logistics rely on Manpower's staffing solutions to achieve greater business agility. Manpower's offices are continually recruiting and assessing candidates nationwide to maintain a pool of qualified talent ready to work for you.

The performance metrics reveal the warehouse is on target. Key results include:

- Associates have continually exceeded the target error rate.
- Associates are meeting and exceeding the lines per hour productivity rate.
- The first wall-to-wall inventory check exceeded the standard.
- Safety metrics are exceeding established goals.

