

# 2019-2021 Short Pick Analysis





# Agenda

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**Terminology**

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**Short Pick Stats**

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**Strategies**

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**Projected Results**

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# Terminology

**Short Pick:** Picker reports item is not physically in location and an audit task is generated

**True Short Pick:** After location is audited, item is confirmed NOT physically in location

**False Short Pick:** After location is audited, item is confirmed physically in location

**Short Pick %:** Percentage of pick tasks that result in a Short Pick

**False %:** Percentage of short picks that result in a False Short Pick





# Yearly Short Pick Stats



## Short Picks

### Total %

2019: .76%  
2020: 1.28%  
2021: 1.36%

### Total False %

2019: 47.79%  
2020: 50.53%  
2021: 53.99%

## Man-hour Cost

### Total

2019: \$ 76,795  
2020: \$ 107,560  
2021: \$ 182,603

### Total False

2019: \$ 36,700  
2020: \$ 54,355  
2021: \$ 98,585

# Strategies

## **Reduce False Short Pick %**

Reduce False Short Picks by holding pickers accountable and also increasing the efficiency of the picking process.

**Projection:** False % <20%

**Eventual Goal:** False % <12%

## **Reduce Total Short Pick %**

Take a few steps to improve the accuracy of the pick module and to increase the efficiency of the picking process.

**Projection:** Sport Pick % <0.75%

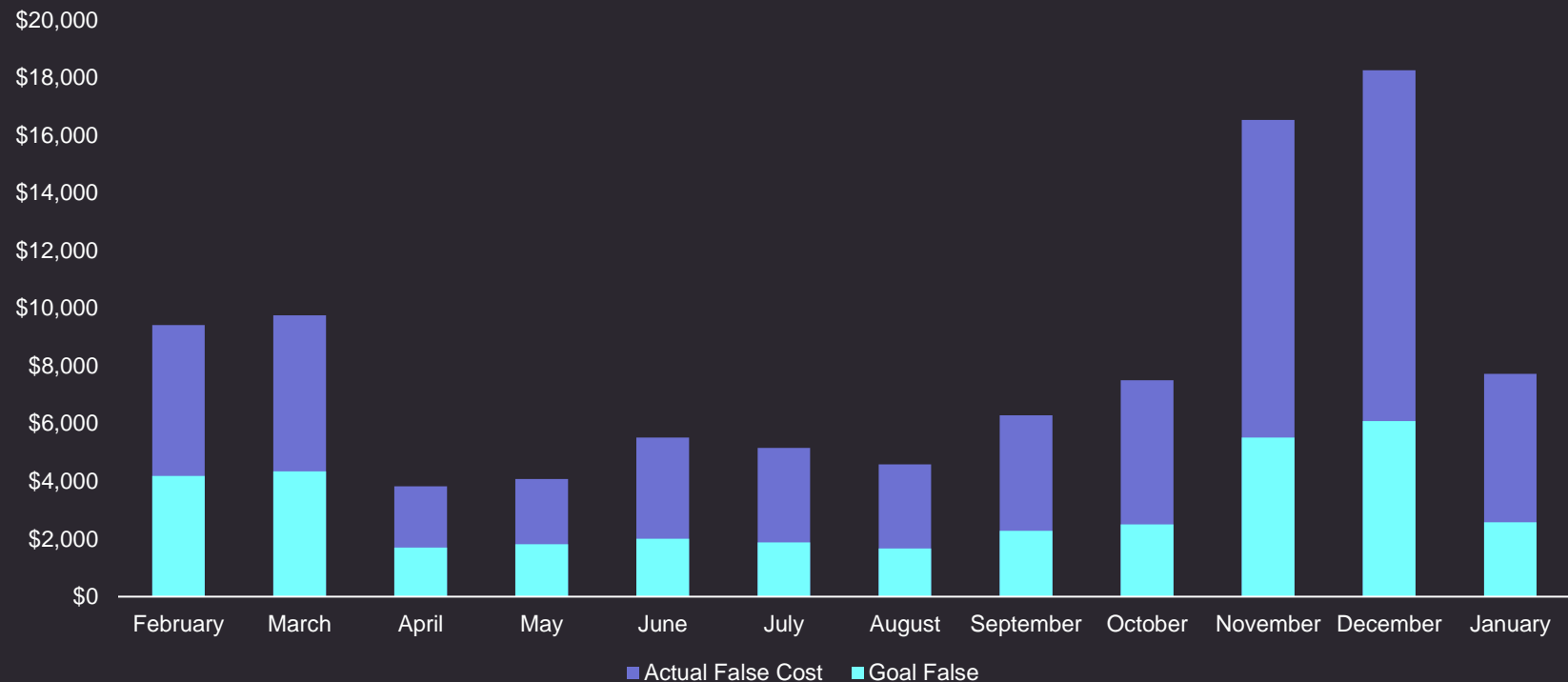
**Eventual Goal:** Sport Pick % <0.65%



# Reduce False Short Pick %

## 2021 Man-hour Cost Actual v. Projection

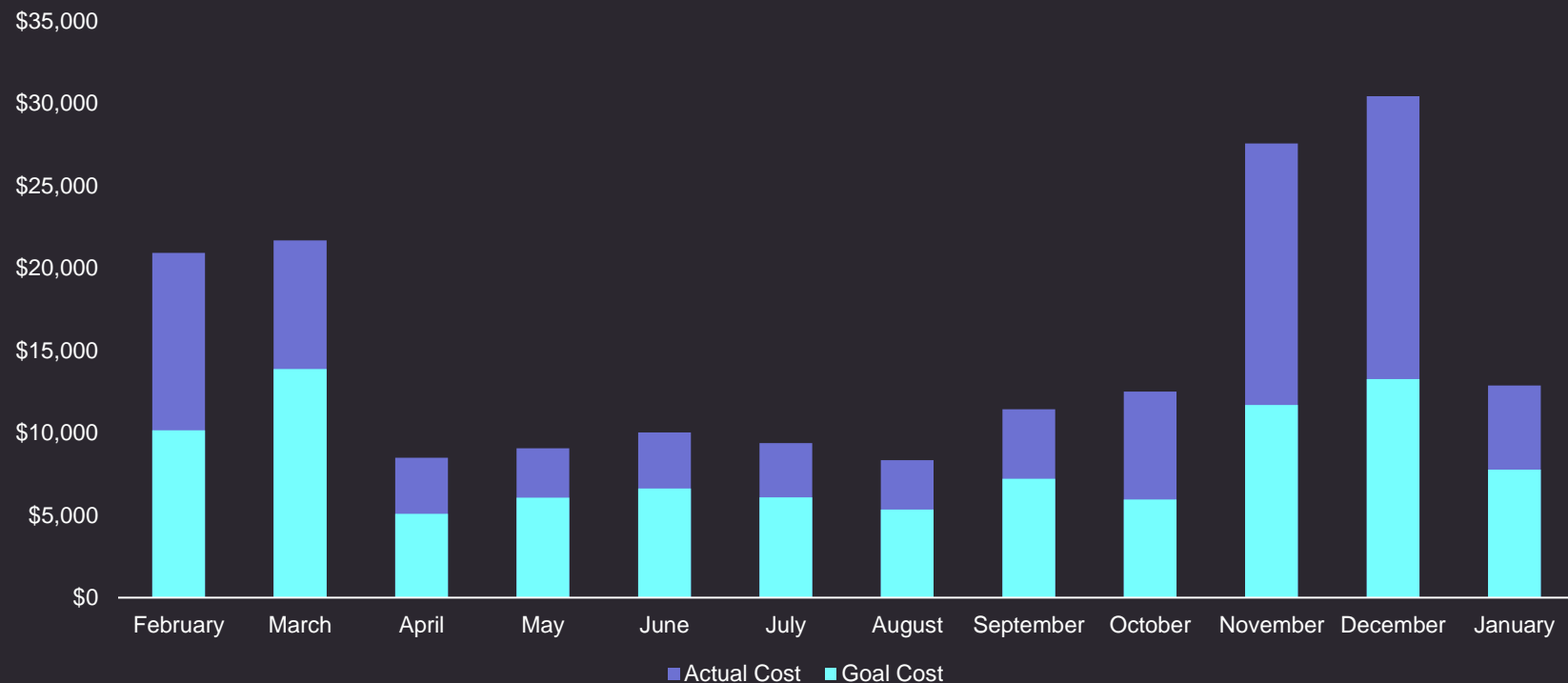
Reducing the False Short Pick % to **20%** projects to result in a **62.95%** decrease in Man-Hours used resulting in an annual savings of **\$62,064**



# Reduce Total Short Pick %

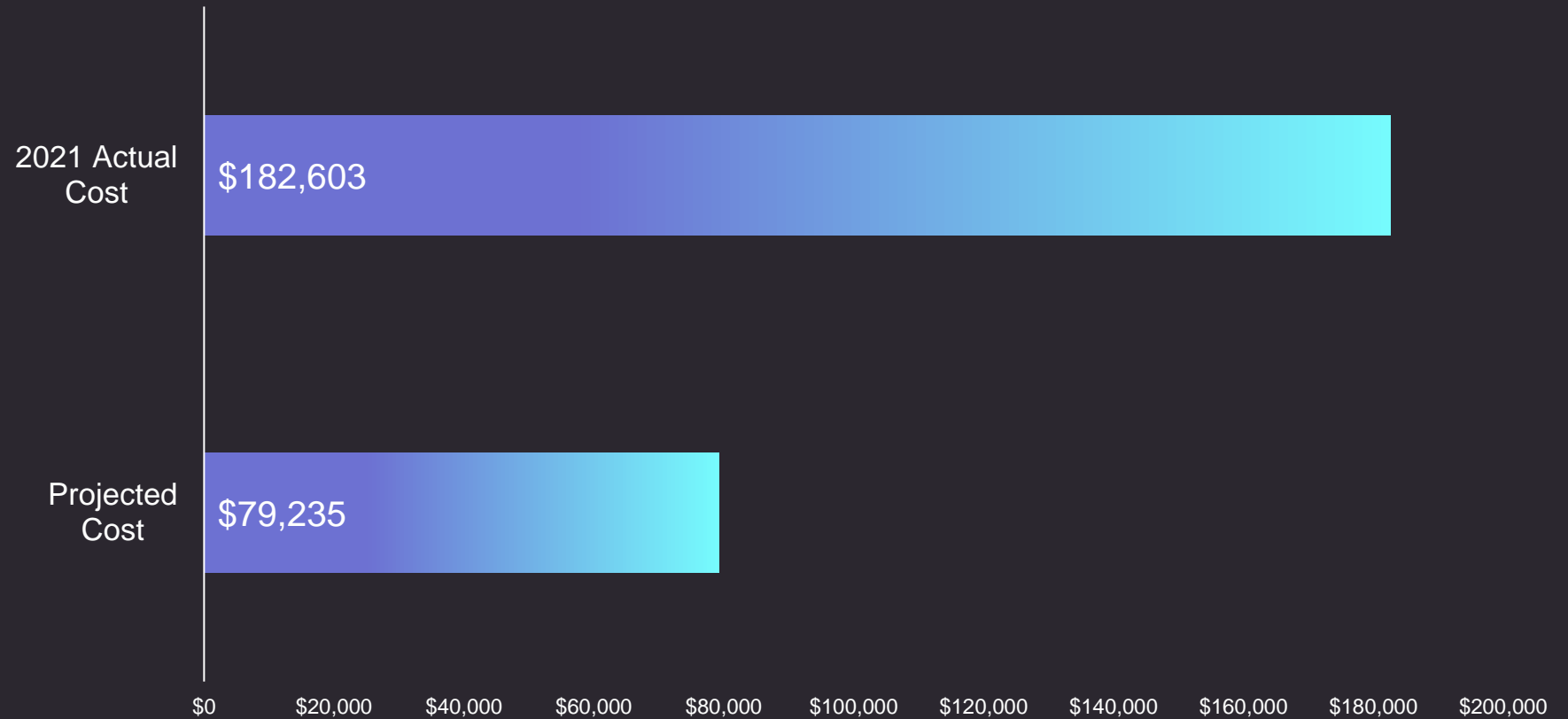
## 2021 Man-hour Cost Actual v. Projection

Reducing the Short Pick % to **0.75%** projects to result in a **45.76%** decrease in Man-Hours used resulting in an annual savings of **\$83,559**



# Combining Both Strategies

Implementing both strategies projects to a **\$103,368** man-hour savings or **56.6%**.





# Results Summary

## Reduce False %

Reducing the percentage of False Short Picks to 20% will result in a man-hour savings of **\$62,065**.

Base Line: \$98,585

Improvement to: \$36,520

Savings of: **\$62,065**

## Reduce Total %

Reducing the percentage of Short Picks to 0.75% will result in a man-hour savings of **\$81,903**.

Base Line: \$182,603

Base Line: \$99,044

Savings of : **\$83,559**

## Reduce both False % & Total %

Reducing the Short Picks % to 0.75% and also reducing the False % to 20% will result in a man-hour savings of **\$103,368**.

Base Line: \$182,603

Base Line: \$79,235

Savings of : **\$103,368**

# Item of Note

## Possible extra costs incurred not figured into this analysis

- Picking man-ours for the additional pick tasks created
  - For False Shorts another picker will be sent to pick that item
  - For True Shorts a picker will possibly be sent to a different location containing that item
- Split shipment costs
  - For short picks on multi-item orders, any found shorted item will be sent separately as it will be picked in a separate wave after the other items have been processed
- Customer acquisition cost
  - Due to not receiving the items on time or possibly not at all customers may not shop with us or may shop less.

