

## **Employees – A Factor of Success**

**Within the framework of clearly defined structures, a motivated team is capable of reaching its peak. In this respect, much potential still remains buried in the area of warehouse management.**

“I am convinced that motivation and leadership influence performance by more than 50 percent, whereas the significance of technical systems and strategies tends to be of a secondary nature”, explains Reinhold Würth. This German businessman built up his father’s regional fasteners’ wholesale business into an international enterprise. Today, the Würth Group employs almost 60,000 people in 84 countries. A warehouse study carried out by Würth impressively supports the notion that, in practice, productivity levels and costs are not dependent on the level of automation. Apparently, there are other completely different factors determining the success. “In areas where motivation levels were high, output was above average performance levels”, adds Andreas Dür, logistics consultant at x|vise innovative logistics. Andreas Dür concludes that the study can be summarised by the following statement: “A first-rate team with a second-rate technical system is capable of higher performance levels than a second-rate team with a first-rate system.”

### **Status quo in the Middle East**

Andreas Dür, manager of x|vise’s Dubai branch, has first-hand knowledge of the situation in the Middle East with regard to warehousing and handling. Even up until recently, low operating costs were the order of the day. Rental and personnel costs were very low, while productivity was shown to be most satisfactory compared to the volume of business. Land could also be acquired fairly cheaply. Today, however, vacant business space is rare and therefore expensive, while rental costs are going through the roof. In addition to this, the development of new technologies in warehousing is on the increase and business continues to grow. “In order to meet the volume of business demand, additional employees are hired who lack the necessary training for the job”, says Andreas Dür. Thus, the expected success is not achieved. “As these teams become increasingly unmanageable, performance tends to suffer.” Yet for every industrial enterprise, every manufacturer and every supplier, efficient warehouse management plays a key role. It is here where competitive advantages can be gained and capitalised on. In this respect, the logistics consultant sees great opportunities in the Middle East through the implementation of clear structures for the leadership and motivation of employees.

### **Change Management – Moving with the Times**

In view of the significant increases in quantity and growing demands, standardised processes play a fundamental role. This applies equally to procurement, receiving and dispatching goods, warehousing and transportation not only from an administrative perspective, but also with regard to the physical flow of goods. Andreas Dür believes it is essential for management teams to define clear structures with regard to business processes and their workings, but these should not just be put down on paper. It is not enough to simply define guidelines. “They have to be followed through.” However, as with the introduction of new technologies, the success of adapting to highly-tuned processes is dependent on the motivation and efforts of the staff. Andreas Dür: “It is for this reason that those responsible must firstly focus on the people.” Change is a controllable process, so the goals are always attained much quicker through conscious change management. Managers need to sensitise staff in advance about the reasons which prompted the change and then integrate them into the change process. Subsequently, it is then important that employees receive full support and guidance with regard to their new tasks.

The challenge in dealing with people lies in their individuality, which is expressed in thoughts, feelings, personal opinions, values, levels of education, etc. This individuality is considered to be the great unknown. “When converted into the efficiency of employees, this factor ultimately represents the greatest opportunity”, says Andreas Dür. “The more influence the managers exert and the more intensively they focus on their people, the more influence they are then ultimately able to exert on working performance.”