

# NORTHWELL HEALTH AND 1199SEIU: COLLABORATING TO IMPROVE DISTRIBUTION CENTER OPERATIONAL EFFICIENCY



IDC 5AM - 1PM SHIFT



IDC 4PM - 12AM SHIFT



IDC 8AM - 4PM SHIFT



IDC 12AM - 8AM SHIFT

## BACKGROUND

Northwell Health, New York State's largest healthcare provider and one of the largest health systems in the country, operates the Integrated Distribution Center (IDC) in Bethpage, NY. Staffed by 67 distribution associates, the 88,000 square foot facility houses over 2,500 items – everything from gloves and gauze to operating room supplies – that are transported daily to Northwell Health's 22 hospitals. 1199SEIU, the nation's largest healthcare union, represents the IDC's distribution associates. The 1199SEIU League Labor Management Project (LMP), an organizational development consulting group funded through collective bargaining, helps Union and management stakeholders in healthcare organizations advance mutual interests.

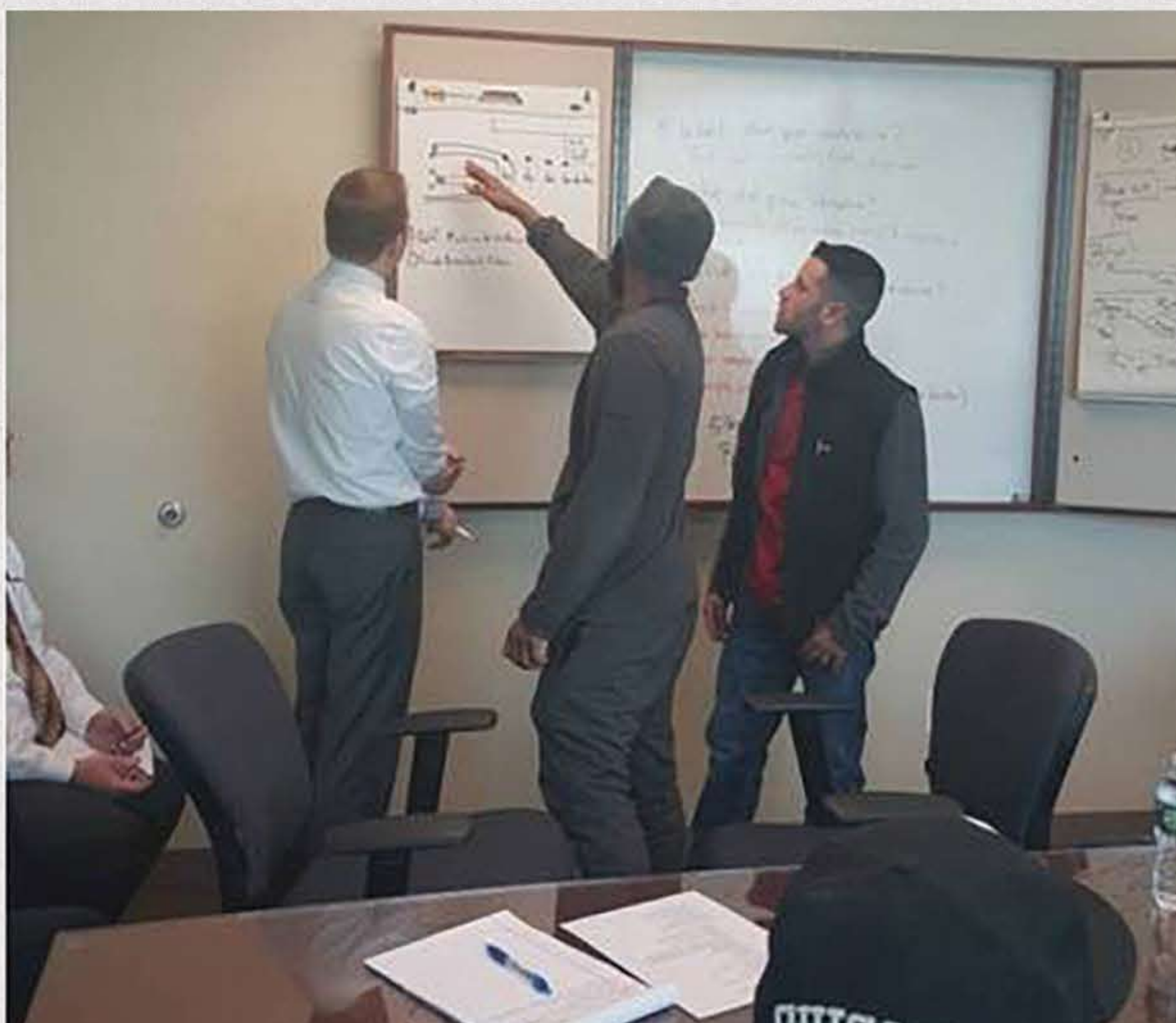
In late 2016, the IDC faced challenges of lower productivity, some late deliveries, worker injuries and strained labor-management relations. Both 1199SEIU and management recognized that operational improvements were necessary.

## AIM STATEMENT

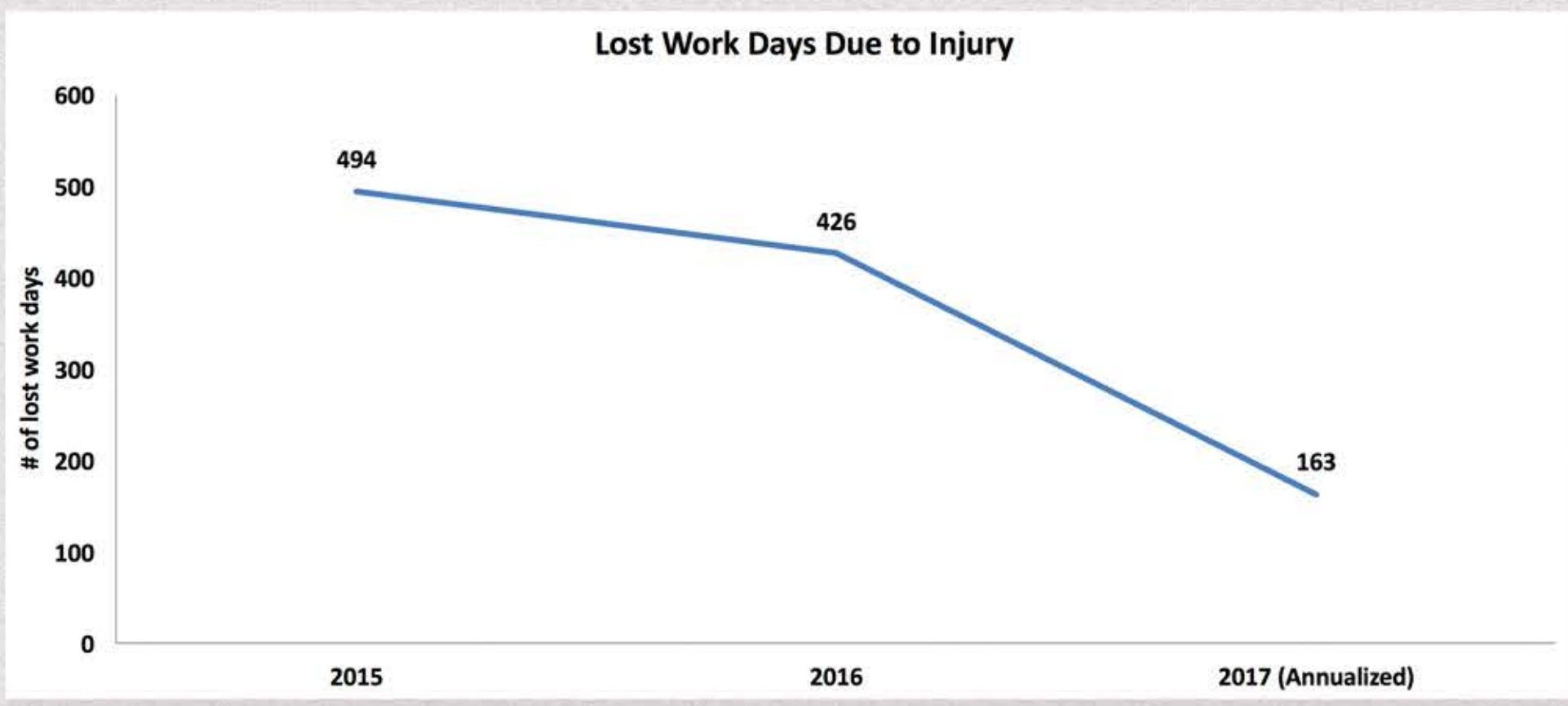
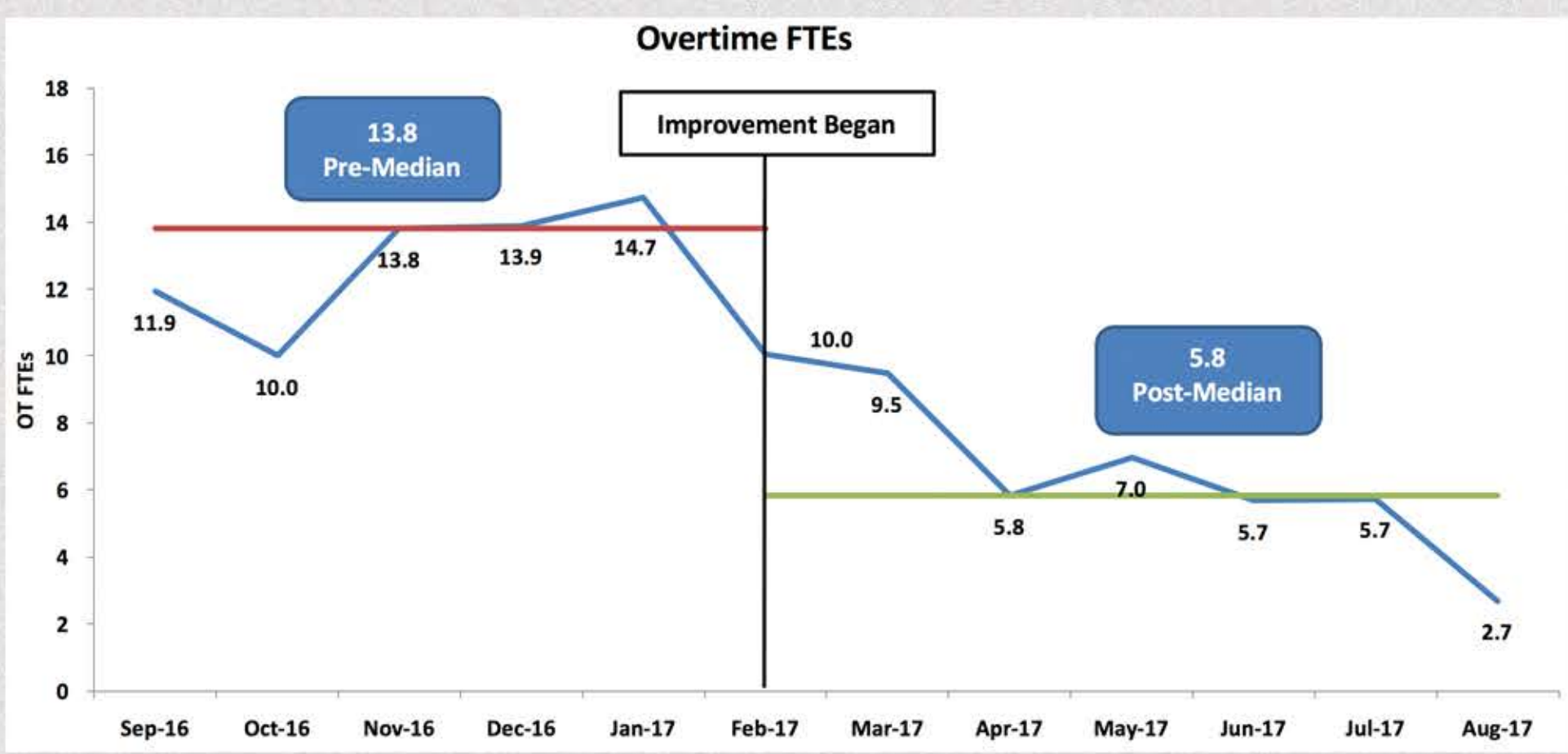
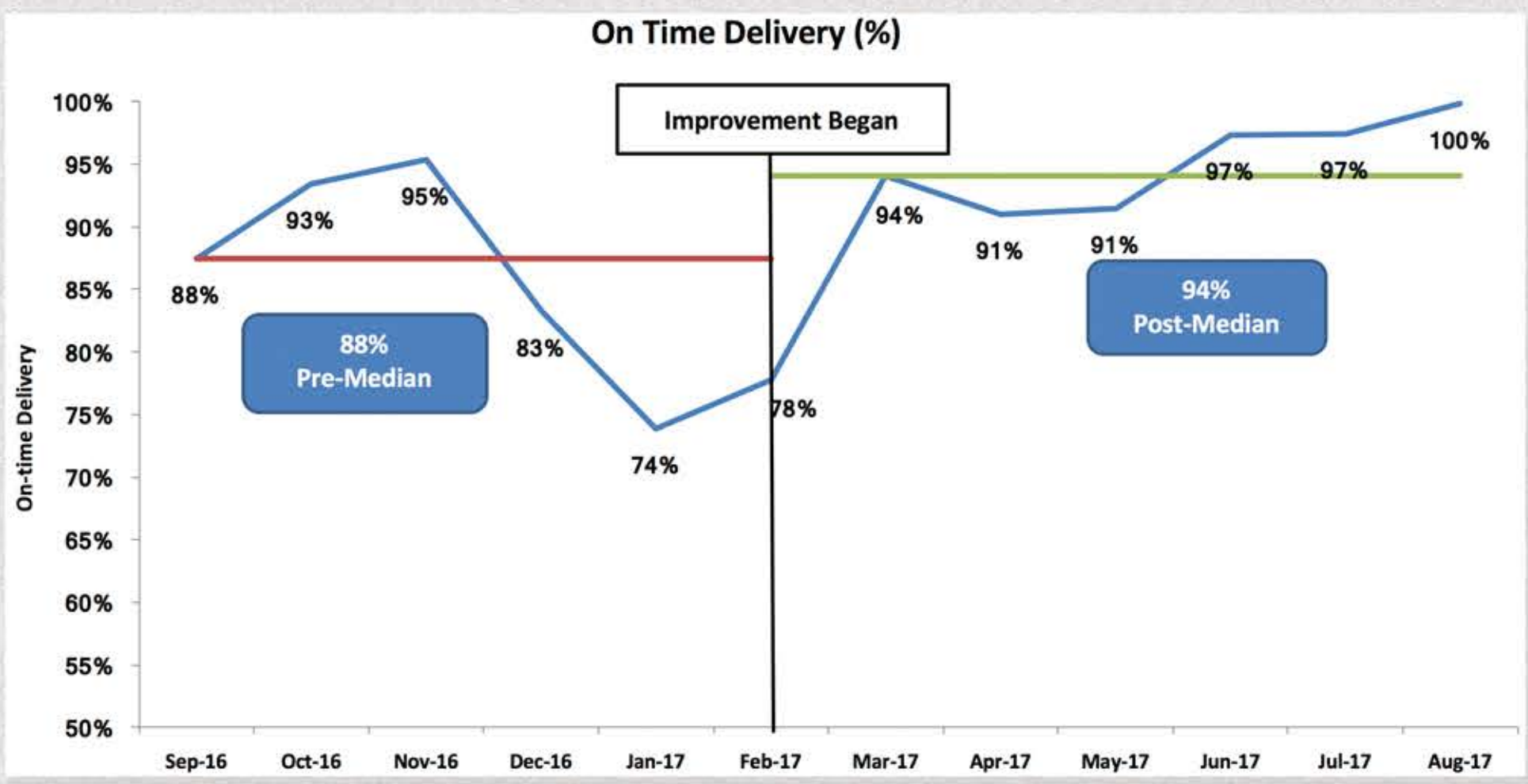
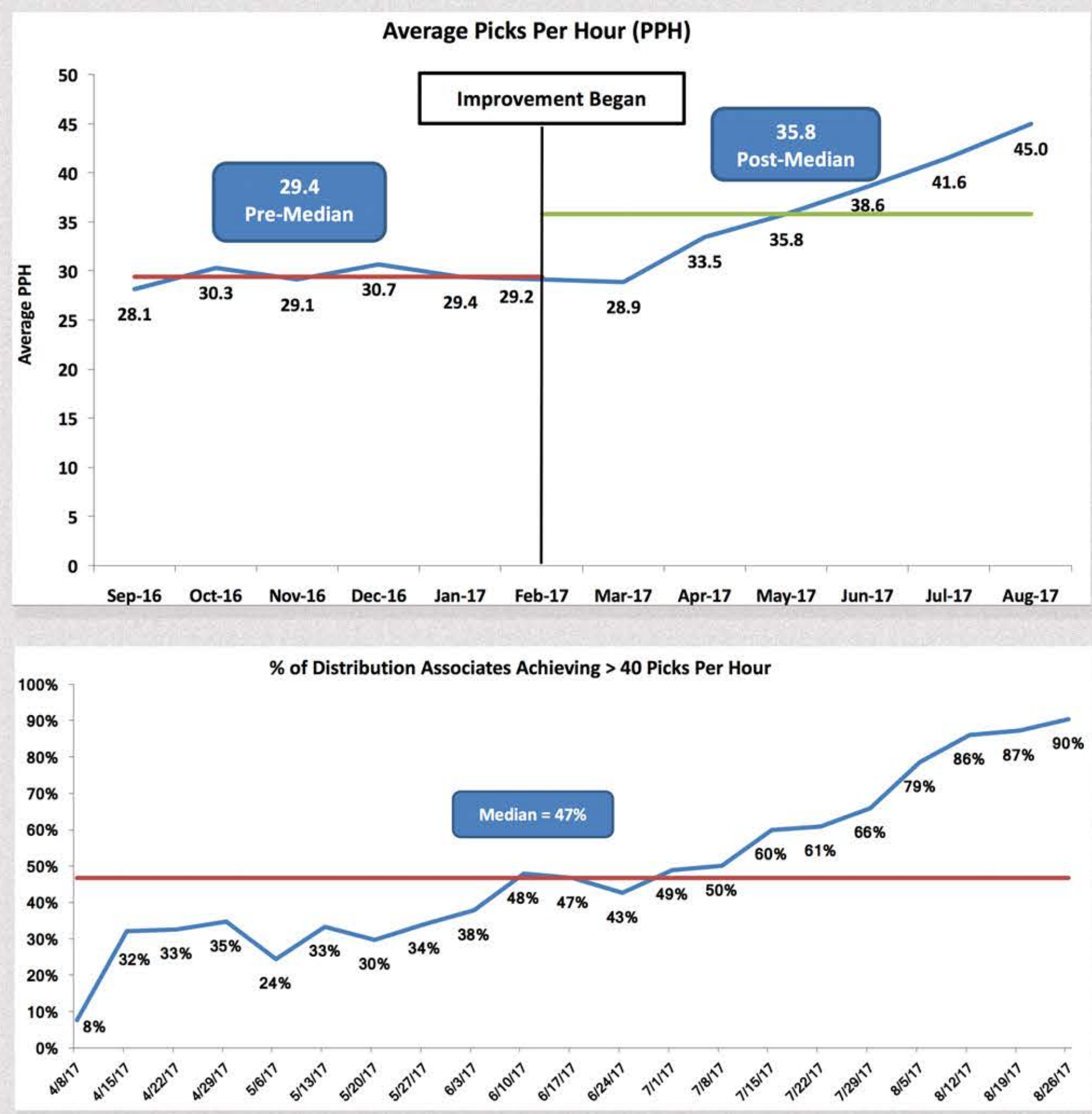
To improve IDC operational efficiency and safety by collaboratively engaging labor and management.

## STRATEGY FOR CHANGE

- The LMP fielded interviews and focus groups with 65 staff including associates, supervisors and managers in early 2017 to understand the working environment and key operational challenges
- In collaboration with 1199SEIU and Northwell management, the LMP helped to establish two labor-management committees and four process improvement (PI) groups
  - Each committee was co-led by one Union member and one manger; the LMP trained co-leads in effective meeting facilitation
  - Committee membership included associates (Union members), shift supervisors, the center's Associate Vice President, the Director of Operations and Human Resources
- Using stop watches and clipboards, distribution associates identified work-flow slow-downs, measured loss of productive time, and offered improvement suggestions
- Based on associates' findings, the IDC redesigned systems to improve work-flow efficiency (e.g. pack-out system, packing of Uboats), and implemented standard operating procedures
- The warehouse was reorganized to decrease congestion and speed work flow
- Associates were retrained in different methods of picking items
- Northwell instituted quality awards and a bonus program for associates who met productivity and accuracy standards
- The IDC instituted three staff huddles per shift and one huddle with leadership per week
- The LMP trained IDC managers and supervisors in communication skills, Interest Based Problem Solving (IBPS) and behavioral styles (DiSC system)
- An ergonomic specialist taught safe ways of lifting, picking and packing



## RESULTS



## LESSONS LEARNED

- Worker engagement in PI is essential – some of the best improvement ideas came from distribution associates
- Teaching managers communications skills was very effective in improving labor-management relationships and teamwork
- The work environment at IDC became more positive and improvement-oriented thanks to reported improvements in labor-management relationships
- Labor management committee co-leads need to be made fully aware of their responsibilities to sustain an ongoing and productive committee

