PULL-DRIVEN ORDER FULFILLMENT IN DISTRIBUTION CENTERS

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Motivation and Objective of Research

- E-commerce increases the need for innovative software solutions that can adapt swiftly to macro demand pattern changes as well as seasonal and daily volume peaks:
  - Proliferation of SKUs combined with high and fluctuating volume of orders that have few lines and few units
  - Customer expectations demanding high service levels in the form of shortened delivery times and free shipping
  - Desire to maintain high resource utilization and high workers productivity

Zone Picking to Put Walls

Put Wall Advantages
- Require lower capital investment compared to conveyor-based unit sorters
- Scalability and flexibility
- Easy to operate
- Productivity and accuracy can be enhanced substantially when coupled with an intelligent execution system

Put Wall Drawbacks
- Difficult to synchronize arrival of units that belong to the same order, and hence:
  - Long and highly variable dwell times of orders in put wall cubbies
  - Erratic resource utilization patterns
  - Long queues of containers at the put walls

Zone Picking to Put Walls Process Flow

Proposed Solution: Pull-Driven Order Release Control

- For a given setting characterized by:
  - Pool of orders
  - Picking and putting process parameters and capacities
  - Determine minimum batch size (X) and cluster size (Y) that meet throughput within capacity constraints
  - Determine the pull threshold (W) that maximizes system throughput

Results and Conclusions

System Parameters
- Duration = 20 hours
- Orders = 40,000
- Average Lines per Order = 4.2
- 12 Pick Zones
- 50 Put Walls

Pull vs. Push Parameters
- Batch Size = 108 for Push vs. 60 for Pull
- Batches/Pick Cycle = 10 for Push vs. 6 for Pull
- Push Release Policy: Release 1000 orders every 30 minutes
- Pull Release Policy: Release a batch when the number of batches in the system goes below 48

Pull Framework for Batch Picking to Put Walls

- A pull-based flow for fulfilling orders can vastly improve the operational performance including reducing the cycle time, meeting throughput requirements, and leveling resource utilization
- Interdependency between batch sizes, human resource availability, work content, and productivity need to be modeled and understood well prior to setting the pull parameters
- There are unintended consequences for smaller batches, such as the need for more people or more containers and carts to keep the work flowing, or resource starvation