



How to Optimize Your Warehouse Space to Improve Productivity and Achieve Growth

A blueprint for a more streamlined and collaborative approach to warehouse transformation

E-BOOK



Imagine a Warehouse Design Process Everyone Can Get Behind

Even in today's modern supply chains, warehouse operational managers and stakeholders have settled for outdated and problematic warehouse designs. In fact, many warehouses haven't changed since their original designs years ago, even as the requirements of those warehouses have evolved.

Too often, warehouse leaders grow accustomed to business as usual when they are missing out on potential efficiencies or even failing to take action to remedy growing problems. Concerns about costs, labor and changes in management requirements associated with designing or redesigning their warehouses or even individual warehouse elements may also prevent them from acting.

But when order volumes grow, outdated warehouses quickly become bottlenecks for productivity. This has been especially challenging among warehouse managers already struggling with labor shortages, where outdated warehouses are not digitized or automated to make up for those shortcomings.

Fortunately, there is an untapped design method that can help warehouse leaders transform their current layouts to better suit their current requirements. The 3P Design Method makes this possible — it is a much easier, faster and more effective process that is more readily accepted by warehouse personnel than traditional, “top-down” approaches to warehouse design.



In this guide, we will:

- Define the “3P method” and how it applies to modern warehouses.
- Identify opportunities, efficiencies and cost benefits compared to traditional approaches.
- Demonstrate how the 3P method involves any or all personnel for a “democratized” approach.
- Share opportunities on how you can get started with your own 3P strategy.

Why Choose 3P Over **Traditional Consulting?**

In the past, warehouse managers and other company stakeholders undertaking a new design would hire an engineering consultancy to help. The consultancy would spend weeks alone, studying information shared by those stakeholders about their needs and existing warehouse operations. The consultancy would present different solutions upon completing their assessment weeks or months after they began.

The timeline for this process can drag into several months as the consultancy and stakeholders work in isolation, sending proposals back and forth between them. After dozens of potential revisions, the group would agree on a final plan, convince their company leadership of the change and impose those changes on their warehouse personnel.

So, why are we leaning toward the 3P method?

There is a disconnect within the traditional process.

Warehouse stakeholders only see a polished proposal and have little input during the actual development process. This can lead to undesirable results, endless revisions, a tedious experience for stakeholders and a conflictive change management process when imposed upon personnel.

There are distinct advantages to the 3P process.

3P means **“Production Preparation Process.”** This approach to warehouse design removes barriers to entry in the design process, enabling stakeholders and warehouse personnel to take complete ownership of their design. Specifically, they can leverage their own innate knowledge and expertise to optimize design, execution and internal adoption.

PRODUCTION

PREPARATION

PROCESS

Indeed, this is the key differentiator of the 3P process: Its methodology encourages any number of warehouse stakeholders and warehouse personnel to participate in design efforts and contribute to key decision-making with a strategic 3P partner.

“It’s almost like crowdsourcing warehouse design.”

Carlo Malaguti

Senior Supply Chain Specialist, *Tecsys*

The 3P Design Method:

- Saves time and adds efficiencies to the design process.
- Maximizes the value of experience and insights among personnel.
- Ensures outcomes are agreeable to all relevant parties – both stakeholders and employees.
- Allows relevant parties to “take ownership” of their new warehouse design.

How 3P Warehouse Design Works

Here, we take a closer look at how teams can prepare for a new 3P warehouse design process.

What Are the Key Points of 3P Design?

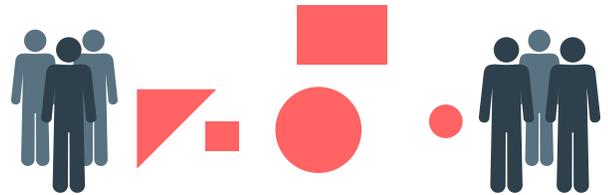
In warehouse design, 3P represents a lean-design approach that includes design conception and reviews by a **cross-functional team**.

The main benefit of the team approach is participants can provide knowledge, experience and rapidly test ideas to **reach a consensus** on the overall design of the warehouse.

When the 3P process is complete and the right design is selected, stakeholders work with design partners to execute the design in a way that is **agreeable to all parties**, including employees.

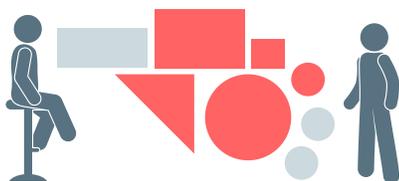
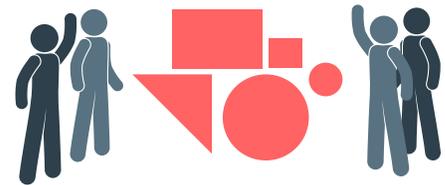
How Does the 3P Design Method Play Out?

1. Participants create two or more functional teams to **discuss, list and decide** on primary and secondary focus areas for the new design, which may or may not apply to an entire facility or facilities.



2. All participants work to define and **estimate the space necessary for each functional area** that is part of the design effort. The full group proceeds to define the degree of closeness and reasons for closeness between each functional area to visualize the relationships between activities.

3. The group breaks again into two teams, each of which **simulates space relationships** before arriving at two or three solutions. They regroup to determine a unique, agreed-upon layout.



4. The team **explores additional ideas** and attempts to produce alternative layouts to the agreed-upon layout before arriving at a final layout design.

With more ongoing, active interaction among more people in the organization, stakeholders and their strategic partner can ensure real-time results throughout the process. This stands in stark contrast to the closed-door and prescriptive methods employed by traditional engineering consultancies.

Warehouse Facility Transformation: A Case Study in 3P Success



50,000

50,000 square feet
warehouse facility.



12

12 people involved in the redesign
project: managers, supervisors,
external consultant and project
manager.



3

3 weeks total 3P design period.

Warehouse workers and managers contributed their knowledge to the new design of their warehouse facilities. The teams determined the basic concept of their agreed-upon layout in roughly two weeks. Because the new design was executed, the staff now enjoys the results of their own knowledge and collaborative efforts.



How a **Strategic 3P Design Partner** Can Help

The requirements and impositions of modern warehouses warrant this new approach to warehouse design. A strategic partner can help you determine what aspects of the warehouse and what elements of transformation can best prepare you for future challenges as well as business opportunities.

A strategic partner can also help you maximize the value of your design efforts. For example, they can help you use the 3P approach on a limited scale, improving only some elements of your existing warehouse before investing and proceeding with a more robust design effort.

A strategic partner helps the working group:

1. Define the scope of participation

The strategic partner assists stakeholders in forming teams, coordinating 3P activities and ensuring participants have approachable but practical tools they need to drive results. The strategic partner also helps formalize the agreed-upon design for engineers.

2. Ensure proper WMS and other system integrations

Often a 3P warehouse design is an ideal time for new system adoption. A strategic partner can become a vehicle for optimization, ensuring WMS and other system integrations align with new elements of warehouse design.

3. Streamline change management

The strategic partner helps conduct the actual design process in a timely and cost-effective way. For employees, the strategic partner aligns physical designs with real workplace benefits, ensuring all personnel see their personal contributions in the tools, environments and spaces where they work.

Scope of participation

System integrations

Change management



Start an **Internal Conversation** About Your Own 3P Design

If you're interested in a new design but you're hesitant about getting started, rest assured – there are helpful ways to begin communicating with stakeholders and personnel about new design opportunities.

For example, even on a small scale, the ROI for 3P design work is reliably positive. Many facility-wide projects begin with spaces no larger than 4,000 square feet. Warehouse stakeholders can realize the value of new designs in these spaces in the near term before investing in additional 3P efforts.

What's more, 3P can become a meaningful event in the professional lives of your personnel. Your strategic partner can help you communicate the value of the 3P process to your teams and help them realize the daily benefits the transformation will provide. This way, personnel can truly say, "We designed our warehouse." They can own the project, just as your stakeholders own the business results.

Getting Started with Tecsys, Your Strategic Partner for 3P Transformation

Tecsys is a leading strategic partner in 3P warehouse design. Our areas of expertise also extend to technology integrations, workflow optimization and change management with outstanding satisfaction and ROI among warehouse operational leaders and stakeholders.

If you're ready to take your first step toward 3P transformation, or just want to start a conversation and learn a bit more, contact Tecsys for a free, 30-minute evaluation of your existing warehouse layout.

Free 30-minute evaluation



"We are at a time when warehouse leaders are struggling with labor shortages and dissatisfied workforces. Their personnel don't want to feel like they're just pushing pallets. 3P is a great opportunity to engage with those people and make them feel valued as employees. It might help with culture and labor retention as well."

Carlo Malaguti
Senior Supply Chain
Specialist
Tecsys



About **Tecsys**

Since our founding in 1983, so much has changed in supply chain technology. But one thing has remained consistent across industries, geographies and decades – by transforming their supply chains, good organizations can become great.

Our solutions and services create clarity from operational complexity with end-to-end supply chain visibility. Our customers reduce operating costs, improve customer service and uncover optimization opportunities.

We believe that visionary organizations should have the opportunity to thrive. And they should not have to sacrifice their core values and principles as they grow. Our approach to supply chain transformation enables growing organizations to realize their aspirations.



www.tecsys.com

info@tecsys.com

Phone: 514-866-0001

Toll Free: 1-800-922-8649

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