



**PROMAT** | 2019

McCormick Place | Chicago  
April 8-11, 2019  
[promatshow.com](http://promatshow.com)

powered by  MHI

**FIND YOURS.**

# Formulating a Workforce to Adopt and Support Your Initiatives

Presented by:

Tom Galluzzo, Founder & CEO, IAM Robotics

**CRO**

CHIEF ROBOTICS OFFICER

**SUMMIT**

# Labor Trends - Likely to Get Worse, Before They Get Better

- Qualified manual labor is getting harder to find
- Employee retention – over the next 10-15 years baby boomers will be leaving the workforce
- Operational efficiencies are a key focus – How do we do more with less?



# Contributing Factors for These Labor Trends

- All-time unemployment lows
- Lack of qualified hourly workforce
- Retiring baby boomers
- Manual labor is less appealing for STEM educated jobseekers



Source: <https://www.nytimes.com/interactive/2017/07/06/business/ecommerce-retail-jobs.html>

# More Demanding Consumers

**“Even if you can get orders out the door on time, that’s not good enough. It really does have to be a perfect order that gets done under a narrower time window with scarcer resources of all types throughout the network.”**

—Don Derewicki, a senior consultant at St. Onge Company

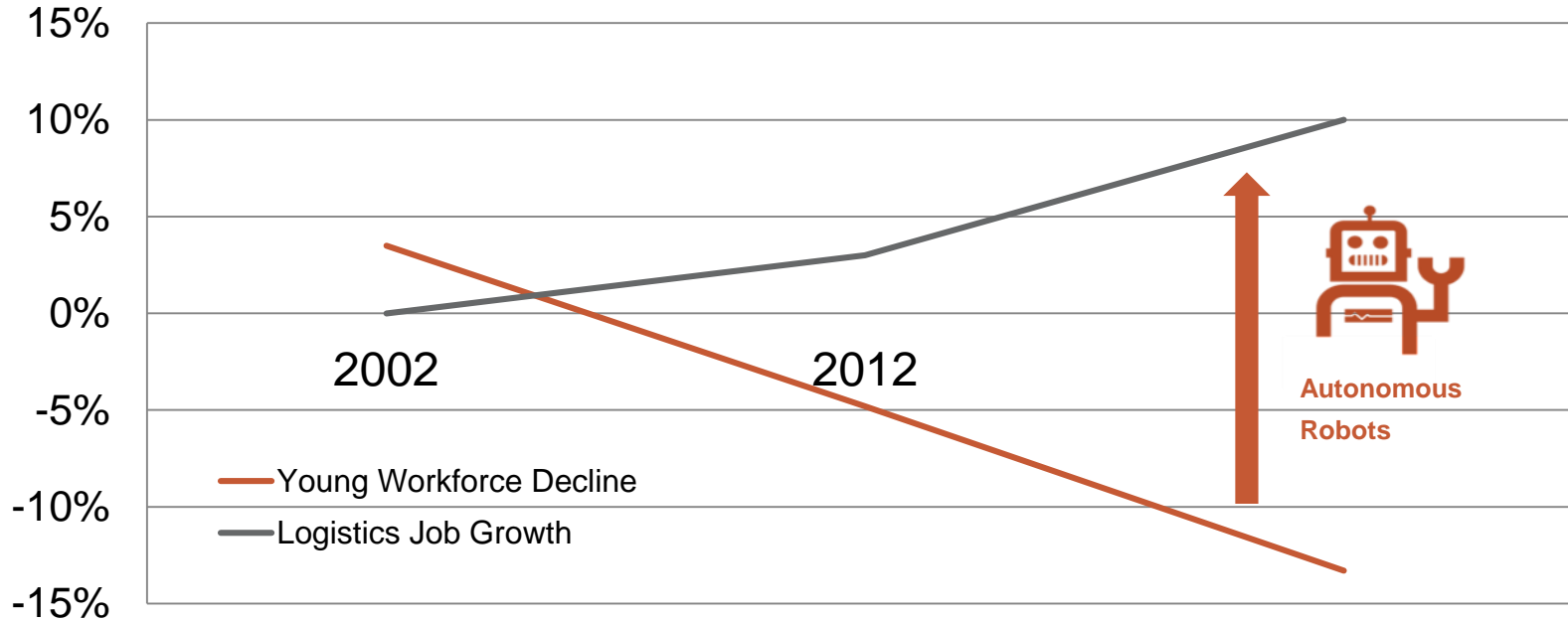
Source: <https://news.thomasnet.com/featured/labor-crunch-e-commerce-competition-drive-warehouse-automation-trends/>

# E-Commerce Needs Automation

- US consumers spend 40B hours in stores
- The equivalent of 20M full time jobs



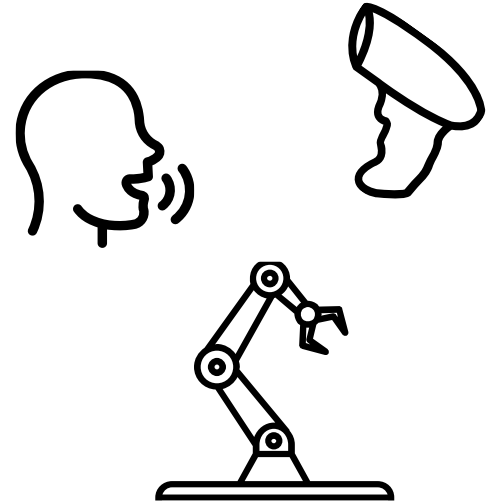
# Unsustainable Shift



\*data source bls.gov

# Why are robots a better solution?

- Manual picking requires a lot of people
  - Radio Frequency Scanning
  - Voice Systems
- Hard automation is too expensive
  - Automated Storage and Retrieval Systems (AS/RS)
  - Carousels



Source: <https://news.thomasnet.com/featured/labor-crunch-e-commerce-competition-drive-warehouse-automation-trends/>

# A Robotics Workforce Will Keep You Competitive

- Lower capital costs
- Move more products
- Improve picking accuracy
- Flexibility to allow your business to scale





# Are Collaborative Robots the Best Solution?

- Co-bots – robots working in conjunction with humans, these robots are reliant on people
  - Reduce travel time for people
  - Minimize errors
  - Helps people be more productive
- These robotic systems only solve part of the problem and only mitigate, not solve, the labor supply demand
- Therefore there is a need for more sophisticated autonomous piece-picking robots



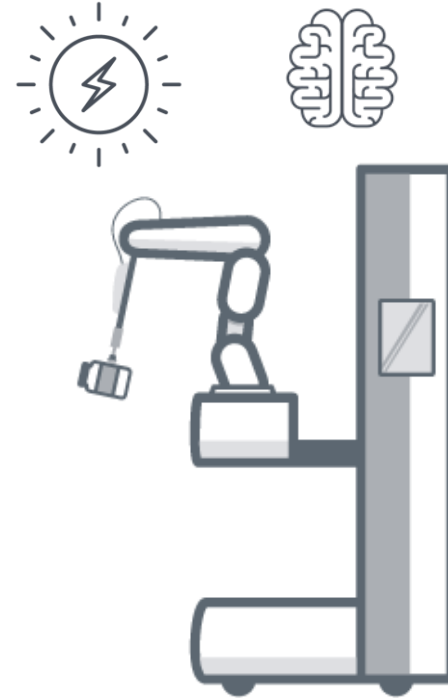
# Autonomous Robots: New Tools



# Autonomous Robots: New Tools



# Autonomous Robots: New Tools



# Using Robots Requires a Cultural Shift

- Cultural requirements are often overlooked
- Impacts are broader than material handling, it also impacts IT, Management, HR, etc..
- Businesses want to be perceived as cutting edge and innovative
- Businesses need to be proactive in educating the current workforce about the benefits robots can deliver



# Building a Culture with a Robotics Workforce

- Autonomous robots will supplement and ease manual labor, not replace it
- Robotics and automation will create 58 million net new jobs created by 2022 through automation technologies including robotics (World Economic Forum, The Future of Jobs)
- 2016 Pew Research Center survey, “The State of American Jobs,” found that 87% of workers believe it will be essential for them to get training and develop new job skills throughout their work life in order to keep up with changes in the workplace

# Cultural Changes Take Time

- Businesses need to understand the cultural impacts (who is affected and how do we manage the change)
- Training and education your workforce
- Hiring the right skillsets to work with robots
- Integrating new people into your culture



# Summary: Why Use Autonomous Robots Now?

- Labor Trend Issues, What are you doing to solve it?
- Automation, What are you doing to stay competitive?
- Cultural Shift, What are you doing to educate your employees?
- Work Smarter, Don't wait until it's too late!





# For more information

Tom Galluzzo: [tom@iamrobotics.com](mailto:tom@iamrobotics.com)

Website: [www.iamrobotics.com](http://www.iamrobotics.com)

Visit ProMat Booth # **S4679**

