

## Numbers don't lie: Statistics are teaching African retailers lessons about warehouse automation

By Neil Gouveia 28 Jun 2022

Ever wonder why we're constantly poring over statistics as business leaders? It's not because we're monitoring metrics or tracking progress toward goals. It's because numbers tell a story. They take us on a journey, showing us where we have been and where we must go. They also help us understand how we measure up against others, revealing what we can do better to gain a competitive edge as employers and solution providers. But the beauty of numbers is that they give us an objective, actionable perspective on highly subjective observations and trends.



Source: Supplied | Neil Gouveia, Director, Africa, Zebra Technologies

For example, we have all seen e-commerce emerge fast and furiously in our daily lives, and in my view it has changed the local economy. However, multiple reports have helped us quantify how fast e-commerce is growing in South Africa, making it easier to wrap our heads around the opportunities and pressures we have to adapt operations. Though challenging, we now know this e-commerce trend can also be advantageous. Likewise, the numbers show South Africa faces a supply chain and logistics labour shortage. No surprise here. But now, we can start to see the value of automation as we recognise that, whether acute or chronic, the threat of staffing shortages is real – and preventable.

In fact, of all the lessons we have learned through regional comparisons and industry benchmarks lately, the one echoing the strongest right now is that warehouse automation and digitalisation are necessary to meet customer demand. Laggards will lose out on the opportunity to survive this supply chain shakeup.

Just don't take a cookie-cutter approach to automation and digitalisation or simply throw products at problems. There is nothing cutting-edge about band-aids, even the fancy ones.

## Learn to separate fear from fact

In Zebra's latest global Warehouse Vision Study, nine in 10 warehouse operators said they expect their use of sensor-

based technologies such as RFID, computer vision, fixed industrial scanning, and machine vision systems to become more prevalent over the next five years. Ninety-nine percent also expect to deploy some form of autonomous mobile robots (AMR) in that same time frame, even though only 27% say they are using AMRs in their warehouses today.

Do you share these plans? It's okay if you don't. But if you're afraid to lean on automation as a solution, that's not okay.

I know the word 'automation' can elicit panic in South Africa, as it's usually associated with potential job losses. But that is a false causal relationship. Automation doesn't automatically take the place of people. In fact, in the recent Zebra study, warehouse associates shocked the world when they said automation may help keep more people in their jobs and fill empty ones. Many believe AMRs could make warehouse jobs less stressful, with nearly eight in 10 reminding operators that walking fewer miles per day would make their jobs more enjoyable, even if they had to pick or handle more items. Physical and mental well-being are key elements in a human resources equation that is no longer as straightforward as 'salary, holidays and health coverage'.

If you feel there's something missing from this story, there is.

Eighty-three percent of warehouse associates who work alongside AMRs today indeed confirm that this type of robotics automation has helped increase their productivity and reduce their walking/travel time. Nearly three-quarters said AMRs helped them make fewer mistakes on the clock. Almost two-thirds credited AMRs with their ability to advance to new roles or opportunities.

That's the full story, and it doesn't make automation sound like something to be afraid of. What I took away is that automation should be something every warehouse operator leans into.



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No matter what you ultimately do, know you can't ignore technology's immense value as a problem solver any longer. Over eight in 10 warehouse associates have asserted that they are more likely to work for an employer that gives them modern devices to use for tasks versus an employer that provides older or no devices. And with the right technologies in hand, time to productivity may be days or hours, not weeks or months.

## Proof there is nothing to fear

My Zebra colleague Melonee Wise, vice president of Robotics Automation, tells me one warehouse operator saw productivity rise up to 70% higher within days of augmenting its workforce with AMRs. For another customer, AMRs translated to a 25% increase in throughput. One major logistics company came forth to proclaim that its team cut out nearly

20,000 miles in "manual travel" each day by employing AMRs – and that was in a single distribution centre.

Wait, it gets better.

One nonprofit that offers skill-based training and warehousing services has empowered hundreds of visually impaired workers to work independently simply by deploying AMRs to move empty carts and assist with case picking. Think how many more workers could be employed if every operator augmented their workforce with AMRs. One change – one technology implementation – can solve at least three-to-four problems by my count, including labour utilisation, productivity, throughput, and fulfilment capacity.

And there are many other technologies just as powerful as AMRs, including machine vision, and RFID. Even 'basic' technology tools such as mobile computers, wearables, and printers – things we may take for granted because they're so prevalent – can tell us powerful stories about our business. They can also help front-line workers create a story we will be proud to tell.

So, embrace challenges as opportunities to design a smarter, more agile warehouse operation. Look to your front-line workers for guidance. Let them tell you what they need, then go out and find it. Sync those edge mobility solutions with your operation's system of record, the warehouse management system (WMS), then start to add automation to the flow of data and physical assets. Just don't try to DIY or piecemeal solutions. Warehouse performance is too influential over supply chain, retail, healthcare and general economic performance.

To see where you stand in the Warehouse Maturity Model click <u>here</u>. You can also learn more about warehouse automation solutions <u>here</u>.

## ABOUT THE AUTHOR

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