

ORDERWISE®

5 Top Tips For Effective Warehouse Management

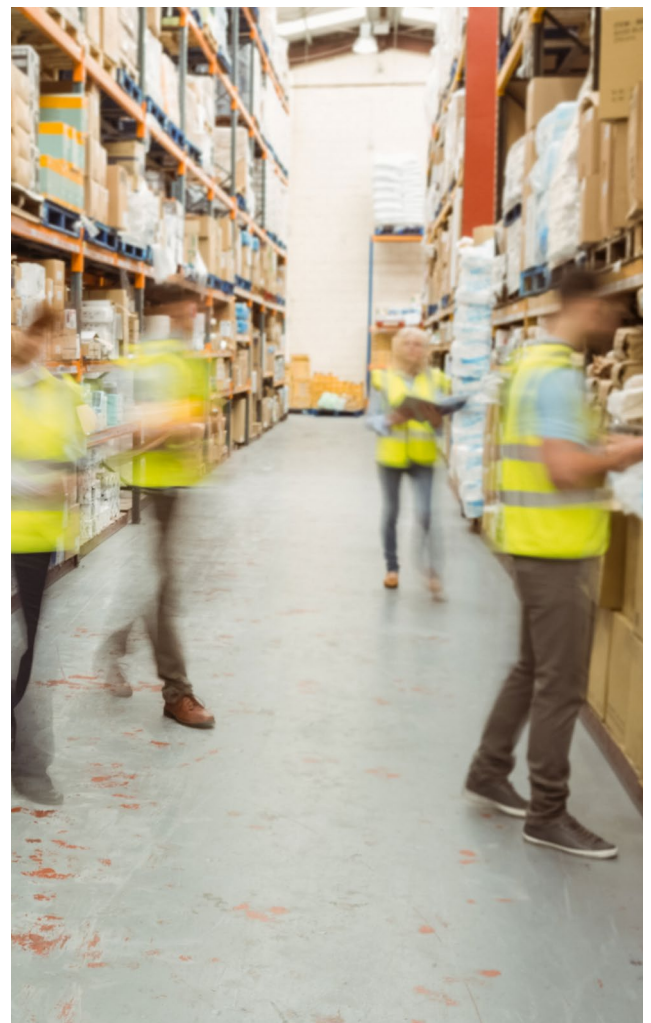
- Importance of warehouse layout
- Benefits of barcode scanning technology in the warehouse
- Ways to get staff working productively

In this whitepaper, we offer our 5 top tips that businesses should consider when looking to gain effective control over their warehouse operations.



It is likely that your warehouse is the central hub of your business, where goods arrive, stock is managed and orders are despatched to customers. With this being the case it is vitally important that you have the right processes in place that ensures your staff are working as accurately and as efficiently as possible on a daily basis.

Orders require quick fulfilment with accurate stock levels maintained so that sales can be capitalised, high service levels achieved and increased revenue generated. Businesses are therefore constantly striving to improve the efficiency of warehouse tasks and overall productivity of staff in order for this to be achieved, looking to implement ways to help better manage their day-to-day warehouse activities. With these measures and processes having varying degrees of success, we thought we'd take a look at the key things that we have found are proven to help businesses enhance their daily warehouse operations.



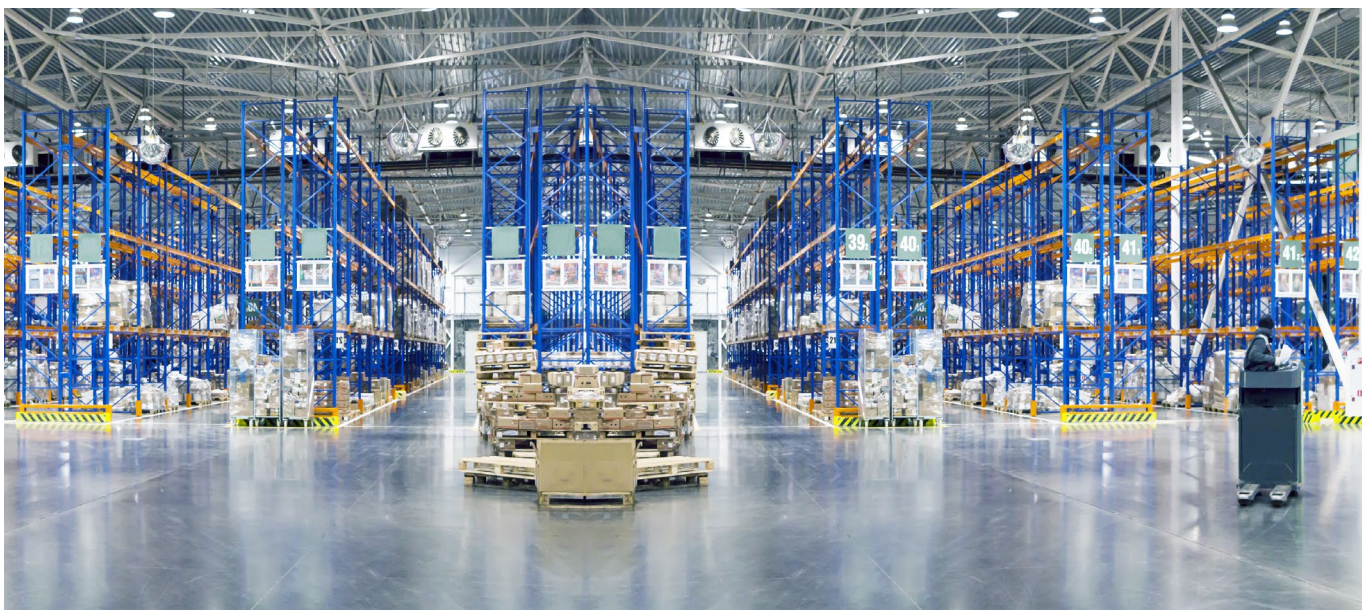
1 Ensure Your Warehouse is Laid Out Correctly

It may seem obvious but often half the battle of achieving effective warehouse management comes down to how a business lays out their warehouse.

Often companies will lay out their stock within their premises with little consideration as to how this will impact on the performance of common warehouse activities. Properly structuring your warehouse requires careful planning and preparatory work in order to ensure it is rightfully set up for fast processes and turnaround.

Not all businesses have the required level of knowledge, experience and resource internally to identify how a warehouse should be configured, so if this is true in your case why not speak to someone with expertise

to gain advice and help with best practices. Your first port of call for this should always be your software provider as they may offer a warehouse set up service which will help you to avoid paying external consultants for guidance. Speak to them and see if they are able to assist in how best to layout racking, bins, position stock and manage processes like picking and stock put away. By catering this to the shape of your premises and way of working, you will be able to see immediate efficiency results.



2 Go Paperless With GS1 Barcode Scanning

With barcode scanning now such an integral part of modern day warehouse operations across the globe, it is incredible to think that there are still some businesses relying on paper notes within their warehouse in order to perform tasks.

Paper notes are renowned for being highly unreliable, often riddled with inaccuracies or lost during transfer through the warehouse causing efficiency to drop. Solving this issue, barcode scanning enables businesses to increase accuracy and streamline tasks to ensure that a higher level of productivity is achieved through quicker data entry and the ability to pick multiple orders simultaneously. This has resulted in many companies striving for paperless warehouse environments where tasks are performed and information is seamlessly transferred through mobile barcode scanning devices. However as barcode scanning continues to evolve, there are now more enhanced ways for businesses to use barcode scanning technology, with this evolution driven by GS1.

GS1 are global leaders in providing supply and demand chain barcoding standards across a wide range of business sectors. Currently GS1 barcodes, which can come in a 1D or 2D format, are used by over two million companies around the world including major retailers, popular online marketplaces, food service operators and healthcare organisations. These include high profile names such as the NHS, Boots, Coca-Cola Enterprises, Morrisons, Nestle and Tesco.

The reason for many of these major companies turning to GS1 barcodes is down to

the accurate recording of product traceability and major efficiency benefits the use of these barcodes is able to provide. These encoded barcodes allow several different fields of data to be instantly transferred into a device with a single scan, including a product's EAN codes, Batch Numbers, Expiry Dates, quantities and more. By using these GS1 barcodes alongside compatible mobile devices, your business can not only benefit from accurate data transfer through paperless management but also much greater efficiency in task performance.



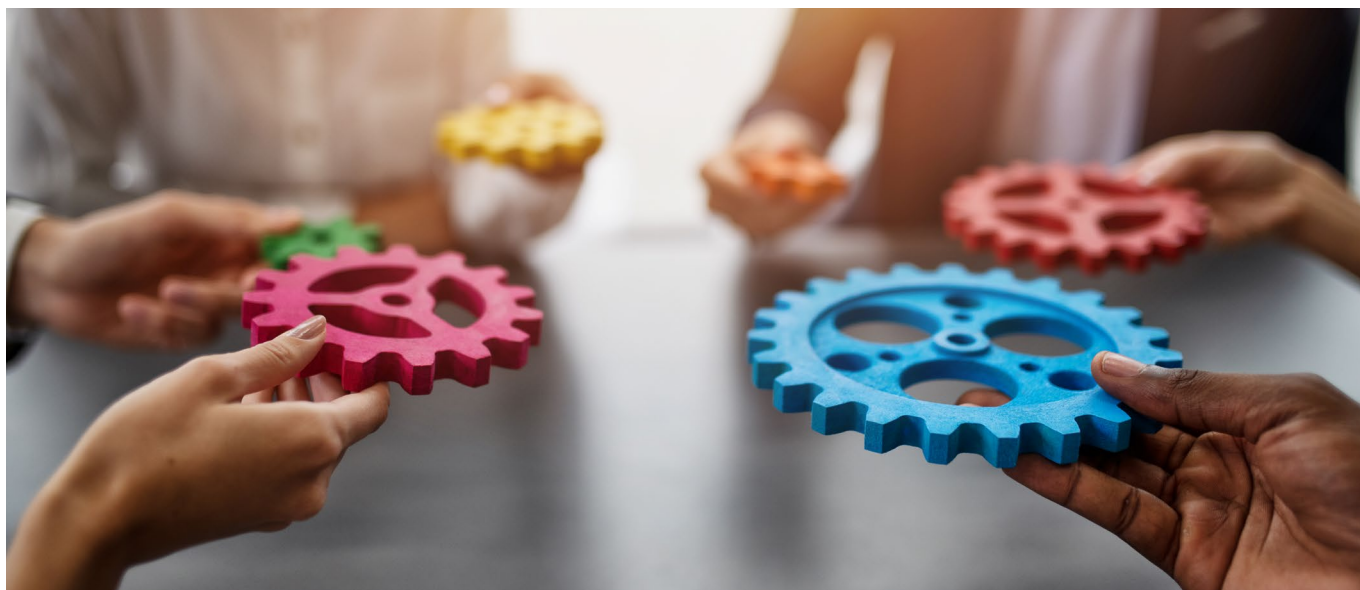
3 Integration Is Your Best Friend

Your warehouse is essentially the central hub for your business, with the purchasing, selling, despatching and ongoing management of goods all passing through your warehouse.

For many businesses suffering from inaccuracies and inefficiencies within their stock management and despatch processes, the source of these problems can often come down to how information is transferred down from sales and other departments, through to picking staff and out to couriers. Even if measures are in place to ensure stock control and warehouse processes are kept both accurate and streamlined, this can all be undone at either end if integration with your other departments, sales channels and courier providers aren't in place, relying on manual

transposition of data to get the information over to the right people.

Therefore when looking at systems that will improve warehouse management, you should be looking carefully at solutions that offer full integration with other key areas within your business. By linking your warehouse operations to all of your sales channels, purchasing systems, chosen couriers and other key business areas, you can ensure stock levels are kept up to date and consistent companywide with vital information always seamlessly transferred.



4 Get The Most Out of Your Staff

Although having systems in place that drive effective warehouse management and task performance is important, equally as important is having procedures that drive the productivity of staff.

Tying into having a warehouse correctly laid out, your business should firstly be looking at ways to direct staff around the warehouse using the most efficient walk routes based on the task being performed and the proximity between the bins being visited. By doing this, you can ensure that staff travel time is kept to a minimum as they navigate across the warehouse.

However in order to drive out any further inefficiencies, it is also important for staff performance to be carefully monitored. The best way to achieve this is by recording the time taken for staff to complete certain tasks and then analysing this information. This will enable your business to set average times that staff can strive to achieve and allow you to track how staff are performing against these target times. This ensures consistent staff performance and helps speed to be fully optimised.

Aside from determining the direction and the speed in which staff travel across the warehouse, the best way to get the most out of staff is to think about how tasks and picks are assigned. If one of your warehouse staff is driving a fork lift, utilise this and assign them larger or heavier picks. If a member of staff is travelling with a trolley, delegate more picks to them and allow them to collect

multiple picks at once. Although even further efficiency benefits can be gained from using a system that is able to automate this process, at the very least you should be using these tools to your advantage and thinking about how carefully assigning tasks to staff in the right way can lead to greater warehouse productivity.



5 Forecast Your Stock Requirements Correctly

Although one of the most essential parts of any successful business, many companies will struggle to achieve accurate forecasting for key periods within their calendar year.

With many businesses importing goods from overseas suppliers with lead times of several months it can be difficult for companies to ensure that the stock they order now is what they need by the time the stock arrives later on in the year. As a result, companies often have to settle for unreliable estimates, trying to gauge how much stock is needed based on past experience, performance of similar items and simple gut feeling. If this sounds like you and you find yourself leaving this invaluable information to chance, your company will soon find your warehouse quickly becoming short on space and harder to manage due to overstocking. Costs can then start to add up and profitability fall because of money being

wasted on stock that will never be sold.

Therefore it is vitally important to effective stock management to have a means of accurately and automatically calculating what stock is required, when it is needed for and in what quantities. In order to do this correctly, all factors will need to be considered such as previous sales history, supplier lead times, upcoming promotions and the seasonality of certain items. Armed with an accurate, efficient method of determining this information and what stock is needed, you will find your warehouse much more manageable, customer demand able to be fulfilled on time and cash flow no longer tied up in wasted overstocking.



About Us

OrderWise is a comprehensive all-in-one business management solution, designed to help businesses across all industries, sectors and sizes drive increased productivity, accuracy and profitability into every aspect of their daily processes.

Providing extensive functionality to manage all online and offline sales channels, stock control and warehouse management, purchasing, manufacturing and accounting activities, as well as offering fully integrated responsive websites, OrderWise is a complete solution for managing operations from end to end. OrderWise are a UK based company who develop, test, supply, implement and support their business management software from their head offices in Saxilby, and have done for almost 30 years.



OrderWise Key Facts

Companies using OrderWise nationwide	1100 +
New features & functionality each year	600 +
Investments into development each year	£4.5 million +
OrderWise individual users	15,000 +
Company founded	1991
Staff resources	200 +