

Productivity Improvement Program (PIP) – Benefits

Associates	Supervisors	DC Manager	Company
<ul style="list-style-type: none"> • Improved morale and job satisfaction from: <ul style="list-style-type: none"> . Best Practices . Fair and Accurate Goals . Coaching • Appreciation for the investment being made to help them be more efficient • Knowledge of how their job should be done and what is expected of them • Sense of mastery through achieving personal goal(s) and further developing skills • Feeling of belonging and making a difference by contributing to continuous improvement • Strengthened relationship with their supervisor through performance coaching • Healthy competition with between associates and between teams and team members • Safety <ul style="list-style-type: none"> - Reduced injuries from following Best Practices 	<ul style="list-style-type: none"> • Best Practices to ensure consistency and efficiency: <ul style="list-style-type: none"> . Streamlined processes and workflows . Standardized methods for each function . Ability to identify and eliminate non-value added and inefficient processes . More efficient and effective new hire training • Fair and accurate goals with which to measure performance for each function • Timely reports that provide a fair and accurate assessment of associate performance • Associate success through mentoring and coaching <ul style="list-style-type: none"> . Conduct observations . Provide feedback and hands-on training • First-hand knowledge of issues impacting productivity through increased floor presence 	<ul style="list-style-type: none"> • Performance visibility and accountability • Comprehensive and timely reports and dashboards • Identification of non-productive time and its causes, and the information necessary to increase resource utilization • Increased productivity • Reduced labor cost • Improved quality / order accuracy • Stable workforce <ul style="list-style-type: none"> . Employee retention . Reduced turnover . Fewer temps • Improved resource management <ul style="list-style-type: none"> . Labor planning . Scheduling . Workload balancing • Facility optimization <ul style="list-style-type: none"> . Improved workflow . Increased storage capacity • Improved FIFO management • Goals that can support an incentive program • Enhanced recruiting 	<ul style="list-style-type: none"> • Reduced DC labor cost (Estimated 30% - 40%) • Increased profitability • Optimized use of facilities, equipment and systems • Enhanced customer service • Culture of Accountability and Continuous Improvement • Employee loyalty • Potential to provide performance incentives • Improved productivity and reduce costs as volumes continue to grow • Ability to develop activity based labor costs • Reduction in Workers' Compensation injuries due to better methods and coaching