

A CAREER IN WAREHOUSE MANAGEMENT

Miss Page

A CAREER IN

WAREHOUSE

MANAGEMENT

SHIPPING AND INVENTORY LOGISTICS

JUST 30 YEARS AGO, OPERATING A WAREHOUSE WAS AS SIMPLE AS STORING STUFF until it was requested and then transporting said stuff to its destination. The warehouse was seen as a necessary evil that cost a company money but made no contribution to any company's bottom line.

Today, warehousing is more of a science, thanks in part to advances in information technology. The contribution of the contemporary warehouse to company profits and success is widely acknowledged. The warehouse is considered a function – not just a building – and a critical element of the entire supply chain process.



NEW TECHNOLOGY CONTROL METHODS MAKE THESE EXECUTIVES CRITICAL IN THE COMMERCE SUPPLY CHAIN

The position of warehouse manager has also been recast, even revolutionized. While it's still possible to start your career as a stock clerk or dock laborer and end up a vice-president, employers are increasingly looking for workers who are highly qualified and well educated. Some even require candidates for managerial positions to have earned degrees in business administration or related fields.

Some things haven't changed since the 1960s and 70s. Warehouse managers are still responsible for the overall activities of the operation, the safety of the merchandise coming through, on-time delivery and accuracy of orders, inventory replenishment and customer service. They also have to stay up-to-date on federal, state and local regulations governing issues like occupational health and safety of workers and vehicle emissions, and make sure the facility adheres to these regulations. Plus, they have the other duties all managers face, such as preparing budgets, hiring and supervising employees and scheduling work shifts. Successful warehousing has always required a robust team effort.

But now warehouse managers also use computer spreadsheet software to make forecasts that will minimize waste and maximize efficiency. The use of more automated equipment has also changed the nature of this job.

And since this business is subject to customer whim, prices of raw materials, regulatory activity and the conduct of suppliers and vendors, continual unsettling changes are a given. So 21st century warehouse managers have to practice "change management," which involves maintaining employee morale so workers feel secure in the midst of uncertainty.

Also, the range of services shipping and warehouse firms provide has expanded in response to customer demand and expectation. Companies now offer order entry and fulfillment, inventory management, labeling and price marking, light assembly, packaging and other value-added services.

This report will provide you with an introduction to the surprisingly diverse field of shipping and warehousing. Whatever your interests, you're sure to find a warehousing firm that handles kindred items. That's because warehouses serve high-speed, high-volume packaging companies whose clients are in the beverage industry, manufacturers of neon accessories for automobiles, distributors of plumbing supplies, providers of mid-range computer equipment, watercraft manufacturers and marketers, orchards

and nurseries, snack food manufacturers, nonprofit organizations that collect material donations, and many other types of businesses.

In these pages, you'll learn about the duties of the warehouse manager, what kind of education and training is recommended, the personal qualifications you should possess and how you can begin preparing for this career right away.

Plus, you'll get a first-hand look at what it's like to work in the field of warehouse management through interviews with some people actively working in the field. The interviews reveal that many people seem to back into this job. Our interviewees say they're not sure how they ended up where they are, but they liked it enough to stay. That's as ringing an endorsement as you're likely to get for any career, so read on!

EXPLORING THIS CAREER

FIRST, GET YOUR HANDS ON SOME TRADE MAGAZINES TO READ UP ON WHAT'S GOING on in the shipping and warehouse industry. Many magazines have help-wanted classified ads, where you can find out what kinds of skills, requirements and salaries are required for particular jobs. See if you can find copies of these magazines in your local libraries. Sometimes you can get a free sample issue of the magazine from the publisher, or perhaps you could get your school to order a subscription. Also, you can do some investigating on Web sites representing the publications or trade associations.

Warehousing Education and Research Council (Web site www.werc.org) is a particularly rich source of information for the warehousing and distribution community. This organization conducts career surveys, issues publications and undertakes intriguing research projects, the most recent of which produced a "how-to" guide on managing the design and implementation of a top-notch warehousing facility.

Do you have email? If so, visit <http://www.management.net> and sign up for SupplyChainLink, a free newsletter that is distributed electronically. Simply reading the headlines and summaries every month will give you an excellent overview of the issues, trends and developments in this industry.

To prepare for your first job in warehousing, which you can get while you are still in high school, you might want to consider taking business-related classes such as typing or data entry, business math, accounting and definitely as much computer science as your school offers.

Computers are used extensively in warehousing. A manager might have to be proficient in Microsoft Office and database management, with a basic understanding of the UNIX operating system, HTML, and spreadsheets and databases using Excel. So acquiring an electronic education as early as you can will be helpful.

If you want to work in an office position, you may have to take a brief exam during the job interview that tests your spelling, math and proofreading skills. Such an exam also evaluates your overall precision and attention to detail. If you prefer to be employed as a laborer, you should make sure you're in good physical shape so you can (1) get hired and (2) avoid injury.

Try to get a part-time job at a warehouse or shipping department during weekends and summer vacation. This will help you decide whether you're suited to this work, and the experience will look good on your résumé and help you find future employment. Also, if you're applying to colleges with distribution or logistics programs, the fact that you showed this level of interest in the field may cause admissions committees to look upon your application favorably.

HISTORY OF THIS CAREER

GENESIS, THE FIRST BOOK OF THE BIBLE, TELLS THE STORY OF JOSEPH, THE HEBREW boy who became a slave in Egypt and later a ruler. Read between the lines and you'll discover Joseph owed his success in part to his foresight and proficiency in warehouse management.

Pharaoh was plagued by mystifying dreams and summoned Joseph to interpret. Joseph told Pharaoh the dreams meant there would be seven feast years in Egypt, followed by seven years of famine.

Joseph further counseled Pharaoh to choose a man discreet and wise to oversee the gathering and storing of food in times of plenty to sustain the people of Egypt when famine came. Pharaoh decided that discreet and wise man would be Joseph, who was able to store so much grain that it could not be counted by all the Egyptian mathematicians, accountants and magicians combined. When the famine struck, the country was so well stocked with grain, Egypt was able to sell it to the hungry in neighboring nations.

Despite these auspicious beginnings, warehousing didn't become a major industry until late in the 19th century; and warehouse management wasn't considered a significant business career until late in the 20th.

In 1869, the world's first transcontinental railroad was completed, linking the United States from coast to coast. The new railroads – combined with the development of mass production and improvements in communication and other modes of transportation – dramatically stimulated economic growth. Soon, manufacturers were able to ship their products to stores all over the country, while others chose to sell wares via mail order catalogs directly to customers.

The first shipping/warehousing trade organization, the International Association of Refrigerated Warehouses (IARW), was founded around this time. A group of conventional warehousemen who had taken on the demands of storing perishable food soon realized the increased challenge and complexity of operating temperature controlled storage facilities. They founded the IARW in 1891 with the mission to:

“Advance and enhance the safe storage of large quantities of food products, facilitate efficient and economical distribution of food between manufacturers and retailers, and promote better understanding to the public of the refrigerated warehouse and logistics industry.”

For the next 100 years or so, shipping/warehousing was seen as the simple process of storing goods and transporting them from the seller to the buyer. But in 1980, interstate trucking was deregulated, making the industry subject to less restriction and increasing competition among companies providing warehousing- and distribution-related services.

Competition forced industry participants to innovate, expand their range of services, improve customer service, offer lower rates and streamline their own operations. Fortunately, along came high technology, which revolutionized the industry by computerizing such functions as inventory management and making operations increasingly cost-efficient.

Today, Warehouse Management Systems software helps warehouse managers keep track of data, solve problems that are unique to this industry (like forecasting inventory levels) and implement such practices as proactive cross-docking. Cross-docking is a material handling system that moves goods from the supplier's truck directly to a store-bound truck – or from the receiving platform to the shipping dock – without putting items in storage. It's a labor-saving strategy, and it also gets product to consumers faster. Its success depends heavily on information technology.

“Just in time” (JIT) is a concept that originated with quality-conscious Japanese manufacturers and was appropriated by American industry in the early 1980s. JIT applies to the manufacturing and shipping industries. It means that factories produce the right part in the right place at the right time, and truckers deliver goods from suppliers precisely when customers need them and not before. This reduces superfluous inventory, minimizes waste and maximizes efficiency.

Customized Warehousing

Customized warehousing is shaping up as the first major business trend of the 21st century. Consumers get alternatives and customized solutions in other areas of their lives – from Dell computers that are assembled according to each customer’s specifications to individually tailored Levi’s – and warehouse operators will have to respond to this personalized demand.

In customized warehousing, generic product is stored in the warehouse until a customer places an order, at which point the warehouse takes whatever steps necessary to customize the product to the customer’s request. Although it’s more economical to mass-produce a product, customized warehousing can save a company money over the long term by reducing the amount of storage space necessary and improving customer satisfaction.

WHERE YOU WILL WORK

THERE ARE OVER 12,000 ESTABLISHMENTS OPERATING WAREHOUSING AND STORAGE facilities in the United States, including self-storage mini-warehouses that rent to the general public.

Kansas City is just about right in the middle of the United States, a geographical phenomenon that has made it a natural distribution, transportation and warehouse center. Indeed, urban areas boast more retail stores, factories, warehouses, shipping depots and wholesalers than rural areas. And the states of California, New Jersey and Texas show a slightly higher concentration of trucking and warehousing establishments than do other states.

Even so, jobs in the shipping and warehousing industry can be found all around the globe. Large warehouses are maintained from Georgetown, Ontario to Jakarta, Indonesia; Wellington, New Zealand to St. Petersburg, Russia.

People in this industry are employed by several different types of firms and institutions in a variety of industries. Among the operations that maintain their own warehouses and/or shipping facilities are:

- Retail outlets such as department, clothing and accessory stores
- Manufacturing firms
- Wholesalers
- Couriers and distributing and hauling consultancies
- Mail-order firms
- Government agencies
- Grocery store chains
- Hospitals and other healthcare facilities
- Nonprofit organizations
- Transportation companies
- Logistics service providers
- Companies that provide storage space for other companies or for individuals (self-storage)

A survey of the members of the Council of Logistics Management (CLM) found that, of 18 industry categories listed, the food products, consumer packaged goods, chemicals, plastics and healthcare industries employ shipping and warehousing executives extensively.

The CLM survey also found that most people are working for large corporations, with average annual revenue of about \$1.5 billion. Only about 25% of the employers reported revenues below \$500 million, and the top 25% of the firms had revenues of almost \$6 billion or more. These numbers include both large firms (which may operate several independent warehouses) and smaller companies (which tend to maintain individual warehouses to support basic operations).

If you want to be even more particular about where you will work, you should note that people engaged in shipping and warehouse management spend time indoors, in warehouses, storerooms, stock rooms, shipping and receiving rooms, cold storage rooms and offices; and outdoors, on loading docks and receiving platforms.

THE WORK YOU WILL DO

THERE'S NO ONE DESIGNATED OR RECOMMENDED CAREER PATH IN WAREHOUSING. Where you start out professionally, where you end up, and how soon, will depend on your education, employment background, how quickly you improve and expand your skills, the size of the organization that employs you, its specific chain of command and other factors.

Sometimes the best way to advance rapidly is to spend only one or two years with one company, always on the lookout for a higher, better paying or more responsible job with another employer, instead of waiting around for the position you want to become available with your current employer. But this strategy can require a lot of effort and is recommended only for those who are very ambitious, impatient and risk-tolerant!

Your job titles along the way are likely to include:

- Laborer
- Clerk
- First-line supervisor
- Manager
- Director
- Vice President

Your position might also include the name of the department you' work in:

- Shipping
- Receiving
- Distribution
- Traffic
- Purchasing
- Materials
- Logistics
- Operations
- Stock
- Storeroom

As you work your way up, you'll enjoy increasing levels of responsibility and greater challenges. You'll also find your job more and more rewarding as you advance.

These are the tasks associated with positions at various stages in your progress toward success:

Laborers, Clerks, Support Staff These are entry-level positions. This is likely to be your first part-time or summer job in warehousing. If your first full-time job in this field is in a management position, on the other hand, these will be among the people you supervise.

Laborers do the heavy lifting, literally. They load shipments onto, and unload them from, trucks and vans on loading docks, railroad cars and other means of transport. They stack crates and drums of merchandise onto low, portable platforms called pallets, and into bins. Laborers move materials indoors from outdoor storage areas. They may use tow trucks, cranes, pickup trucks, dollies, trolleys, hand trucks, loading conveyors and motorized forklifts.

Laborers restock shelves, clean up spilled liquids and powders (some of which may be hazardous) and straighten up the warehouse.

Shipping clerks are responsible for all outgoing freight. They fill orders that have been submitted by a customer, client or another department in their own company, by retrieving items from the stock room. They also review and inspect orders that have been prepared by others, making sure the right merchandise has been included and that it's in perfect condition.

In preparation for shipment, clerks make calculations; they weigh, measure, tally and calibrate. They enclose the goods in protective materials like bubble wrap and Styrofoam molds, perhaps using shrink-wrap equipment; and secure them with staple guns and strapping tape.

Shipping clerks also pack items in envelopes, cartons, mailing bags, hollow tubes and other containers. They fill out mailing labels and shipping documents and compute the postal charge or the cost of shipping by a private courier. An automated postal meter may be used to apply correct postage. If the company has an account with a private shipper, the clerk usually has to provide account information somewhere on the shipping form.

Shipping clerks may inspect vehicles to make sure they're clean and properly ventilated or refrigerated. They may oversee the loading of the cargo, actively direct the loading process or physically participate in it.

Record keeping is an important task of the shipping clerk, who documents items shipped, dates, vital statistics (weight, cost of postage, type of delivery requested such as 4th class or overnight), who was charged for the order (customer, client or employing company) and complaints of goods received in a damaged condition. They also keep track of inventory and note when items need to be restocked or reordered.

Receiving clerks are shipping clerks in reverse. When merchandise arrives on the receiving platform, they unpack the goods using box cutters, pliers, crowbars, pocket knives and other tools. They examine the wares and check items against packing lists, original order forms, bills of lading or invoices. They also record the condition in which the shipment arrived; if it's damaged, they notify the supplying company and ask that the merchandise be returned or exchanged.

Clerks may also wrap goods for storage, send samples to quality control units and route items to the appropriate internal department, stockroom or part of the warehouse.

Depending on the size of the employer and the degree of automation, laborers and clerks may use such equipment as PCs, hand-held bar code scanners or industrial robots, or they may perform tasks manually and record data in notebooks and on forms.

Warehouse Manager

The manager is responsible for the efficient and cost-effective operation of the warehouse. Included under the manager's auspices are all inbound and outbound services, including the receipt of goods into the warehouse, their assembly and storage, the dispatch of goods from the warehouse and delivery of parts and materials.

Warehouse managers also answer to all aspects of inventory management such as stock replenishment, the efficient flow of goods and accurate record keeping. They assess short- and long-term needs in terms of both the merchandise that's moved in and out of the warehouse as well as maintaining the facility itself – physical plant, equipment, labor, even energy requirements. They prepare forecasts and develop plans for obtaining the necessary resources.

The warehouse manager may establish operational procedures for basic activities; identify weak points and bottlenecks in existing processes and implement improvements; or design and implement new services as part of a restructuring of logistics functions to take advantage of new technology.

Warehouse managers develop statistical spreadsheets demonstrating storage costs and capacity, and flow charts showing the movement of inbound and outbound merchandise. They create budgets that will allow regular upgrading of staffing, tools, equipment and facilities. They assume responsibility for inventory management, productivity, accuracy, on-time delivery and loss prevention.

Managers communicate and coordinate with the employees they supervise, with other management and executive personnel, with heads of other departments in the company, such as marketing and manufacturing; and with outside vendors who lease or sell equipment, maintenance services, freight carriers and supplies such as pallets.

The head of a warehouse may coordinate with the sales staff or may make sales calls to prospective and current customers. In any event, this executive is responsible for making sure clients' and customers' expectations are met and a high level of customer service is maintained.

Attention to safety is the right thing to do, but it's more than an ethical issue, it's the law. The warehouse manager is accountable for the facility's compliance with procedures established by the International Standards Organization (ISO). Duties include planning, implementing and enforcing security, housekeeping, sanitation and safety programs. Specific tasks in this area could include selecting and retaining a security service; holding unscheduled fire drills or scheduling regular inspections of equipment, seeing that it's serviced and repaired when necessary.

Managers must comply with the regulations passed and enforced by the Occupational Safety and Health Administration of the United States (OSHA). Depending on the circumstances, ensuring a safe work environment according to the letter, and the spirit, of OSHA laws might mean:

Installing a safety cage on the forklift so workers can be elevated to high shelves without mishap

Requiring receiving clerks to wear gloves and steel-capped boots

Providing masks and eyewash stations for those working with hazardous chemicals

Establishing a buddy system for outdoor laborers

Designing employee safety education programs

Being prepared to respond appropriately to a specific accident or injury – the release of toxic, reactive, flammable or explosive hazardous chemicals, for instance, or lower-back injury sustained from repeated lifting, placing, carrying, holding and lowering.

Safety programs also make good business sense. They foster a sense of well being among employees, which boosts morale. This working environment, combined with accident prevention, result in maximum productivity. Taking preventative steps also minimizes the chance that a lawsuit will be filed by an employee who was injured on the job.

People who work in executive and supervisory positions in warehouses and shipping departments must also perform the personnel-related tasks that are common to all managers. They recruit and hire new staff and arrange for their orientation and training; assign work schedules and monitor performance; and implement and enforce reward and discipline programs.

Effective managers evaluate and supervise an employee's performance on a daily basis by documenting progress, procedures, quality of work, rapport with team members and work habits, and by providing regular feedback.

Managers should also champion the people they supervise, providing support, encouraging teamwork and helping individuals to achieve their own professional goals.

Performance reviews are a necessary evil of management, but if the manager has been providing feedback on a regular basis, nothing should come as a surprise to the employee.

If there's anything a manager dreads more than performance reviews, it's being obliged to terminate an employee. But again, if the manager has communicated with the staff on a daily basis, the employee should not be surprised to be fired.

As you are promoted to more senior-level management positions, the number of people you supervise grows, the people who report directly to you are at higher levels themselves in the chain of command and you may be put in charge of larger or more warehouses. According to a survey conducted by the Logistics Research Group at Ohio State University (Columbus), the activities senior logistics executives spend the most time devoted to are traffic management, general management, warehousing and international logistics.

Besides working your way up within a company or several companies, there are two additional popular options for experienced warehouse professionals: establishing your own warehousing firm, and becoming a self-employed consultant to the industry.

SHIPPING AND WAREHOUSING PROFESSIONALS TELL YOU ABOUT THEIR CAREERS

I'm the Dry Warehouse Senior Manager for a Food Distribution

Center

"I've worked in the grocery business my whole career. I started in a food warehouse where I worked for several years, got promoted to company headquarters in another state and then moved back home to work at this facility. Our distribution center services 200 independent grocery retailers.

There are some interesting things going on in the grocery business. Supermarkets have had to convert their warehouses from mere storage facilities to flow-through distribution centers. Supermarkets are trying to implement a procedure called cross-docking that's already used by general merchandise stores and department stores.

That's my main project right now, getting ready to introduce cross-docking to our stores. That's why I wanted this job in the first place, for the challenge and opportunity. The cost savings will be significant once the system is in place, but to implement it means major upgrades to computer systems and physical plants and investments in equipment like additional sorting conveyors, barcode scanners and software. It could easily cost \$3 million.

There's going to be some resistance from our employees, because it represents a different way of doing business than they're used to. And it's also going to be a challenge because each of our clients demands a different product mix. My job is to keep this transition from becoming a logistical nightmare. I think we'll start by cross-docking some high-volume items like paper products, maybe bread and pre-assembled promotional displays and take it from there.

A warehouse is like a branch location of a client's business, and that's how you have to treat it. You have to always be thinking of your client's needs and treat each account as if it's the only one you service. It's just good business."

I Own a Self-Storage Facility “I started out working for the US government in the areas of intelligence and security, but I switched to the private sector and went to work at a company where shipping and warehousing were part of the security department. Later, I worked for a moving and storage facility.

Then, I got together with a development company that helps people franchise self-storage sites. They performed a market analysis to determine the best location, evaluated the site’s feasibility by reviewing exposure and accessibility and took a look at the area’s demographics and competition. Then I had to make presentations to the zoning board and retain the architects and engineers to convert the existing warehouse. I also had to sit down with a contract lawyer to draft the operator-client agreement.

We had to install extraordinary security measures, obviously. To prevent break-ins and theft, we installed a computerized security system with sensors on all points of possible entry, including windows. You need to input a code on the keypad at the main entrance – either that, or get buzzed in by somebody already inside. We have a taped video surveillance system, and a heat-sensitive sprinkler system. A lot of our clients are businesses who want to store documents that need to be saved but don’t need immediate access, like old tax returns. There are reams and reams of paper that need to be protected from fire; it’s a huge fire hazard, all that paper.

We offer storage rooms in a variety of sizes that we rent on a monthly basis, and we have both individuals and businesses as clients. Clients receive the only existing key to their storage space, and they can visit their stuff without notice 12 hours a day, seven days a week, except for holidays. There’s always a manager on the floor during business hours.

Owning my own business beats any job I’ve ever had. I like serving as a mentor to young people who work for me and grooming them for promotions. I like that I can provide a livelihood for other people. I enjoy the relationships I have with my employees and with our clients. My team really strives to respond to our clients’ needs and requests.”

I'm a Shipping Manager for a Direct Mail Marketer and Retailer

"I have a bachelor's degree in distribution management, and in college I worked in a direct marketing fulfillment house in the summers, so I was lucky enough to be able to jump right into a management position after I graduated.

The company I work for sells gourmet fruit, roses, perennials, garden supplies, specialty bakery and gift items. Many of these items are perishable, so the shipping operation has to be coordinated flawlessly.

Company headquarters are in Washington state, but I work at a distribution center in the Midwest, which was built to improve customer service to this part of the country. This site is located on 50 acres. The facility has a call center with 450 stations and a 275,000 square foot distribution center for mail order and retail sales.

I'm responsible for providing direction and guidance to the Perishable Shipping and Distribution Planning departments. I coordinate activities such as package processing and I monitor productivity, quality of work, safety and financial control of supplies and resources.

I'm also in charge of developing operational budgets, managing costs and training and developing team leaders and 300 associates. I communicate with executives from various other departments daily – Quality Assurance, Distribution Planning, Inventory Control, and Human Resources.

Since the gift business is seasonal, the size of our workforce more than triples at the peak of the holiday season. We get as many as 100,000 calls a day during the holidays. So we all have to work all shifts and weekends to get everybody's orders filled. But the company is very generous with benefits; and there is an employee gym in this facility and other amenities, so nobody minds too much about helping out. Plus, this is a great team environment."

My Company Manufactures Dietary Supplements and Ships Them All Over the World

"This company is very new and small, but growing extremely fast. It was founded by a veterinarian and a scientist who started making products to fill the nutritional gap caused by the consumption of processed foods in the modern diet. First, they made vitamins for companion animals: dogs, cats, horses, birds. Then they expanded to include supplements for humans.

Company headquarters include both the corporate offices and the manufacturing operations. Working in this particular shipping department is very challenging. For one thing, the facilities are regulated by the Food and Drug Administration, as well as local agencies and the State of California. We have to adhere to strict and comprehensive specifications and controls: All incoming raw materials, premix formulas and finished products are painstakingly inspected and tested by an internal quality control laboratory before they can be accepted for use.

In addition, we provide factory-direct service to all of our accounts throughout North America and export to Canada, Europe, Australia and the Far East. The company insists on maintaining complete control over the efficient distribution and special customer education that the products require, even as it seeks to grow.

Because our company is growing so fast, I'm learning as I go. I've worked in the shipping department most of the time I've been here.

Warehouse management just sort of fell in my lap. I had no specialized training. It just happened almost overnight that I ended up in this job.

In my case, the job consists of making sure things run smoothly, in shipping, purchasing and inventory. I do enjoy it and I'm learning a lot every day."

I Wear Many Hats in My Job “I work for a wholesale distributor of plumbing, electrical and heating supplies. From our two facilities, we sell to contractors; commercial and industrial companies; utility co-ops; and municipalities throughout Missouri.

I actually started out in a different part of the company, but my employer was having problems in receiving, so I switched to the shipping department to impress the boss with my organizational skills!

I did a good job, and I now wear many hats: Inside Sales Associate, Office Manager and Shipping Manager. My warehouse responsibilities include making sure merchandise and the facility itself are kept neat and organized, maintaining ample inventory levels and ensuring error-free shipments as much as humanly possible.

My favorite part of the job is when I make things happen that others thought impossible.

On the flip side, I do not like dealing with the company’s salespeople because they’re not team players; they just want their commission. A sales associate will come in with some mechanical contractor who’s a hot prospect and mess up my system doing product demos.

Warehouse managers need to be able to do the job of everyone who works for them, because you never know when you’re going to have to fill in for someone. On any given day, you might find me unloading a truck or negotiating rates with customers. No two days are alike and that’s what I like about it. Anything can happen. And at the end of the day, you have a real sense of accomplishment.

Being organized and willing to try new things are key traits for warehouse managers. I would also recommend vocational schooling, including a business education, and training, which you can get on the job.”

**I'm Director of Distribution for a
Manufacturer and Distributor of
Coin-Operated Amusement Devices**

"My company makes devices – dollar bill acceptors, mechanical coin doors, joysticks and ticket dispensers – and sells them, as well as their component parts, to arcades, amusement parks, bowling alleys, schools and other establishments that use coin-operated amusement equipment such as juke boxes, pinball machines and mechanical games.

Our competitive edge has always been our undeviating standard of excellence in servicing our customers, and efficient distribution is an important part of customer service. Fast delivery is one of the four keystones in our competitive strategy; the others are quality assurance, fair pricing and top-notch service support.

Because we also manufacture the products we sell, we encounter problems that other distribution facilities may not. That is, sometimes there's something of a tug-of-war between me and the manufacturing department. They may want to minimize unit costs and maximize plant resources by running a long line in an efficient sequence before switching over to production of another line. This strategy over-produces certain merchandise and forces the warehouse to find a place to put it. This is a time-sensitive strategy.

I, on the other hand, prefer to minimize warehousing costs by producing and shipping product on an as-ordered basis. Mine is a response-sensitive strategy.

Appropriately, perhaps, the strategies are termed 'push' and 'pull,' respectively. Usually, we decide what to do on a case-by-case basis by comparing all possible scenarios and selecting the most profitable.

This is extremely interesting work. Change is a given in the field of warehousing and distribution. The amusement business is particularly prone to fluctuation because it's very sensitive to consumer demand, and some segments of it are seasonal, as well. At the same time, companies have to order product far in advance of when they expect to need it. This work can be a nail-biter, but I've been doing it for 20 years and I haven't been bored yet."

PERSONAL QUALIFICATIONS YOU WILL NEED

WAREHOUSE LABORERS MAY BE REQUIRED TO REPETITIVELY LIFT AND STACK PACKAGES weighing 20 pounds and to be able to lift up to 75 pounds. Therefore, they must be fit, fairly strong and in good health.

Warehouse clerks should have legible handwriting, typing or data entry skills and a good head for numbers and detail.

Warehouse managers, meanwhile, need brawn, and brains, and business sense as well. They should be able to do the jobs of everyone who works under them; every so often, they may have to.

Additional skills and qualities required of shipping/warehouse managers and executives include leadership abilities and supervisory skills, since those in the higher ranks must do everything from directing, motivating and evaluating workers to preparing budgets, planning future projects and forecasting costs and resources.

Tact, oral and written communications, interpersonal skills and the ability to negotiate effectively are crucial. Warehouse managers must interact daily with executives in other departments, manufacturers, marketing personnel, customers and a diverse workforce with different backgrounds, abilities, demands and temperaments.

Similarly, the desire and ability to work and lead as part of a team are essential.

Managers must also be able to work under pressure, handling multiple functions and meeting deadlines in a fast-paced environment. They are trouble-shooters; they're accurate, detail-oriented, practical, organized, logical and analytical.

It goes without say that warehouse management personnel must be honest and have integrity and a solid work ethic.

ATTRACTIVE FEATURES OF THIS CAREER

SHIPPING/WAREHOUSING IS A SOLID FIELD WITH A PROMISING FUTURE, AND management positions provide the most potential for high earnings and career advancement, not to mention the greatest responsibility, challenges and rewards.

Warehouse work takes place in a fairly casual atmosphere; therefore, much of the unwritten office etiquette that guides behavior in other work settings doesn't apply here. Just don't confuse "casual" with unprofessional!

People who work in this field often mention the team environment as one of the most attractive aspects. When new stock piles up to the point where you can't turn around in the warehouse, laborers often have to work evenings and weekends to get everything put away or out the door – and managers join them. Working with people willing to give up their personal time for the good of the company that employs them is a gratifying experience.

Like any management position, being a manager in a shipping department or warehouse involves a great deal of variety. No two days are the same, and anything can happen. As a result, at the end of the day you've accomplished a range of tasks and you enjoy a real sense of achievement.

There's also the satisfaction of watching your workers grow professionally.

Fringe benefits to this job can be generous. Besides good pay, which may include performance bonuses, employers in this industry offer a variety of other incentives to lure and retain qualified workers:

- Paid vacations and holidays
- Life insurance
- Medical/health insurance
- Dental insurance
- Eyecare insurance
- Paid sick leave
- Paid vacations
- Paid holidays
- Reimbursement of tuition and fees for part-time post-secondary study (employer may require studies to be directly related to job or industry)

- Long-term/short-term disability
- Payment of relocation costs (may be limited to certain regional areas within a certain distance from the employing facility)
- Workmen's compensation in case of injury
- Unpaid maternity/paternity leave
- Pension/retirement programs
- Employee discounts on the products the company makes or moves

Stock purchase and profit sharing plans are also common. This can be a significant benefit. For example, if you become warehouse manager for Frito-Lay snack foods, you will be eligible for participation in the PepsiCo Stock Option Plan.

Some investment-type programs are offered to executives only or to those who have been with the company for a certain amount of time. In other cases, every new hire has the same benefit.

Contracts of workers in non-management positions may be negotiated by Teamsters or another powerful labor union. Some supervisors may be affected by these contracts, but management is generally not covered.

UNATTRACTIVE FEATURES

DEPENDING ON WHERE YOU WORK AND THE LEVEL OF MANAGEMENT YOU'VE achieved, you may or may not work in relative comfort. People who work on loading docks and receiving platforms are of course exposed to the elements. Plus, these areas can be very noisy, with vehicles vrooming in and out, the thud of cartons being heaved onto platforms, clanking and whirring of machinery and equipment, laborers shouting instructions to one another.

Moving heavy goods can be strenuous, skin and clothing can get dusty and dirty and workers must be ever-vigilant to prevent injury from hazardous materials and accidents.

Executives may sometimes be exposed to unpleasant conditions; but most of the time, management and clerical support staff work in temperature-controlled offices.

Warehouse employees are under pressure to adhere to shipping schedules and to meet deadlines. They may work long shifts, unusual hours or holidays and weekends, depending on the particulars of the goods they're working with. Some workers may have to fill rush orders, others may have to work around the clock just before holidays to get gifts shipped in time, others are working with perishables or other items that must be kept under strict storage conditions.

EDUCATION AND TRAINING YOU WILL NEED

ENTRY REQUIREMENTS IN THE WAREHOUSING FIELD ARE MINIMAL. YOU CAN GET YOUR first job with nothing more than a high school equivalency diploma and, with effort and experience, work your way up to an upper-echelon position.

Therefore, if you seriously lack the resources (time, money) to go to college, or if it's imperative that you begin earning a living immediately, you can still have a highly rewarding career in shipping and warehouse management. You can advance more quickly by demonstrating initiative, tackling new or unpopular projects, learning as much as you can about your employer, and working on your analytic, communications, computing, negotiation, public speaking and supervisory skills.

Otherwise, you are urged to consider a two-year or four-year college program. You can attend full time, or part time if you have a full-time job. Many employers offer tuition reimbursement programs so employees can enrich themselves and further their careers, but usually the curriculum has to be somehow related to your job for you to qualify for such a program. There are several relevant programs at academic institutions all over the United States and Canada – as well as overseas – from which to choose. Most, if not all, offer job placement services and career guidance for their students, graduates and alumni.

On-the-Job-Training

Regardless of your educational background, you can count on some on-the-job training each time you're employed by a new firm. The orientation and training program may cover practical knowledge such as operating a forklift, using spreadsheet software or safe work practices. Employees are also instructed in the company's specific manufacturing, operating, distribution and sales policies, procedures, processes and systems.

Additionally, newly promoted managers may be sent to a series of company-sponsored seminars on topics such as supervisory skills, effective writing and speaking, managing performance, difficult employees, ethical issues, change management, listening skills, delegating, time management, building and leading teams and running effective meetings. These seminars may take place on site, or the employer may outsource this function to companies whose express purpose is to provide this kind of short-term, specialized education.

Two Year College Programs There are several benefits to junior, community, technical or other two-year colleges. First of all, they're far less expensive than four-year colleges and you can complete your studies sooner, receiving your associate degree or certificate. Two-year colleges are responsive to the needs of local communities, so admission requirements are usually less rigorous, you don't have to relocate, and you can get any special tutoring or counseling you might need. And because many students are part-timers, night classes are plentiful, allowing you to work during the day and attend school by night. Also, credits can often be transferred if you decide later you want to get a degree from a four-year college or university.

Two-year programs related to warehousing are available at institutions around the United States, from Ketchikan Campus, University of Alaska, to Florida Community College at Jacksonville; from Iowa Central Community College to Eastern Arizona College. Look for programs and departments with the following names, and courses covering any of the these topics:

- Purchasing
- Shipping and Receiving
- Production and Inventory Control
- Quality Assurance and Control
- Stores and Warehousing
- Production Management
- Inventory Management
- Distribution
- Materials Handling and Management
- Warehouse Management
- Transportation and Traffic
- Foreign Language with a Business Emphasis
- Retail Management
- Business Information Systems
- Operational Research
- Logistics
- Air Freight
- Import/Export
- Supply Chain Management
- Terminal Management
- International Trade

The study of information technology and computers may be a key component of any area.

Four-Year College Programs If you choose to attend a four-year college, your options among fields of study will be much broader. The Logistics Research Group at Ohio State University conducts a periodic survey of senior logistics executives who are members of the Council of Logistics Management. The most recent poll determined that among survey respondents with college bachelor's degrees:

45% majored in business

13% in engineering

15% in logistics

7% in marketing

20% in other fields

Warehouse-related studies at a four-year college resemble those taught at two-year colleges. However, the coursework itself will likely be more challenging and more in-depth. Also, you'll be required to take classes unrelated to your major, such as science, literature, mathematics and history.

Graduate School Graduate school can greatly enhance your job prospects by making you a much more attractive management candidate. Graduate studies not only allow you to advance more rapidly in your career, but also provide a rich educational environment and experience.

By the time you reach graduate school, you're already considered a professional in the shipping/warehousing field, and you can count on substantial support from the Council of Logistics Management (CLM). The CLM's Graduate Scholarship Program awards a number of scholarships every year. Their purpose is to attract gifted students to the field of logistics management. You can apply when you are a senior at a four-year undergraduate college.

Another option, if your funds are limited, is to get a full-time job with a company that offers tuition reimbursement as a benefit so your employer will pay at least part of the bill.

CLM also sponsors symposia for doctoral candidates in logistics-related fields of study with the following objectives:

- To offer an opportunity for students to develop a richer understanding of the logistics discipline
- To provide a forum where doctoral students in transportation and logistics will have an opportunity to dialogue with academic and practitioner leaders in the field
- To provide an opportunity for building a network of academic and nonacademic contacts
- To expose students to research policy, techniques, and approaches; and
- To build a level of professionalism and awareness of issues, challenges, and opportunities in the logistics discipline.

Continuing Education Warehouse managers must keep current with legislation that might affect the industry. A new law regulating anything from packaging waste to employee well-being is something these professionals need to be aware of. They also have to stay current on technological developments.

Executives spend an average of one day per month in continuing education activities:

Reading trade publications about warehousing or specific components of the industry

Participating in educational seminars and workshops and taking classes

Attending annual conferences, where speakers share information and attendees network with one another

When asked what they would study if they could return to school for a period of 90 days, managers said information systems technology, e-commerce, global business processes and financial applications.

There is a growing need and increasing dominance of information technology and e-commerce as learning priorities for contemporary logistics and supply chain executives. They see information technology in particular as a high priority in their continuing education and as the primary tool they will use to solve logistics problems and seize logistics opportunities in the future.

WHAT YOU WILL EARN

YOUR EARNINGS IN THE FIELD OF SHIPPING AND WAREHOUSE MANAGEMENT WILL depend on a number of factors. Job level is the most obvious – a manager in any given company earns more than a clerk and a vice president earns more than a manager.

Companies located in large cities pay more than those located in small towns or rural areas simply because the cost of living is higher. The overall state of the economy and the laws of supply and demand also influence salaries.

If you begin your career in an entry level position as a laborer, clerk or support staffer; if it's your first job; and if you have a high school education only, you may earn minimum wage. This prevails throughout the United States, regardless of cost of living in any given area.

Minimum wage translates to an annual salary of less than \$12,000 per year. It's difficult to live on this salary anywhere in the United States unless a person has other sources of income. It's virtually impossible to raise a family on minimum wage alone. However, if you do your job well you can count on regular raises, once or twice a year.

If you have a college education or previous work experience, a job as a traffic, shipping or receiving clerk could bring in an annual salary of \$20,000 to \$30,000, or an hourly wage of \$8 to \$15. Workers who are paid by the hour usually receive overtime paid at time and a half.

Managers are not paid by the hour. They are expected to work whatever hours are necessary to get the job done. First-line supervisors and assistant managers earn approximately \$40,000 while full managers make approximately \$60,000 to \$80,000, depending on experience.

Senior managers are very well compensated. According to a recent survey, the median salaries of senior logistics executives who are members of the Council of Logistics Management are about \$100,000 for managers, \$125,000 for directors and as much as \$200,000 for vice presidents.

Benefits can add substantially to the total value of the compensation package. If you were to put a dollar value on the benefit program offered by many companies, it could amount to one-third of employees' salaries.

OUTLOOK FOR THIS CAREER

NEW TECHNOLOGY HAS HAD A SIGNIFICANT IMPACT ON THE SHIPPING AND warehousing industry. Automation and computerization mean that orders are received and filled more quickly and more accurately, and the work of warehouse managers is more efficient. The tasks that can be automated were traditionally performed by clerks, so there will be fewer opportunities for entry-level and hourly work.

E-tailing has had an impact on this industry. A frantic holiday season can be a logistical nightmare, as throngs of shoppers buy gifts online, an annual phenomenon for which the manufacturing, shipping and warehousing industries strive to be totally prepared for. A company may be swamped with orders, struggling mightily to fulfill their promises of timely delivery.

In an environment that has consumers and business-to-business clients alike wanting what they want when they want it, the prudent and efficient operation of shipping and warehouse firms becomes even more critical to maintaining a competitive edge.

The state of the warehouse industry is dependent on the overall state of the economy and is one of the first to slow down in a recession. The more people buy, the more there is a need for shipping and warehouse services, but the reverse is also true.

In addition, individual firms are as strong at any time as the industry they serve, whether it's foodservice or auto parts.

Competition is fierce in this industry; that and the constant pressure to reduce operating costs will force some firms to merge with or acquire other companies, thereby reducing demand for workers as well as the number of prospective employers.

Nevertheless, jobs will be plentiful for the foreseeable future simply because the industry is so huge. Turnover and retirement will produce openings in the \$80 billion warehousing business on a fairly regular basis.

GETTING STARTED

A HIGH-SCHOOL DIPLOMA IS THE BARE MINIMUM FOR ANY DESIRABLE, FULL-TIME JOB. But increasingly, employers of all kinds are demonstrating a strong preference for college graduates, and some shipping and warehouse professionals even earn master's degrees in business administration and other fields before snaring their first job. Therefore, give some serious thought to attending some kind of post-secondary school. You'll have to learn on the job, anyway, and probably in formal situations complete with instructors, as well, as you advance in your career.

A post-high school education will also help you "learn how to learn," which will serve you in your career and beyond; and it will help you "learn to think," which will enhance all of life's pleasures. If you're at all ambitious, or intellectually curious, you're urged to consider a four-year college undergraduate degree program. Being admitted to the college of your choice, means making your studies a priority when you're still in high school.

Find out if your school sponsors an internship program with jobs in warehousing; several school districts do. In New York, for example, Long Island Cares' Job Training Program is designed to boost young people's confidence while also supplying them with basic skills. The young men and women enrolled in this program participate in a six week-session consisting of group discussions, classroom instruction and hands-on training at the Regional Food Bank, a 30,000 square foot, fully operating warehouse. Training sessions familiarize students with different types of warehouses and the positions involved, the use of equipment and various opportunities available in this field.

If you can't connect with an internship opportunity, think about getting a job in the industry. You can look in the classified section of your local newspaper or in professional publications for job openings, ask your school's vocational teachers for leads, contact your state employment office or ask parents, teachers or friends if they know of any employment opportunities.

Or you can simply write a letter directly to the personnel department of the company you'd like to work for and express your interest. You should be able to find books in the career information center of any library that will help you prepare a winning solicitation.

If you have any choice in the matter, try to get a job with a firm that uses state-of-the-art equipment and technology, and talk to the other employees and management staff about their jobs. People love to talk

about themselves and their work, especially if they enjoy it, and they'll notice your interest.

Warehouse management is interesting work in a promising field, with daily challenges and rewards. By working hard and continuing to learn and upgrade your skills, you can make it to the top, enjoying considerable responsibility, great prestige and an excellent salary.

To be sure, your first job won't be glamorous. It will probably consist of manual work or routine clerical tasks. But treat it with dignity. If you impress your superiors, they could become invaluable sources of referrals, recommendations and better jobs in the future. Who knows, maybe after college you'll return to the same place as a manager!

Good luck!

ASSOCIATIONS AND ORGANIZATIONS

■ **American Moving and Storage Association**
www.amconf.org

■ **American Trucking Associations**
www.truckline.com

■ **American Warehouse Logistics Association**

■ **Council of Logistics Management**
www.clm1.org/

■ **Food Distributors International**
www.fdi.org

■ **Industrial Distribution Association**
www.ida-assoc.org

■ **International Association of Refrigerated Warehouses**
www.airw.org

- **International Warehouse Logistics Association**
www.warehouselogistics.org
- **Manufacturing.Net** **www.Manufacturing.net**
- **National Association of Purchasing Management**
www.napm.org
- **National Association of Wholesale-Distributors**
- **National Institute of Governmental Purchasing**
- **National Retail Federation**
www.nrf.com/nri/
- **Performance Warehouse Association**
- **Professional Truck Driver Institute**
www.ptdi.org
- **Self-Storage Association**
www.selfstorage.org
- **Warehousing Education and Research Council**
www.werc.org/
- **World Food Logistics Organization**
www.iarw.org

PERIODICALS

- ***Distribution***
- ***Distribution Center Management***
www.distributiongroup.com/
- ***ID: The Voice of Foodservice Distribution***
- ***IFDA Report, monthly magazine of Food Distributors International***
- ***Journal of Business Logistics***
- ***Modern Materials Handling***
www.mmh.com
- ***Purchasing Magazine***
- ***SupplyChainLink Spotlight***
- ***The WERCsheet***
- ***Transportation and Distribution***
- ***Transportation Business***
- ***US Distribution Journal***
- ***Warehouse Supervisor's Bulletin***
- ***Warehousing Management***