FIVE BEST PRACTICES FOR EFFECTIVE
WAREHOUSE MANAGEMENT

SAFETY & TRAINING

PROGRAMS

Making safety and training a pillar of your company can boost your warehouse and
distribution center productivity, keep costs down, and instill loyalty in your workforce

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Logistics MANAGEMENT.

O PERATING A WAREHOUSE AND DISTRIBUTION center involves many activities, but perhaps the most important have to do with safety, training and risk management. If the working environment has lax safety standards or the labor force is untrained in proper procedures, the impact on your business can be devastating.

The potential for accidents and hazards in warehouses and distribution centers is high, which can eat into your productivity and profits. For example:

- *According to the Bureau of Labor Statistics, there were more than 3,000 cases of injuries in the warehousing and storage sector due to falls, slips or trips in 2017.1*

- *OSHA reports that 95,000 workers are injured and 100 are killed every year from forklift accidents.2*

- *Inadequate safety training can result in exorbitant penalties. As of January 2019, maximum OSHA fines hit $13,260 per violation.3*

Unsafe working conditions can drive up labor costs, making it harder to retain workers. A survey by Paychex found that more than half of employees left their job because they felt that employers didn't care about them.4

When you add it up, having a trained workforce and a safe warehouse environment cannot be overstated. Unfortunately, as statistics show, accident prevention is too often overlooked until it's too late. Moreover, retailers and manufacturers may not know the best ways to conceive, execute and update a sensible, cost-effective safety and risk management program.

This paper will explore five steps that any company, regardless of size or scope, can take to significantly reduce the potential for accidents, heighten the safety awareness of workers, and minimize risky behaviors.

BEST PRACTICE #1
ESTABLISH A SAFETY CULTURE

For many companies, a safety program consists of tepid slogans ("zero lost time" or "no incidents") or an occasional training class—neither of which makes an impact.

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>
> — *Jeremy Wisdom*

To affect meaningful change, companies need to establish a culture of safety that involves everyone. Begin by conducting safety inspections and safety audits. These take a granular look at your operation's policies, procedures and practices, which includes asking such questions as: Why is the forklift operated like that? Why are pallets stacked that high? Why are those containers open in a high congestion area?

The answers should be reviewed, catalogued, and used to identify areas where safety is weak and to create new policies. "Implement continued training and ongoing inspections and audits to ensure that those practices are being adhered to," says Jeremy Wisdom, logistics, operations, and supply chain consultant/solutions analyst at Canon Business Process Services (Canon).

For a safety culture to work, companies need to both educate and empower their workers to bring unsafe practices to the attention of anyone in the organization. "Everybody has to have their eyes open. If they see something that's unsafe, something needs to be said," Wisdom says.

BEST PRACTICE #2
COMMUNICATE REGULARLY

Once you've laid the foundation for a culture of safety and got everyone on board, set up a program of regular communications to keep the dialogue going. A great safety culture is supported by good relationships at all organizational levels, which enable open conversations about what is working, what is not, mistakes that have been made and what needs to change. Another key element to success is designating an in-house safety evangelist or leader.

"It's important that you have a senior executive champion or sponsor who periodically communicates the idea that this company is committed to safety and training," says Ken Smith, director of safety and training at Canon.

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Use a variety of methods to hammer home safety policies: short articles in the internal company newsletter, videos on the company website, or a simple, targeted e-mail blast to the entire workforce. These messages will not only motivate and educate your workforce on safety matters, but they will also show that senior company leaders actively stand behind the safety culture. "Make it something that reinforces the mindset that we don't just talk about it, but that the highest level of the company is truly committed," Smith says.

Another way to involve your workforce is by the use of safety cards, where employees suggest safety improvements or point out incorrect behaviors on index cards. At the end of every week, prizes are given away for the best suggestions. To reinforce the new ideas, discuss these changes in pre-work meetings and training.

Still another cheap but effective method is to use signage around the company to reiterate the safety culture mentality of your company, such as putting up a safety board with pictures of family members or other personal visual cues to remind workers why everyone should have a safe shift. Another approach is to start meetings with a safety moment—a brief discussion about a specific safety topic or best practice related to the work environment.

BEST PRACTICE #3
USE INNOVATIVE TECHNOLOGY

While low-tech devices such as signage and safety boards are effective, companies should also take advantage of innovative technology and apps. Augmented reality (AR) and virtual reality programs that provide simulations of real-world experiences can save time and money on safety training.

For example, instructing workers on the proper way to drive forklifts or cherry pickers on an open floor entails using the warehouse floor and has the potential for causing an accident in real-time. In contrast, strapping on an AR headset engages workers and gives you greater flexibility about when and where to train. The Society for Human Resource Management reports that when Agco, an agricultural equipment manufacturer, introduced smartglasses to workers on its assembly line, inspection times dropped by 30% and tractor production time by 25%.5

Another digital tool to consider is Gensuite, a cloud-based, best-practice driven EHS software platform. "It's an HR safety IT system that keeps a catalog of all training and records the data," says Nathan Brooks, solutions analyst at Canon.

"It's really easy to integrate into an existing Learning Management System or safety management system," adds Brooks. "It pulls data that shows which employees have trained, who has passed certification and when to do proactive training, so nothing lapses. It keeps employees at the front of new technology enhancements or changes to equipment they're using."

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BEST PRACTICE #4
COMMIT TO ONGOING IMPROVEMENT

It's far too easy for companies to become lax or complacent, especially when they've had an accident-free stretch. Companies need to be ever vigilant. When it comes to safety, continuous improvement and training are imperative. Preaching the same things in the same way is counterproductive and will be tuned out by employees. Find new ways to impart vital information or shake up the routine.

For example, bring in a surprise guest speaker, hold an unexpected or impromptu training session, ask workers to reveal what they like and don't like about current training and then address those issues, and so on.

Managers should also carve out time to educate themselves and stay current, such as familiarizing themselves with changes to regulations or learning about procedures for a new piece of warehouse equipment—then, pass it on to all key parties.

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"You might have a weekly safety initiative that focuses on an item covered in training, such as a proper lifting technique," says Wisdom. "You've already been trained in it, but since it's the weekly safety initiative, you could have another program where you have to identify employees that were using proper techniques—something that reinforces that training, but on a weekly basis. You're taking the skill from training and having a real-life application on your job or what you see in the operation."

BEST PRACTICE #5
MANAGE RISK

Perhaps the smartest and most cost-effective way to strengthen the safety behaviors and protocols in your warehouse is to prevent accidents before they occur—in other words, consistently manage risk and dramatically reduce your vulnerability.

A good risk management strategy begins with ongoing safety audits and inspections that examine every facet of your warehouse operation and equipment, and identify potential trouble spots that are captured in your incident management system (e.g. Gensuite). Corrective actions can be identified and implemented. A job hazard analysis can be performed and documented for job tasks in order to mitigate risk and prevent accidents from happening in the first place through effective control measures. Finally, reporting of near-miss incidents and taking action is critical to preventing future incidents from occurring.

"When employees are engaged they're more invested in helping to maintain a safe working environment."

— Jeremy Wisdom

Keep everyone in the loop by discussing the risks identified and corrective actions taken at your weekly or monthly meeting and through your regularly scheduled worker training sessions. Managing your risk before something flares up and empowering everyone to stay alert can reduce costs and liabilities. "If they're engaged, they're going to be looking at other things that are going to translate to other areas of the operation," Wisdom says.

A FEW FINAL WORDS

Companies ignore safety training at their own peril. However, you can transform the efficiency and reliability of your warehouse and distribution center operations by incorporating these steps into your strategy:

- *Build a culture of safety that respects and encourages the contributions of everyone in the company, from executives to line workers.*

- *Designate a company safety spokesperson and communicate your company's guarantee to safety on a regular basis through emails, articles, videos, and signage.*

- *Publicly recognize and reward workers for their suggestions and improvements.*

- *Use exciting digital technologies to cut down on training costs and to keep workers engaged with safety procedures.*

- *Commit to ongoing, continuous improvement and education as an antidote for complacency.*

- *Reduce risk by handling safety concerns before they boil over and include everyone in a safety awareness effort.*

Canon Business Process Services provides comprehensive warehouse and distribution services that incorporate safety programs including a dedicated manager assigned to audit and improve staff safety procedures. Canon establishes and cultivates a culture of safety by implementing safety programs, policies and procedures to minimize risk.

Making safety and training a pillar of your company can boost your warehouse and distribution center productivity, keep costs down, and instill loyalty in your workforce.

ABOUT CANON BUSINESS PROCESS SERVICES (CANON)

Canon Business Process Services helps enable business agility and digital transformation. We accomplish these goals by applying our workforce management expertise, Six Sigma methodologies and best-in-class technology. With professionals across the US and in the Philippines, we have been named a Global Outsourcing 100 leader by IAOP for 13 straight years. Canon Business Process Services is a wholly owned subsidiary of Canon U.S.A., Inc. Learn more at cbps.canon.com and follow us on Twitter @CanonBPO.

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