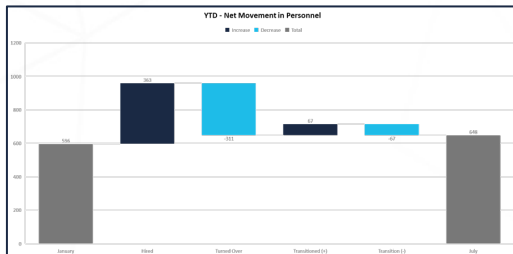


# Right-sized warehousing, manufacturing, and shipping labor for a logistics provider in the medical field

## Case Study – Labor Optimization

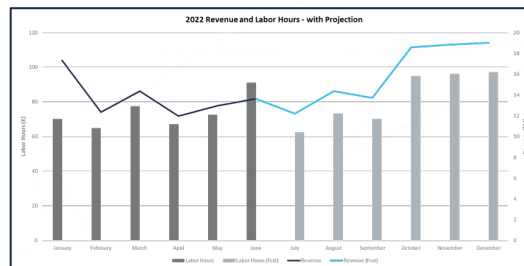
### Situation

- Logistics and light manufacturing provider in the medical field was seeking help with improving labor efficiency and reducing costs
- Labor force had huge variability in productivity, reliability, and quality. A lack of visibility due to limited data and reporting, created a challenge for management
- High-turnover at the site contributed to workforce with low tenure, requiring tenured employees to over focus on training



### Actions

- Aggregated and analyzed productivity, tenure, and wage data to provide leadership greater visibility into business trends
- Re-aligned labor to demand in order to maximize efficiency and minimize wasted labor
- Assessed the fair market wage for labor, leading to general and merit-based wage increases and incentives



### Results

- Despite raising wages, the initiative led to an increase in productivity versus both labor hours and labor spend
  - 40% increase in productivity per labor hour
  - (25)% reduction in labor cost per unit
- Reduced turnover of tenured employees in key roles through wage increases to fair market rates
- Improved visibility to productivity through reporting tools and capabilities

