

# WMS - at the heart of the logistics chain

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Choosing a warehouse management system (WMS) can be a daunting task. What should warehouse operators consider before signing on the dotted line? To begin with, they should know what internal and external factors affect their warehouse operations and what their specific workflow and optimisation requirements are. This will have a direct impact on the return on investment.

While implementing a WMS can lead to substantial savings on manpower, it's not simply about headcount reduction, but about increasing productivity with the same number of people working more efficiently. This is because integrated warehouse solutions improve visibility, e.g. on current work load, peak phases, possible bottlenecks and goods in transit, allowing both management and warehouse staff to focus on their core tasks. Or, to put it differently: rather than the stock controlling the workforce, the workforce is controlling the stock.

The right software should provide complete visibility of inventory levels in the warehouse and of goods in transit. Full transparency of incoming and outgoing orders enables companies to consolidate and time their transports and reduce inventory levels, keeping only the minimum amount required to respond to emergencies. A good WMS promptly notifies suppliers and carriers when inventory levels are close to falling below the minimum requirement, facilitating a continuous flow of goods and saving money.

Warehouse operators should also look for end-to-end traceability of order items, particularly in the food, pharmaceuticals and chemicals sectors, where product recalls can quickly turn into PR disasters. This can be prevented by having an audit trail that shows, for example, who has logged on to the system, where exactly they were inside the warehouse, what they were doing, when, and why. This will also help to

meet a company's key performance indicators.

Another crucial requirement is system integration capability: A WMS should integrate smoothly into a company's existing IT environment and communicate with both internal operations and systems (e.g. procurement, customs, shipping and sales) and external parties (e.g. suppliers, service providers and carriers), leading to transparency and efficient work flows – ideally in real-time. The software should have a modular architecture that provides the functionalities required at the time, with scalability, i.e. the option of expanding as a company's requirements grow. This includes integration of transport as well as global trade management systems, facilitating comprehensive logistics execution as well as regulatory compliance with customs and global trade procedures.

Which solution is right depends on the circumstances and requirements of the company using it, making it difficult to reach any 'one-size-fits-all' conclusions. That's why it's all the more important that the solution provider offers the right portfolio, experience, and consultative approach to guide through the decision process. Ideally they should become a proactive partner, providing an outside view and asking questions that assist in-house teams to design improved work flows and implement a warehouse system accordingly.

Warehouse management systems can have a staggering impact on improving supply chain dynamics and performance. An integrated solution will help companies to become more efficient, increase delivery performance, streamline workflows, lower inventory costs and gain a competitive advantage. Logistics experts looking to make the most of their current WMS, implement a new solution or even introduce a WMS for the very first time are well advised to carefully analyse their detailed requirements and compare available providers and system options to ensure the new solution supports all their goals.