



Labour-saving devices provide a solution to increasing costs

Mark Twomey talks to the head of a company using technology to streamline supply-chain distribution

THE RESULTS from a recent Eurostat survey which revealed Irish consumers are paying on average 30% more for goods wasn't exactly shocking, nor was the trite response about the 'high cost of doing business in the Republic'. However, the adoption of technology in supply-chain distribution can cut labour costs by up to 20% with a return on investment within six months.

Alan Carroll, **Waveform Solutions MD**, says his company's solutions can drive down costs. "Increasing productivity, innovative ideas, adapting technology, tracking items, work forecasting, saving time, reducing the paper trail and above all saving money are the essence of our business."

"The pressure to reduce costs is out there in the market," says Carroll. "We have supply-chain companies, third-party logistics companies and all sorts of companies who move products who have 20, 30 or 40 guys in a warehouse who recognise they have to reduce salaries or find a more efficient ways of doing things — to do more work with the same amount of people.

That's what our systems are designed to do."

Waveform's focus is companies involved in supply chain distribution, food companies, manufacturing: "Essentially companies who need to get product into their warehouse, packed and picked, etc, and shipped out. It's a very labour-intensive industry, so we provide solutions that deliver savings in terms of labour. Our offering ultimately is to reduce labour costs by using a standards-based approach."

It's more scientific than a typical warehouse management system. "We measure the warehouse, we measure the goods — weight, cubic size, etc — and we provide a standards-based analysis of how much labour a company uses to carry out specific tasks so it becomes very granular in terms of what a supply-chain company can do by using the approach that we apply.

"We have found that operatives or people working in supply chain who are provided with a standard will achieve that standard, it's human nature. They don't have to exceed it, but some do."

Waveform provides companies with the software and hardware to achieve this — wireless assistants, handheld devices, voice picking systems and the software which allows companies to analyse their work, because "labour is a massive constituent cost for these companies," according to Carroll.

"For instance, companies who distribute food for the big retailers are facing a squeeze as the retailers look for the supply-chain service at a lower cost and

third-party logistics providers are also looking to do it cheaper," says Alan.

And while it may not be possible to do it cheaper, they can achieve greater efficiency by utilising their labour force in a better manner. "Instead of needing 45 guys in a warehouse next week to do the job required, companies realise they can do it with just 39 staff when they have the figures to back it up. It's about having rich information at your fingertips," says Carroll.

"It's comparable to the old 'time and motion' models but in a highly sophisticated way. Traditionally, companies bring goods in one set of doors and put them away in several locations. They then pick orders and send them out the other end of the warehouse to their clients. What happens in the middle is very labour-intensive.

"For example, within the food industry they can get a handle on waste for 'best before' dates if they know where products are and process orders efficiently. Knowing what's going on in the warehouse and how much labour is required to fulfil those tasks is hugely beneficial to companies," says Carroll.

Barcodes are still in use in warehouses and handheld mobile barcode printers provide on the spot activity rather than an operative having to go back and forth to a static print station. Another time-saving system is the use of 'voice picking' solutions where an operative wears a headset and mobile computer so he doesn't look at a list anymore — the list is spoken to him.

"This is a leading-edge technology because efficiencies are achieved when the worker doesn't have to stop, look at a list and tick off a box," says Carroll. "Their eyes are free and they are directed to specific bays. It's pretty revolutionary. Accuracy in supplying orders goes through the roof and saves a lot of time wasted in incorrect orders being shipped and the subsequent knock-on effects. If you can radically reduce errors in terms of what you're sending to clients you are onto a winner."

Carroll says with the costs of the technology coming down, his solutions are not just the preserve of the larger players in retail and supply chain. "If a company has 10 operatives or more in a warehouse they can avail of savings and get a return of



Waveform Solutions MD Alan Carroll.

investment between six months for a high number of operatives and up to two years for those with fewer employees," says Alan.

Based in Celbridge, Co Kildare, the company employs 10 people and had revenues of €1.3m in 2009.