

FREE GUIDE · OPERATIONS SERIES · 2026 EDITION

Top Warehouse KPIs Every Ops Leader Should Track

The 15 metrics that separate high-performing warehouses from the rest — with benchmarks.

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Introduction

You cannot improve what you cannot measure. Yet most warehouses I audit are tracking either too many metrics — creating noise — or the wrong ones entirely. This guide distils the 15 KPIs that actually matter, organised into five categories, with real industry benchmarks from my work across Blinkit, Zepto, Flipkart, and other tier-1 operators.

Category 1: Productivity KPIs

1. UPH (Units Per Hour)

The single most important productivity metric. Total units picked, packed, or handled divided by total labour hours.

- **Benchmark (Grocery):** 80-140 UPH
- **Benchmark (Apparel):** 40-80 UPH
- **Benchmark (Electronics):** 30-60 UPH

If your UPH is below the low end of your category benchmark, you have a productivity crisis, not a productivity problem.

2. Orders Per Hour (OPH)

For fulfilment centres, OPH is often more meaningful than UPH because order composition varies widely. Track both.

3. Lines Per Hour (LPH)

For high-SKU environments (electronics, pharma). Measures picking efficiency at the SKU level.

Category 2: Accuracy KPIs

4. IRA (Inventory Record Accuracy)

The percentage of SKUs whose physical inventory matches system inventory.

- **Best-in-class:** 99%+
- **Acceptable:** 97-99%
- **Problem zone:** below 95%

5. Pick Accuracy

Percentage of picks executed correctly. Errors here compound into customer complaints, returns, and shrinkage.

- **Target:** 99.5%+ for quick commerce, 99%+ for eCommerce

6. Shrinkage Rate

Value of inventory lost to damage, theft, or unaccounted disappearance, as a % of total inventory value.

- **Target:** below 0.5% monthly for grocery, below 0.2% for high-value electronics

Category 3: Cost KPIs

7. CPO (Cost Per Order)

Total warehouse operating cost divided by orders shipped. Includes labour, MHE, utilities, rent.

8. Cost Per Line

For picking operations, this is often more revealing than CPO because it removes the noise of order size variance.

9. Labour Cost as % of Revenue

Total warehouse labour cost as a percentage of GMV or shipped revenue. A macro-level health check.

- **Target:** 2-4% for eCommerce, 3-6% for quick commerce

Category 4: Speed KPIs

10. Order Cycle Time

Time from order placement to order shipment. Broken into components: process time, pick time, pack time, dispatch time.

11. Dock-to-Stock Time

Time from GRN to inventory being available for order allocation. Critical for fresh categories.

- **Target:** below 4 hours for grocery, below 24 hours for eCommerce

12. On-Time Dispatch Rate

Percentage of orders dispatched within promised SLA window.

Category 5: People KPIs

13. Manpower Attrition

Monthly attrition rate for warehouse staff. Chronic problem in Indian ops.

- **Best-in-class:** below 8% monthly
- **Common range:** 10-20% monthly
- **Crisis:** above 25% monthly

14. Absenteeism Rate

Daily percentage of scheduled labour not showing up. Directly impacts productivity and requires overstaffing.

15. Safety Incident Rate

Number of reportable safety incidents per 100,000 hours worked. Essential for ISO 45001 compliance.

How to Use These KPIs

Do not track all 15 from day one. Start with the 5 most important for your stage:

- **Early stage:** UPH, IRA, CPO, On-time dispatch, Attrition
- **Scaling:** Add Pick Accuracy, Shrinkage, Order Cycle Time
- **Mature:** Full 15 with tight benchmarks

Next Steps

Want to benchmark your operations properly? Book a free Warehouse Health Check on hariadvisory.com — a 10-minute assessment gives you a personalised report on where you stand.

READY TO GO FURTHER?

Book a Free Discovery Call

A 30-minute session to discuss your operations, AI adoption plans, or team training needs. No obligation. No sales pitch. Just useful conversation.

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