



BRIGGS AND STRATTON

“We were able to reduce our workforce by 20 percent, but actually increase throughput. We estimate that’s saved us about a million dollars.”

John Guy,
Vice President of Supply Chain and Distribution, Briggs & Stratton Corporation

The Customer

Briggs & Stratton is the world's largest producer of air-cooled gasoline engines for outdoor power equipment. They design, manufacture, market and service these engines for original equipment manufacturers (OEMs) worldwide. Briggs & Stratton engines are incorporated into products as diverse as lawnmowers, race cars, farm equipment, generators, pressure washers, pumps and welders, as well as many other industrial/commercial applications.

Briggs & Stratton's replacement parts division ships aftermarket and service parts worldwide from two facilities: a 300,000 square foot distribution center, and a 225,000 square foot outside facility. They handle 70-75 thousand SKUs representing \$40-45 million in inventory, including parts for acquired brands such as Generac (now Briggs & Stratton Home Power) and Simplicity (now Briggs & Stratton Yard Power). The two facilities have both distribution and packaging operations, and ship approximately 26 million pieces annually.

The Challenge

Prior to 2003, the MFDC facility had no standardized way for associates to do their jobs or to measure productivity. The MFDC management team felt they could get greater productivity if they standardized work methods, set goals and measured results. To help research this hypothesis the University of Wisconsin Supply Chain Consortium conducted a study that suggested there was significant opportunity for return on investment if the MFDC deployed labor management technology.



The results of the Workforce Management implementation were immediate and readily accepted by the associates. Productivity shot up almost 20% within two weeks.

When Briggs & Stratton launched its Workforce Management program, they had several high-level objectives in mind. First, they wanted to enhance MFDC productivity through the use of preferred work methods and discrete standards based on actual work content. This would ensure productivity measurements were fair and accurate, providing a solid base for improvement programs and associate assessment.

"We realized we needed standardized methods for doing work in the DC," says Bill Harlow, Director of Distribution Operations for the replacement parts division. "Our historical stop-watch studies weren't very accurate, so we couldn't adequately measure associate performance. With the new methods and standards in place, we can now measure each associate accurately and fairly."

Second, they wanted to involve the union and associates in the implementation up front, to benefit from the experience of the workers in defining preferred methods, and to assure them the program was designed to help them work smarter, not harder.

Explains Harlow, "We've gone through a considerable amount of worker turnover in the last few years, and it was important to bring new employees up to speed as quickly as possible. Working together with our administration and RedPrairie, we were able to design job methods and training procedures that enable associates to learn quickly, and work more effectively with the same amount of effort."

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Director of Distribution Operations, Briggs & Stratton

A third objective was to have a solution that was simple for associates and facilitators to understand and use. "Since the system works the way we work, training became a very simple process," comments Harlow. "We integrated it with our internal scheduling system so everything is driven from the picking or packaging work order."

A final objective was for the solution to integrate seamlessly with Briggs & Stratton's SAP ERP and Warehouse Management systems. RedPrairie leveraged its experience integrating its other applications to many SAP systems in working jointly with Briggs & Stratton to create this now standard labor management integration.

The Solution

RedPrairie provided a comprehensive Workforce Management solution for the differing needs of the distribution and packaging operations, including Preferred Methodssm for performing each task, discrete labor standards incorporating machine-based timing, and advanced labor management software. RedPrairie also provided a Time & Incentives solution to award Briggs & Stratton employees for productivity in the workplace.

Briggs & Stratton implemented the Workforce Management solution first in its traditional distribution operations. They turned the system on in "monitoring mode" one month before the actual go live date to get a baseline on existing performance. As is common with most companies RedPrairie has worked with, Briggs & Stratton found they were working at only 67 percent of standard for their operations. However, within a month of going live they were able to reduce their pick, pack and ship headcount by about 18 percent while maintaining throughput. Soon after, performance improved to 100-110 percent of standard.

Says Harlow, "Most associates found it fairly easy to make 100 percent of goal once they learned to follow the preferred method. We also had fewer quality and safety problems."

Following completion of the distribution center implementation, Briggs & Stratton turned its focus on its packaging operations. These occupy half of the facility, with about 95 percent of all parts being kitted, representing approximately 26 million pieces annually. "The packaging processes resemble manufacturing operations more than distribution," notes Harlow. "Each final SKU has a work order with a bill of materials, machine ID, machine rates, operator data, etc. Components are gathered and placed at the machines, then kitted and sent to the DC for storage and eventual sale."

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Bill Harlow,
Director of Distribution Operations, Briggs & Stratton

The light manufacturing environment required a different approach to labor management. The entire workflow from receiving and putaway through the kitting operations to transfer to the DC had to be included. Measuring performance of the kitting process entailed incorporation of machine based timings not present in traditional distribution operations. The flexibility of RedPrairie's solution made implementation straightforward, however.

The packaging group followed the same implementation process used on the distribution side. Together with RedPrairie engineers, they developed Preferred Methods for each task, calculated the appropriate standards, and did lots of testing and observations to make sure they had everything right.

The Results

The results were immediate and readily accepted by the associates. Productivity shot up almost 20 percent within two weeks. "The associates liked that they knew what was expected of them," says Harlow. "The improved processes meant they didn't have to run for parts anymore, which also made them happy. We were at 100 percent of standard in two weeks."

The program also had benefits beyond productivity improvement. "The new methodology allowed us to change our management style," says Harlow. "Associates are now responsible for their own performance, so facilitators have become problem solvers rather than enforcers. As a result, associates and facilitators work together to maximize efficiency.

- Distribution productivity went from 67 percent of standard to 114 percent
- Reduced workforce 18% in first month while increasing pick, pack and ship throughput
- Increased packaging productivity 20% within the first 2 weeks of implementation
- Labor savings of approximately \$1 million annually from workforce management
- Over \$300,000 in additional savings from Time & Incentives

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