

Not All Warehouse Labor Is Created Equal: The Strategic Advantage of Partnering with FHI

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FUQUAY-VARINA, NORTH CAROLINA, UNITED STATES, August 20, 2024 /EINPresswire.com/ -- Labor is the backbone of the [supply chain](#). But not all warehouse labor is created equal.

The decision to manage a distribution center with in-house labor, or outsource to a managed labor provider, can significantly impact your bottom line, operational efficiency, and long-term success. Understanding the full picture—beyond surface-level costs—can be the key to unlocking greater productivity and profitability.



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DONE RIGHT.**

FHI | Managed Warehouse Labor Solutions

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Ross O'Donovan

The Benefits of [Outsourcing](#) vs. Hiring In-House

One of the most compelling reasons to consider outsourcing is the sheer time and energy that goes into recruiting, hiring, and training a warehouse workforce. When you choose to hire in-house, the responsibility of finding, vetting, and onboarding new employees falls squarely on your shoulders. This process is not only time-consuming but also costly, involving multiple steps such as drafting job descriptions, advertising positions, interviewing candidates, conducting background checks,

training and monitoring performance. And the process is relentless as the need for qualified associates never ends.

Peter Drucker, a renowned management consultant, famously said, "Do what you do best and outsource the rest." This philosophy is particularly relevant in the [warehousing](#) industry. By outsourcing your labor needs to a managed provider like FHI, you can focus on what you do

best—running your core business operations—while leaving the complexities of labor management to experts.

Overcoming the Cost Barrier: Seeing Beyond the Hourly Rate

One of the most common objections to outsourcing labor is the perceived cost. Decision-makers often get stuck on the hourly rate, viewing it as a line item on the profit and loss (P&L) statement. However, this narrow focus can be misleading. The hourly rate is not the full picture; it's just the tip of the iceberg.

To illustrate this point, consider the fully burdened cost of an internal associate. Beyond the base wages, you must account for recruitment expenses, employee benefits, payroll taxes, workers' compensation insurance, training programs, and turnover costs. These hidden expenses can quickly add up, eroding the cost advantage of hiring in-house.

Not All Managed Labor Providers Are Created Equal: Why FHI Stands Out

In the world of managed labor, it's easy to assume that all providers offer similar services, but this couldn't be further from the truth. The choice of a managed labor provider can make or break your operation's efficiency, productivity, and overall success. Here's why partnering with FHI provides a distinct advantage.

Experience That Drives Results

FHI brings over three decades of experience in the warehousing and distribution sectors, a track record that few can match. This extensive experience means that FHI not only understands the nuances of labor management but also has a deep knowledge of industry-specific challenges and best practices. This allows FHI to tailor its services to meet the unique needs of each customer, delivering results that go beyond expectations.

Onsite Management: The Key to Seamless Operations

One of the core benefits of partnering with FHI is our commitment to onsite management. Unlike some providers who operate remotely or with minimal oversight, FHI embeds experienced managers directly within your operation. These managers are not just there to supervise—they actively work to optimize processes, solve problems in real-time, and ensure that the workforce is fully aligned with your operational goals. This hands-on approach leads to smoother operations, reduced downtime, and a more cohesive team.

The FHI Advantage

When it comes to warehouse labor, the choice between hiring in-house and outsourcing to a managed labor provider is not just a financial decision—it's a strategic one. By outsourcing to

FHI, you can maximize productivity, elevate efficiency, and gain access to a wealth of experience and expertise. And remember, not all labor providers are created equal. FHI's unique combination of experience, onsite management, a production pay model, and innovative tools like FHI INSITE sets us apart in the industry. When choosing a managed labor provider, don't settle for less. Choose FHI.

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