Module 6 – TWF Workflow

The purpose of this video is to help you better understand workflows by showing you our current workflow. Our workflow includes various points of integration to make sure that everyone in our company has their hands on the necessary information to move forward and complete tasks with minimal friction. Let's begin.

Take this as a word of caution, your workflow does not necessarily have to mirror ours, and it should be constructed around the way that you plan to operate your business. Our workflow has been fully customized based on our needs while accounting for our current space, staff, and future growth.

That being said, this is a work in progress, and we are constantly looking for ways to improve and simplify our processes to further reduce friction. We believe that the majority of our growth and future changes will have to be handled digitally through customized software, which we plan to explore in the future.

I also want to point out that I am including all processes, independent or integrated, such that you can understand the scale of our processes and can draw conclusions about how each relates to the other. While this video may not be entirely useful for you, it should hopefully help you to understand and define key places in your processes that you can build, or remove entirely through automation or outsourcing.

Scouting and Sourcing

Our initial sourcing is done through a variety of steps. However, we heavily rely on our virtual assistant team to do the majority of the legwork.

One virtual assistant does our initial Leaf Sourcing. This is a new part of our process. Initially, Leaf Sourcing was done in house, as it is a rough concept to teach, but some of our veteran VA's have learned the process over time.

With that initial Leaf Source, beyond products, we are looking for new competitors to competitor track, as well as new niches to explore.

We add leads over to our contact sheet, where we use a combination of Zapier and Salesforce to automate the contact process. We learned of this method from one of the students in this very course, and it serves as a way to completely automate the process.

Salesforce manages an autoresponder sequence that handles initial and secondary contact for new leads. If we do not get a response from the first or second email, that lead is transitioned to our call list, and the same is true if we reach out and are initially denied.

Our internal team handles company research via the methods taught here in the course and reaches out to the highest priority via our profit estimations.

If we are approved for an account, we have another virtual assistant who catalogs the sales list and gives to our internal sales team for review. Be sure to check out the cataloging video if you haven't already as it's one of the more profitable processes in our business.

Company Order Procedure

We have two order procedures, both of which integrate with one another. One order procedure is simply used with new companies to integrate into our existing order procedure.

New Company Order Procedure

- Set up with their company per their requirements and standards.
- Send pricing information over to our VA team for cataloging.
- Use Price Checker 2.0 on cataloged lists to check for profitability.
- Check products for Hazmat or other restrictions.
- FDA review if applicable.
- Work on possible discounts for products and try to establish any price breaks/Free Freight thresholds.
- If they don't offer free shipping, get shipping projection and compare to internal shipping rates.
- Add items/company information to Restock Pro.
- Create Items via Inventory Lab.

Any additional steps will be found in Re-Stock Procedure...

Re-Stock Procedure

- Review Restock Pro suggestions and make changes if necessary.
- Attempt to Add Inventory of possible SKUs to check for Hazmat review if item is Out of Stock.
- Review notes in Restock Pro to check for relevant re-order information (eg. discount thresholds/shipping methods).
- Review Catalog Sheet and filter through Price Checker 2.0 to look for new SKUs that may now be viable.
- If the order is larger than previous order, inquire about new ordering thresholds for discount (if the discount has not already been given/described).
- Review Product/Listing for anything that could be used to receive additional discounts.
- Place order per company standard and requirements.
- Update purchase on Purchase/Receiving Sheet - Color Code Green.

- Update profile in Restock Pro if any new discounts were added.
- Create Internal Purchase Order for Receiving/Processing teams (breakdown product to individual listings).
- Forward invoice to VA team/Eric for filing

Explanation of Company Purchase and Receiving Sheet

I wanted to detail the purpose for the company purchase and receiving sheet.

Company Purchase and Receiving Sheet – This information goes to our purchase team, as well as our processing team and both myself and Eric. Our roles with this sheet vary quite a bit. Our purchase team uses this to simply log purchases and assign "priority levels". Our processing team simply reads the color codes. Green means that the product has ordered, but not received. When the product arrives, the receiving team marks the product gray which means received and prioritized. If there is an error that would prevent the product from being processed the receiving team marks the product as red and gives our purchasing team a detailed account of problem. Likewise, this sheet gives Eric an early access point to match charges on our CC, wire or check and update to an actual internal PO within Quickbooks.

The vast majority of these processes are built-in and routine. However, we wanted to build a SOP to make sure that as we grow that someone can simply be plugged into the role. We have a weekly sales meeting with the purchase team and review aspects of the SOP to see if any changes should/can be made.

Warehouse Zones

In our warehouse products have six permitted zones for products:

1) **Receiving Zone** – This is the zone where product is unloaded, before priority has been assigned to the products. This zone must be cleared daily.

2) **Priority Zone** – This is our priority system where our workflow truly begins for outbound processing. All product is pulled from Priority zone, with designated shipping paths and assigned to employees accordingly. Product may only be pulled for processing from this zone.

3) **Overflow Zone** – This is designated Long Term Hold or Unprocessed Returns. This zone is only utilized by the express consent of upper management. We have weekly checks to see if product can be moved from this zone to Priority OR Processed Returns.

4) **Pre-Process Zone** – This is stationed in front of the workstation. Pre-Process Zone product must have labels, prep sheet and visible shipping designation assigned to it.

5) **Processing Zone** – This is on the table and considered to be the active working zone. We only allow that one product to be in the "Processing Zone" at a time.

6) **Outbound Zone** – Any processed product MUST be on the assigned color coded pallets. Boxes may not be stacked behind the workstation, on active work station, or in any other related area of the work

station after they have been processed and sealed.

Receiving Procedure

The receiving procedure is fairly streamlined, and we believe is one of the reasons that we are able to process more units with less manpower. The confusion here is pretty limited, and our team is able to operate efficiently with very little direct oversight.

1. Unload Freight // UPS // FedEx into Receiving Zone and Inspect for visible damage - carton count vs. Invoice (if there is an error, notify purchasing team prior to releasing truck driver)

2. Daily Review Receiving Zone (Check-in Product on Purchase & Receiving Sheet).

3. Relocate to appointed priority zone per Purchase & Receiving Sheet

4. All products not in a receiving zone MUST have Restock Pro work order with any necessary instructions and/or labels attached.

This process is the smoothest and most simplistic in our company. We have changed and pared down to these designations to maximize efficiency. This allows for the fewest amount of touches and allows for bulk prioritization.

Product Processing Priority

We have three levels of internal priority...

Priority A – This is designated for new products, sold out products, or imminently sold out products.
Priority B – This is for products where our lead time should still leave the appropriate window to land stock prior to running out.
Priority C – this is product that we purchased deeper on, and/or plan on doing something to increase sales (we rarely if ever purchase a designation C item).

In terms of processing path, we have multiple people who work our UPS and daily outgoing shipments, as well as multiple processors working our freight shipments. This allows them to pull from the priority level to line up with the correct outgoing shipping path.

Processing Roles

Our processing procedure is still fairly complex due to the amount of different items that we process, and multiple shipping designations that happen internally. However, our processing path and team have worked very diligently to simplify our current processes, as well as add checks into place that will continue to reduce the risk of incorrect outbound shipping issues.

It is important to note that we did create mirrored workstations - so that all employees have identical tools and stations. Our goal is to create uniform processing habits to make sure that all of our products are done to a high minimum standard.

We have multiple captains, and have eschewed adopting the conventional "managerial role". Each captain has to have a direct trained back-up):

Workflow Captain – This person pulls the Purchase Orders, prints necessary labels and designates daily work to the entire team. In addition, this is the person who and adds the product to the shipment. Each assignment has the required prep detailed on a page that is given with the labels.

Quality Assurance Captain – This person makes sure that all standards are being met in terms of outbound product quality, as well as internal stations are stocked and maintained. They are in charge of enforcing that all product lines are clean and organized, as well as pallet lanes are clear and free of debris. The QA Captain also spot checks shipping logs and box details to make sure that they are being maintained in accordance with our standards for processing.

It is important to note that internally, we have adopted a standard rule of 1 SKU being worked at a single time. Our employees are not permitted to have multiple SKUs on their elevated workspaces at one time. This can be extremely tedious, as some items have LOTS of units and may be a multiple day assignment, but we have found that it greatly reduces the risk and likelihood of mislabeled products.

In terms of our outbound shipping designations we have two types of shipments: LTL and parcel. Our LTL shipments are completed on standard pallets, while the parcel shipments, those being UPS and FedEx, are designated to be only on blue pallets. This helps to reduce the risk of boxes being mishandled or added to incorrect shipments.

All outbound boxes must be detailed in a uniform fashion - with all labels placed in the upper right corner. This allows our team to see the FNSKU and Qty for each product processed as this is part of the Wizard labels.

All shipping logs are kept to track speed, as well as to serve as a double check vs. the accuracy of the listing. Products are to be checked vs. the Purchase Order to verify that they are the intended products to be processed. We are utilizing weekly averages to build performance standards for weekly processing.

Product may not be "hand carried" to any location, and must use modular transport for safety. Less than pallet orders must be placed onto hand carts for transport, while pallet shipments must be transported on their originating pallet to the Pre-Process Zone.

UPS or FedEx shipments may only be a single layer in height until shipping labels have been applied for ease of access for box detail information.

All freight shipments are closed by end of day Friday.

All parcel shipments are closed daily at 3:30pm and are prepared for daily UPS pickup.

Processing Procedure

1. After products have been received and moved to their priority zones, the Workflow Captain begins to print Work Orders for each company that has landed.

2. Workflow Captain then checks the Work Order for products to determine if they need Expiration Date Labels. If they do, he records these on the Work Order.

3. Workflow Captain then prints the FNSKU labels for the Work Order using Restock Pro. If products require an expiration date label, he prints the date on the FNSKU label.

4. After placing the work order and fnsku labels in a clipboard, the Workflow Captain places them with the corresponding boxes

5. Workflow Captain then creates a shipment ID for parcel and freight

6. Processors then transport products based on their assignment (freight or parcel) in order of priority to their workstation pre-processing zone.

7. The processor then takes the work order and reviews it. After that, they check it against the current product. If they have any questions, they ask the Workflow Captain.

8. Processor gets all materials ready to prep the items. This includes: outbound pallet (blue for parcel or standard for freight shipments), bags, tape, boxes, bubble wrap, specialty labels, etc.

9. Processor records Company Name, their name, Shipment Id supplied by Workflow Captain, FNSKU, Expiration, and LOT into Wizard but does not submit.

10. Processor begins to process the product. They place these processed products into a box. They will fill up a box until it is 47 lbs or can not hold any more items, whichever comes first.

11. Once an outbound box meets these requirements The processor goes back to Wizard and records the QTY of the SKU in the box as well as the weight of the box. The processor then prints out the Wizard Label (2d barcode) and attaches it to the top right of the box. Box is then taped up.

12. For parcel shipments, this process is repeated until the pallet is a single layer of boxes high. Even if the work order is more than a single layer, we do this to make applying the shipping labels easier.

13. The processor then moves this pallet to Outbound Parcel Shipping area.

14. To make printing shipping labels for these parcel shipments easier, the processor records the weight of each box on a Parcel Shipping Log. This is the current log we use. After the processor has moved the now ready to ship boxes to the outbound zone, he records the following: Pallet Number - this is used to identify the pallet he just delivered. For instance, if this was the first completed pallet of the day, he would write down 1. Next, he enters the number of boxes on

the pallet. After that, he records the weight of each individual box on the pallet. This log makes entering the weights of each box into the shipping plan easy for the workflow captain when it's time to print shipping labels.

15. Processor continues processing the entire work order, one single layer blue pallet at a time until all products on the work order have been processed.

16. Once the Work order is complete, the Processor double checks his entry into the Wizard vs the count on the Work Order as well as ensuring that expiration dates were entered correctly. They also double check the shipment ID.

17. Processor then takes the completed Work Order to the Workflow Captain

18. Workflow Captain adds the Work Order to the correct Shipment ID in Restock Pro

19. The Workflow Captain checks to makes sure all Work Orders have been added to the Shipment ID. Then he does a double check of Wizard count vs Shipment Count to ensure that we have the correct number of items recorded both places.

20. Once all issues have been resolved and all Work Orders are on the correct shipment ID the Workflow Captain pulls the Parcel Shipping Log and begins to enter the information into seller central in the order it is in on the log.

21. The Workflow Captain has the Quality Assurance Captain verify the count on outbound parcel boxes before completing the shipment. Once it is complete, they print the shipping labels which will print in the order of how the boxes are lined up in the Outbound Zone

22. Workflow Captain goes through and lays the correct shipping label to the correct box by matching weight on the shipping label to the weight on the Wizard label. Fellow employees go behind and stick the shipping label on to the box away from seams and not covering up the Wizard label.

23. For freight shipments, the processor processes items on the work order until his outbound pallet is not taller than 72 inches or the pallet weighs no more than 1450 pounds, whichever comes first, until the work order is complete.

24. Like with parcel shipments, the Quality Assurance Captain verifies the box count on outbound pallets before completing the freight shipment.

25. Completed Pallets are then Pallet Wrapped before being moved to the Outbound Freight Zone.

26. Then, the Workflow Captain compiles all the weights and heights of the pallets and enters them into Seller Central.

27. The Workflow Captain must then calculate the value of the shipment by adding all of the Work Orders together. He then sets the date the Pallet will be ready for pick-up which is typically the

same day as he is closing it. Then the Pallet labels are printed.

28. Pallet labels are not unique per pallet instead they are smaller labels that These labels must be attached to each side of the pallet (4 labels per pallet).

29. The Workflow Captain then waits on notification that the BOL is ready which typically takes 2-3 days and attaches this to the freight shipment for pickup.

Purchasing Team Follow-Up Procedure

The purchasing team has an end of day assignment set to make sure that our products are going in at the highest prices possible to maximize our profitability and profit margins. Our goal is to make sure that we don't arbitrarily cause a race to the bottom by coming in on a product at the lowest price.

- Review AppEagle and set up Lowest Match profile with "lowest price" being the approximate break-even number (unless MAP restrictions prevent that). All MAP prices are to be noted in AppEagle to prevent changes from being made via our VA team. Search No Min price for any new items that might have been added.
- Review FBA Inventory "Sort by Inbound" reprice all products to be $2 higher than the current Buy Box price, unless there is a major gap in pricing for any Out of Stock products. Review In Stock inbound prices to see if there are multiple people at that price, or if we are holding someone to their floor. If the latter, increase our price to next lowest price - which should allow time for their repricer to recover and increase. In addition this is an excellent spot that we can review for potential MAP violations on new products and report those to the manufacturer or follow whatever protocol was agreed upon by us and the brand owner.

Customer Service & Account Review Procedure

The following are our customer service and account review procedures. These are entirely outsourced to our VA team. Our goal is to make sure that our account remains in full compliance and that all customer service issues are handled within a timely fashion.

- Review any Policy Warnings or Notifications – inform myself and the purchasing team immediately.

- Answer all customer emails (target is less than 3hrs answer time). Any complaints that the customer did not receive the correct product or product did not match the listing - review company invoice/manufacturer website/Amazon page/Shipment log to verify that the correct product was sent to Amazon. If there is an issue regarding product not matching the listing (close listing) and notify the Purchasing Team immediately.

- Answer customer emails primarily through templates provided – if any complaints or issues are likely at our cause or issue - default to refund template.

- Review feedback at beginning and end of shift. Use the "Feedback Removal Flowchart" for

appropriate response.

- Create any new commonly asked questions template and submit to Marketing Team for Review.
- Review all refunds for reimbursements, note any items that have inordinately high refund rate and notify Purchase Team.
- Perform daily check for Stranded Inventory or listings that are not currently available for sale despite being in stock - file case as necessary using templates (create new templates for review by Marketing Team for any new common cases).
- Perform daily check in Shipping Queue for shipping with errors. Review internal Purchase Orders and Product Detail Sheet to file case accordingly.
- Review ASIN change emails - verify changes to product listing to make sure our product is still in compliance
- Perform Weekly Check & Review for Warehouse Damaged, Distributor Damaged & Carrier Damaged Inventory for Reimbursements.
- Perform Monthly Check & Review for Lost/Damaged/Destroyed Reimbursements.
- Perform Monthly Check & Review for Other Customer Concessions for Reimbursements.
- Perform Monthly Check & Review for Verifying Customer Exchanges

In addition to these tasks, this particular VA handles ALL of our Initial Contact and Secondary Contact for suppliers. Our goal is to be highly customer conscious, protect our account as well as take advantage of any reimbursement opportunities.

Marketing Team Procedure

- Weekly vendor follow-up. This is simply to verify that we are fulfilling any outstanding vendor agreements. Track and document progress from marketing initiatives such as Subscribe & Save, Sponsored Ads, and Product Review Campaigns.
- Weekly sales meeting to listen and review any and all relevant information that can be converted into a positive marketing opportunity.
- Weekly Sponsored Ads Review. Review current campaigns, as well as apply information from sales meeting into new possible profitable campaigns.
- Monthly Email Statistics Review. Find out what is working for our company in our initial contact sector and follow email sequence to maximize non-phone conversation conversion.
- Monthly Denial Review. Work directly with sales teams to discover common vendor objections, as well as existing vendor problem areas.

- Monthly Value Proposition Site review. Look for areas to update copy, include testimonials, update new value propositions using vendor objections and existing vendor issues as guiding light for changes.

Final Thoughts

Your business may not have these same processes in place, and quite possibly may not need them to function in your current capacity. However, we strongly encourage you to review and document your processes. The knowledge you gain from creating a Standardized Workflow and Standard Operating Procedures are invaluable in learning to increase your efficiency and profits.

Our goal in the past six months has been to create and standardize processes across our company to increase efficiency, learn about areas of waste, build metrics, learn about possible software solutions that could encompass and incorporate a workflow for our company. This has been a very revealing experience on our end, and will likely tell you quite a bit about your own business that you weren't aware of.

Also, as you develop standardized procedures and a consistent workflow you will find areas where you can incrementally increase productivity and profitability. These areas can provide massive results as you are repeating these procedures over and over.