



3PL Warehouse Startup Checklist

Outsourcing warehousing to a 3PL may be a no-brainer, but on-boarding presents its own challenges. Transitioning from in-house to outsourced warehousing operations is a complex process, with lots of moving parts, so it's important to choose a provider with a record of effective integrations.

Here's what to expect from your 3PL in a warehouse startup.

A Kickoff Meeting

Set the tone, and clarify expectations: be sure to confirm, early on, that integration begins with an official kickoff meeting. Schedule it for the first week, and make sure all your key personnel are present. Dinner the night before is a good idea: you'll break the ice, and begin to establish a good working relationship.

At the kickoff meeting, expect a structured agenda to review the following:

- Project Charter (Scope, Team Roles & Responsibilities, Communication Structure)
- Project Timeline
- Project Plan
- Project Budget

A Dedicated Project Manager

Request a full-time Business Integration Project Manager to oversee the startup. She or he should be available for the entirety of the project, and have excellent customer management and communication skills. Their *only* job is to design and manage the process, not execute any of its components.

Give the Project Manager full responsibility to manage the project, but also identify an Executive Sponsor at the 3PL to whom they report, to ensure overall strategic business alignment.



Collaborative Project Management Software

Gone are the days when desktop spreadsheets can be counted on to keep all parties engaged: cloud-based project management software such as Clarizen, Zoho or LiquidPlanner are a must. Easy, “anytime” access for all parties guarantees effective collaboration. Make sure all users understand how to use the technology, and have easy access to ongoing training and support.

A Structured, Well-Developed Project Plan

Start by asking your logistics provider for a baseline/template project plan, to give you a sense of how a typical integration proceeds. Then ask for it to be customized to your needs:

- Bring together parties – both from the 3PL and within your team – with tribal knowledge on business integrations
- Be sure at least one subject matter expert is included from each major business function: Operations, HR, IT, Finance, Marketing and Sales.
- Coach the subject matter experts to walk through the integration process, and have them document action items vital to their function’s perspective.

Once action items are compiled, Project Manager should convene all subject matter experts to create a timeline, documenting sequences, durations and dependencies.

A Formal Communication Structure

How will you communicate? It’s a simple enough question, but getting it right creates harmony down the road. These formal communication components should be outlined in advance, with details about their frequency and which stakeholders will be involved:

- Project Charter/Scope
- Internal Kickoff Meeting
- Client Kickoff Meeting
- Weekly Progress/Status Meetings
- Weekly 1:1 Check-Ins with Project Manager
- Project Plan & Budget Updates
- Monthly Updates
- Lessons Learned Session
- Final Report



Support Beyond “Go Live”

Be sure to take the lessons learned during startup and incorporate them into operations going forward. Your dedicated Project Manager should continue to support the operation for *at least eight weeks* after go live – four weeks for transition, and four weeks for project closure. During this time, Project Manager should offer:

- A “Lessons Learned” session with the entire team to identify what worked during the startup, and what could have gone better – these should be documented and provided to all parties to carry forward into future integrations.
- A final report that encompasses all weekly reports, monthly updates, the completed project plan, and lessons learned.

Sensitivity to Cultural Impact

A good 3PL understands that a new business startup is more than just a project – it’s an exercise in change management – and they’ll work with you to safeguard and improve your cultural health, through startup and beyond, by assisting in the following:

- Have an open and honest conversation with your 3PL about the current state of your company culture, prior to kickoff.
- Identify key elements within your company that you consider strengths, and ask your 3PL to devise strategies that preserve and enhance them.
- Identify the elements within your company that need improvement, and ask your 3PL to devise strategies that address them.
- Co-host employee 1:1s or focus groups with your 3PL to understand core issues of concern to your employees.
- Work with your 3PL’s Human Resources or Organizational Development department to implement a strong change management program that supports your team during and after transition.
- Get a *pre-outsourced* cultural snapshot: survey your associates to gauge job engagement and satisfaction before announcing the transition – then survey and measure again 90 days after startup (and, ideally, quarterly or semi-annually thereafter) to help you understand the impact of transition.

Communicate clearly and consistently with all parties internally, not just management. Engaging your floor associates will foster clarity and engender trust – it’s often the difference between a startup that’s good, and one that’s great.