



## E-commerce: Fulfillment Centre Productivity



### Client

The client is the biggest Indian e-commerce company with a market share of, as recorded by Red Seer, a whopping 62%. It has more than 200 million registered customers and about 35000 employees and exceeds a valuation of \$35 B dollars.



### Problem/ Challenge

As the company was expanding rapidly to serve more pin codes and setting up warehouses across the country, it wanted to focus on improving per-person productivity. A target of increasing it by a minimum of 15% to create capacity for its festive sales was taken up as a challenge. As a pilot, a fulfillment centre with both automated and manual sorting process was selected.



### Result achieved

An intensive and time-driven project for three months was kicked off and a productivity improvement of ~18% was demonstrated. Productivity was measured as Items per person processed per month.



## Background/ Business Case

The client wanted BMGI to run a high-intensity and time-bound initiative to identify productivity improvement opportunities, run pilots and implement pilot solutions and demonstrate improvements that could be replicated across the other warehouses. This was to ensure that the warehouse has sufficient capacity during its festive sales.

## Problem/ Challenge



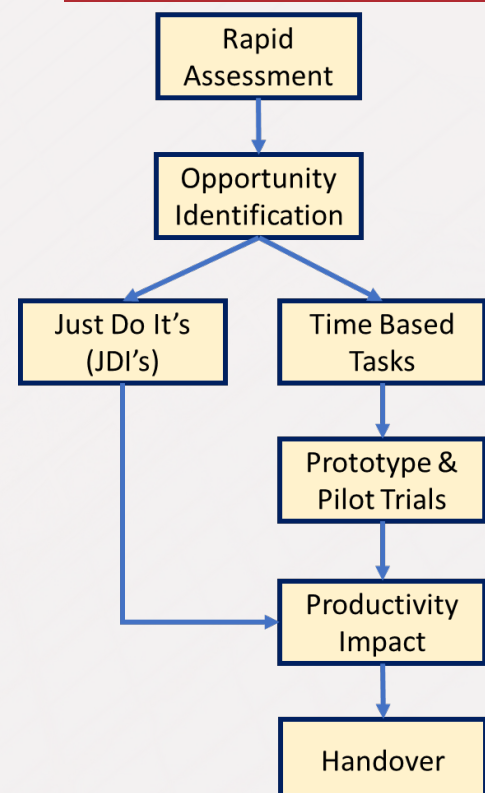
To rapidly assess and identify quick wins and replicable opportunities which will improve productivity by either increasing throughput or by reducing the effort hours of people involved. To arrive at sustainable solutions which will not increase the cost of operations or increase the ergonomic burden of people working.



## Approach & solution

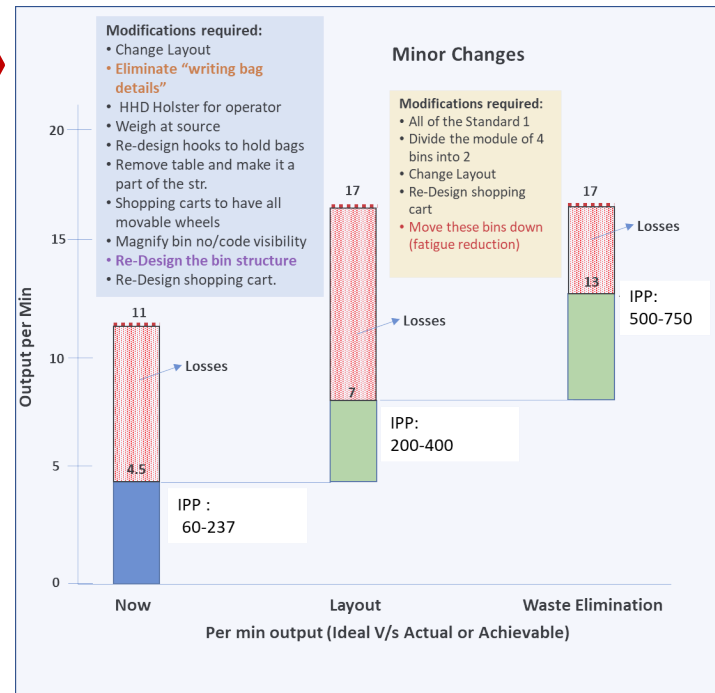
BMGI planned and designed a six-step structured process to map the current process, assess current capability, identify opportunities, identify root causes & brainstorm potential solutions and pilot the ideas and roll out finally.

A moonshine team was recommended to be part of the project in order to quickly make prototypes and take trials before productionizing the same.



Additionally, a study of the “method” of working followed by a “Time and Motion study” enabled us to look at the core, ancillary and incidental activities and take appropriate actions to either eliminate, combine, reduce or simplify the same. Some implementations were:

- Truck Turnaround time reduction
- Ergonomic burden reduction
- Mechanization used to eliminate positional points
- Manual sorting improvement through lean layout implementation



10+ time-based tasks completed

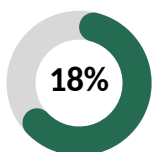


15+ Just Do it actions implemented



35+ Positional Points eliminated

## Results



Improvement in item per person processed in a month



Solutions that can be replicated in 60+ fulfilment centres across the country

	Avg 3 Months	Avg 2 Months
	Before	After
Shipments	176462	187900
Workforce	591	531
Item per person	299	354
% Improvement		18.5%



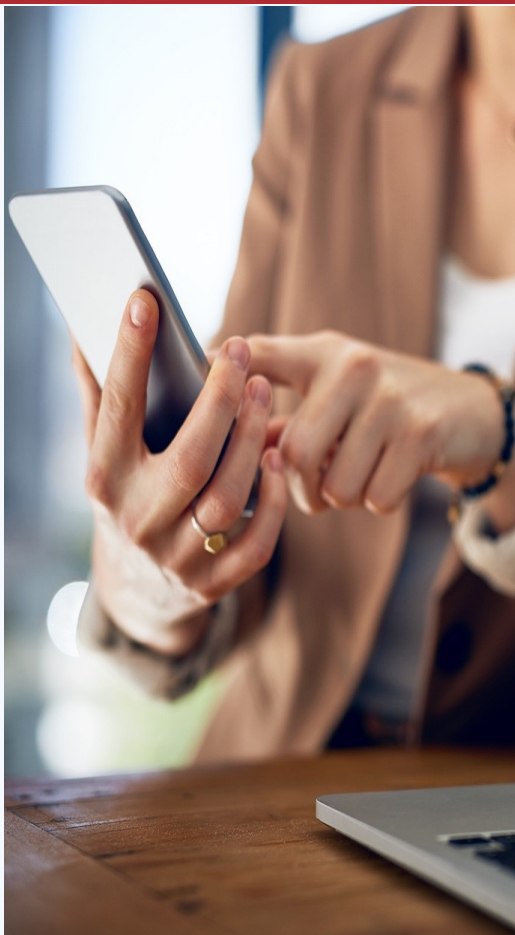


## About BMGI

**Breakthrough Management Group International (BMGI)**, a global consulting firm with a strong focus on **delivering results** and has **delivered cumulative benefits to its clients worth several billion dollars** with an **engagement ROI of 5:1 to 20:1**. BMGI specialises in enabling organisations drive profitable growth and innovate. Solutions include building innovation opportunities portfolio for driving growth, breaking optimization barriers to multiply profits and transform customer experience. We have developed several methodology & framework-based assets to enable client success.

BMGI's clients include leading Fortune 1000 Global companies and other Indian companies from diverse industries such as financial services, IT/ITES, airlines, chemicals, FMCG, discrete manufacturing, telecommunications, petrochemical, textiles, healthcare & energy.

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