

Case Study

GXO Logistics - Amazon

Inventory Management & Workplace Organisation

Background

Operating in 30 countries and with over 100,000 employees, GXO logistics is an American transportation and contract logistics company that manages supply chains for 50,000 customers worldwide. GXO operates approximately 800 warehouses with 2M sqft of space, making it the second largest third-party contract logistics provider globally.

Challenge

Working at a flagship Amazon site of over 1M sqft, there was a requirement to improve stock accuracy by better managing the receipt, put-away and control of stock.

Solution

Working with GXO management, an analysis of the site was conducted, focussed primarily on goods receipting, put-away and fast-tracking processes on the site. A results planning process was developed, building upon tools and actions already in place with over 150 discrete actions identified for delivery. Headline areas of focus developed within the analysis / results planning process were: Vendor management and conformance; Good receipting work flows and process; Optimum stock locations; Put away work flows and process; Addressing slow moving and dormant units; System issues and user training; Junior management development and performance-related skills sets.

Key output from the analysis was to redefine a 'Golden-Zone' through the warehouse with an emphasis being created on fast-moving SKUs - typically orientated within the facility for five days or less. Management control and reporting systems were reviewed and realigned to reflect business needs including frequency of review and generating action-orientated outputs.

“Libra provided the business with a clear sense of opportunity, a roadmap for delivery, and a quality of people that underpinned its' delivery.”

Gavin Williams - Managing Director - GXO Logistics



Results



Processes re-design. Accurate put-away processes delivered



Management Development and Operator training delivered



Net Stock Accuracy Error of 0.01% (sigma level 5) 5S programme delivered to the site and used as flagship for GXO Logistics



Contract renewal with Amazon