

Seven good reasons why not to manage your warehouse

In my meetings with people responsible for logistics management I often discuss reasons why to manage your warehouse and implement a WMS. That's may be why I have acquired so many arguments explaining why not to manage your warehouse and not to implement a WMS. That's made we think about why in time when we hear so much about sophisticated practices like cross-docking, slotting, wave-picking, voice directed operation etc. most organizations still do not even use basic software tools for warehouse management. In this article I am presenting seven most frequent reasons against implementation of a WMS. Some of the reasons result from fears or wide-spread myths, while some reasons are based on real negative experience of those who tried to implement a WMS and failed.

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with an option of selection from numerous variants of ready-made functional processes developed for similar types of operations.

4. Vendor will be out of business in a few years

There's no doubt that you should be cautious when selecting your partners. That's why it's vital that you pick a supplier who not only offers a good solution and relevant experience, but one that also has financial stability guaranteeing its long-term future existence. The WMS market in our region is far too small to sustain all the vendors currently attempting to develop and maintain their software applications.

5. Hidden costs

Some WMS vendors may choose to drop their

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In order to respond to increasingly demanding requirements of companies in Central Europe, the two companies entered a strategic alliance. DSB together with one of the world leaders in Supply Chain Execution brings new opportunities and competitive advantages to their present as well as future customers.

asking price to an attractively low number in order to win your business, while they ask for a much higher cost of implementation services once the project is underway.

6. Not big enough to reach the benefits

Virtually any company, no matter how small, will save on labour, attain more accurate shipments, improve space allocation and notice increased customer satisfaction. WMS should significantly reduce the amount of time employees will have to spend figuring out what tasks and actions they need to perform next. Your employees will spend less time moving paper, and more time shipping orders. The typical time for return on investment will be 6 to 18 months, depending of the effectiveness of the WMS.

7. High training cost

The right WMS should be designed to simplify your warehouse operations, not complicate them. An intuitive and well-built application should make receiving, picking, shipping and other warehouse operations flow smoothly without requiring extensive training. ■

1. Costly and time consuming installation

It can take up to a year to implement a robust WMS application and attention and active participation of key, usually extremely busy customer's employees are required. A robust WMS that could be implemented in a short period of time, ideally within three months, including an initial analysis, sounds like a good option to logistic managers.

2. Fits now, too small in a year

Products that require lengthy implementation may become obsolete even before they go live. Another aspect relevant to this point is the application's ability to adapt to changes. The technological platform of applications should allow performance upgrading and enhancing the functionality without necessity to replace any components or entire product.

3. Affordable only for big businesses

In case of small to medium sized companies it is too costly to employ a team of developers adapting a robust WMS to their needs, and they often have specific requirements. Such organizations can not rely on simple extensions of their business information systems, but could benefit from a modular WMS system


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