## CORE Provided by Research Papers in Economics

## DISTRIBUTION CENTER

by Barry Wright Wawa Food Markets

I have been charged with the responsibility of looking in ten minutes to what we can do to encourage or motivate employees in a distribution center to achieve our firm's goals. That's easy. Being in store operations I am able to criticize very nicely as are the merchandise people who can't understand why our warehouse can't get a big distribution out of Easter Candy, or maybe a seasonal display for them. Our buyers can't understand why they don't have room to warehouse a huge shipment of charcoal that just came in. We have the answers. Criticism. Unfortunately, this is what we do too much of, very rarely do we talk to the people.

I guess it was three years ago I was involved in a study which I reported on in Atlanta to design a warehouse for our distribution system. I've since moved on into store operations which I am sorry in a way I did, because I haven't had the involvement since that time with the people who run our distribution center and the people who too rarely get communications from us. We don't listen to them and we don't talk to them.

So often we look to money to serve as a motivator, I put that down as one of the possible motivating techniques, if that money is applied in a decent manner, we can't just talk about salary, we can't just talk about incentives in terms of bonuses. We can certainly recommend these contests and then one thing Shoji touched on that we have found is helpful is educational assistance. This is for the employee who works in the warehouse who might want to learn some other trade, some other skill or some other knowledge. Maybe he wants to become an accountant, what's wrong with offering him the money if he does take an accounting course or works toward an accounting degree. He will be useful.

The second area I think that I should touch on is the involvement. So often as Shuji said, we use the arms, we use the legs, we don't use the mind, we don't have them help plan what we are to do, we don't let them know what we want done beyond the warehouse itself. What is wrong with telling them the company goals, the overall company goals, not just what we want the warehouse to do, not how many cases we want to go through that warehouse per manhour. They don't want to know that.

What we have done to involve our warehouse with the rest of the company and to inform them as to what we are doing in store operations and what is being done in our accounting department, etc., we have what I call a work release program which is for all levels of management within our company. Our chief executive officer, our president, our treasurer all must work two days a year in one of the operating divisions of the company whether it be the warehouses, or whether it be riding with a truck driver, or whether it be working in one of the stores slicing lunch meat. This means anyone who comes to the company from outside even our company lawyer, our house council. The first year he was with us he had to work five days in our stores to find out what the business is all about. It is amazing what this has done

in terms of involving people and letting them know, giving them a chance to talk to some of the top management about their job and what turns them on and what doesn't. It is sort of a two-way street of letting them know more about what goes on in other areas of the company. For instance, the truck drivers like to hear my side of what is wrong with the product when it gets to the stores. So often I will criticize the product but very rarely will I go find out why it happens.

Thirdly, supervision--we need to put good supervision into the warehouses. We have found that a little bit of mobility along with this helps and we found a good source in our store managers and our store supervisors.

We have to establish in our own minds what our company goals are, we have to determine how much we are willing to pay to accomplish those goals and then we have to sit down with those people we want to accomplish the overall goals and have them help us plan and accomplish those goals.