Lydia™ VOICE

EPG'S LYDIA™ VOICE

solves Picking Niggles and Boosts Inventory Management for Electrical Component Supplier

niGLON™

EPG® Ehrhardt Partner Group

Smarter Connected Logistics™

Imagine a warehouse manager's nightmare scenario. You ask a customer for their opinion of your service and you're told that your company is "one of the two worst suppliers in terms of inaccuracies". Ouch.

Credit to the company for asking the question and credit to the customer for giving a straight, honest answer. The question now was: how could the supplier act to improve its picking inaccuracies – and fast?

This was the thorny problem faced in 2016 by Niglon, an electrical component supplier of over 50 years standing dedicated solely to the electrical wholesale trade. With new products being added to its ranges on a continual basis – covering circuit protection, wiring accessories, cable management and much more – wholesalers rely on Niglon to source a huge range of products with a single order, single shipment and rapid delivery. Customers get the benefit of the kind of personal customer service you'd expect from a small family firm – including complete accountability from a named representative – alongside the kind of fulfilment rate offered only by companies with large-scale capabilities.

With that hard-won and justifiably strong reputation for prompt and accurate customer service and delivery, this unwelcome information from a customer was something the fourth-generation family-run business was, commendably, not prepared to take lightly. Action was needed - the company's pride in its offering allowed nothing less. Managers therefore made the decision to seek state-of-the-art efficient, accurate and reliable picking technology.

THE CHALLENGES

Easier said than done, though - and with a lengthy list of considerations to address. First, accurate picking is tricky even at the best of times when you are picking complex electrical components. For instance, a 9V switch looks very similar to an 8.6V switch, probably with an almost identical product code and identical boxing or packaging. The new picking system would be popular indeed if it could help to soothe this potentially troublesome headache.

The company's existing picking system, which was paper-based and enabled by the company's in-house ERP, offered further setbacks because it required training time for new staff. As staff turnover increased – a common issue across most of the warehousing industry in the past decade – it followed that more time had to be spent on training new or seasonal pickers.

The decision was given extra urgency because Niglon was growing fast and was therefore due to make an imminent move into larger premises.

There was another game changing consideration, too. Niglon falls into the size and category of business that doesn't necessarily need or want to prioritise sinking substantial capital expenditure into a new WMS. Ideally, it wanted to boost its picking operation to a state-of-the-art level without having to absorb or invest in a new WMS.

NO NEED
FOR FULL WMS

Niglon's leadership team duly researched the market, including a visit to a warehouse & logistics trade show that year. It was here that they met representatives from voice-picking specialist Ehrhardt Partner Group (EPG), a German-based software specialist with a range of solutions in warehouse management and supply chain execution.

Dispensing with paper and, crucially, not requiring a company to upscale to full WMS, EPG's LYDIA™ Voice picking system uses a very simple, adaptable range of short voice commands. Workflows can be adapted to suit the process, but they are always short, easy-to-follow and LYDIA™ is comfortably able to understand accents and dialects where required. At Niglon, their pickers wear headsets, but now users can choose a unique wearable vest, with all of the electronics fully integrated within it. With the LYDIA™ VoiceWear™, a number of additional benefits, such as increased hygiene and user comfort are also a real winner with users at other LYDIA™ sites. In this case, the Niglon users simple listen to the voice commands through their headsets, then read the last digits of the item codes or 2 digit location check codes as directed. With the additional benefit that that no speech template training is required, this allows new users to get up to speed very quickly and for users to quickly move between different tasks without preamble, saving time and money.

Given the high standards Niglon asks of itself, it set a high bar for EPG to meet. The challenge was to increase order picking accuracy to 99.9% from its existing overall figure of 96%, which was weakened by sometimes low first-time accuracy in missed or wrong product picks. The LYDIA™ Voice technology would be serving 3000 pallets spaces and 4500 SKUs (increased from 2000 at the old premises), with 250-300 orders per day, which totals about 5000-6000 per month, comprising an average of five lines per order.

The challenge was to increase order picking accuracy from 96% to 99,9%

PRODUCTIVITY AND
ACCURACY BOOSTS

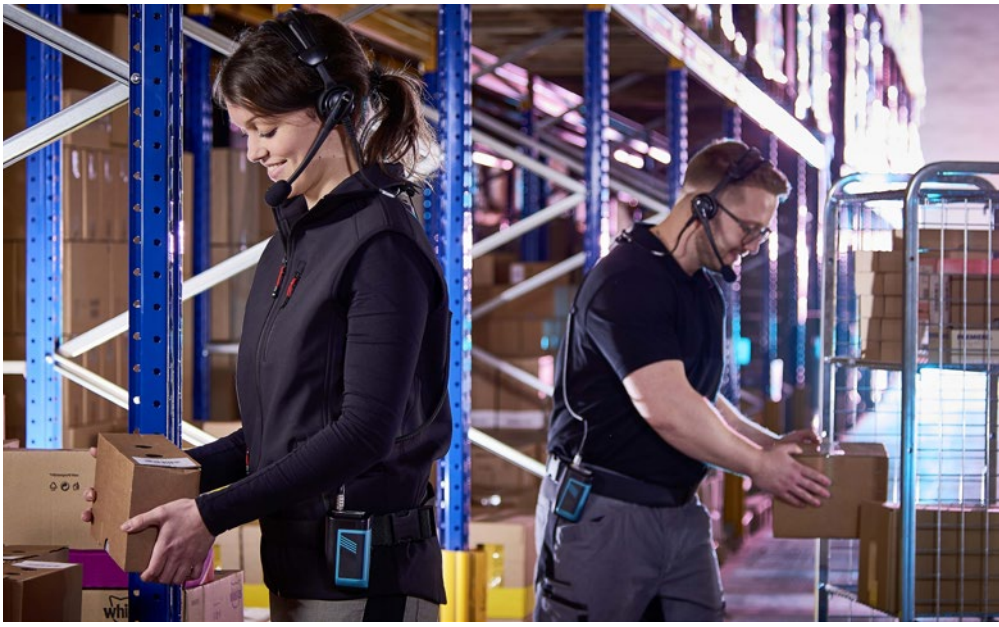
“Yes, accuracy is 99.9%”

Oliver Hinley, Operations Director at Niglon

LYDIA™ Voice was implemented with Niglon in April 2017, a year after its move into new premises. Fast forward to 2021, and Niglon is delighted with the results.

“Yes, accuracy is 99.9%,” reveals Oliver Hinley, Operations Director at Niglon. Other gains have been impressive, too. “Productivity has risen by 10-20% across all of our operators, with first time accuracy rates up by 20%,” he confirms. “We’ve increased turnover by double-digit figures but without any need to increase permanent staff and just a few agency staff to cover peaks. The good news is, that when we do need those extra staff, they can be upskilled into a complex environment very quickly, because LYDIA™ Voice requires no voice training and is very user-friendly.”

STAFF BONUS
POPULARITY



The staff love LYDIA™, too. The accuracy savings allowed the introduction of a bonus scheme to the picking team, which has boosted both staff productivity and retention, while pickers of initially low ability improve much more rapidly than under the old system.

The stocktaking process has been an unexpected beneficiary. Two years after go-live, Niglon started to use the system to manage rolling stock takes, which not only saved the company from the cost and disruption of having to shut down for two days, as it had in the old days, but helped improve stock positioning. That means the problem of very similar products being stored together is solved and the warehouse manager's job is made much easier. Investigation is faster and stock taking is a slick one-hour-per-week process.

"LYDIA™ Voice also delivers for Niglon without necessarily requiring a full WMS to be deployed," explains Gavin Clark, who heads up EPG's business in the UK. "It removes the printing of paper, it will allow operatives to interact with the system, it will validate that they are at right location, it will make sure they've picked the right item by just reading the last digits of the barcode or check code on the location. It will also update the ERP, enabling accurate, up-to-date stock checks."

POST-PANDEMIC **BENEFITS**

Gavin Clark points out a unique capability that LYDIA™ Voice provides in the post-pandemic logistics environment. “Not needing a printer is a real plus because the printer is the single site location where everyone congregates and re-visits. It’s not ideal for social distancing regulations and preferences. But as soon as you put the LYDIA™ headphones on, you don’t have to interact in that potentially problematic way.”

For Niglon, picking niggles are a thing of the past thanks to pressing the switch on a faster, more efficient warehouse operation.

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www.lydia-voice.com