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WAREHOUSE MANAGEMENT SYSTEMS

Four ways cloud-based WMS delivers greater ROI than an ERP system alone

Expand fulfillment capabilities to elevate customer experience

The goal of warehouse operations is perfect order fulfillment—delivering the exact items a customer ordered—on time and with optimal efficiency. The warehouse module of an enterprise resource planning (ERP) solution can help smaller warehouses achieve this goal. Yet ERP warehouse modules tend to have limitations that often make it necessary for companies with more complex operations to turn to the added capabilities of an advanced warehouse management system (WMS).

As more companies seek solutions that provide greater visibility, flexibility, and scalability, it's important to detail how a WMS can enable greater order accuracy, productivity, and ROI in ways that a typical ERP warehouse module does not support. There are four key areas to explore. Let's take a closer look.

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Boost productivity and reduce cycle time

Throughout a warehouse cycle—from planning to receiving and from putaway to picking and shipping—an advanced WMS has capabilities that boost productivity and reduce cycle time, when compared to an ERP warehouse module. A WMS empowers warehouse teams to:

Plan and estimate requirements better

- A WMS keeps a record of each item in the warehouse, along with who moved it and the amount of time involved. This historical data makes it possible for executives to measure, simulate, and monitor tasks, which leads to more effective planning. How many employees and how much time will be needed for a given task? A WMS can answer with estimates that use travel speed configuration and a labor plan based on averages or historical actuals. In addition, it can dynamically monitor staff performance against engineered labor standards. Most ERP warehouse modules lack these predictive capabilities.

Make an intelligent use of space

- When inventory arrives, an ERP warehouse module can assign pick locations, but an advanced WMS can automatically consider user-configurable putaway rules about each product and recommend optimized pick and bulk storage locations. This helps companies better utilize precious warehouse space.

Improve picking flow

- Consider a key difference in productivity: An ERP warehouse module generates pick orders in batches with no real-time optimization. Pickers execute one order at a time and may have to visit the same location multiple times. By contrast, a WMS can calculate optimum pick order and the shortest path for workers in real time. That means pickers visit each location only once. It can simultaneously manage different types of picking zones in the warehouse, including bulk, case, piece, batch, and wave picking, to optimize productivity.

Significantly cut travel time

- Unlike an ERP system, a WMS can bring about dramatic savings by compiling records of each item's movement, and can analyze historical data. By determining the fastest-moving SKUs from order data and strategically re-arranging the picking locations, organizations can reduce travel within the warehouse.

Improve accuracy with a fine-tuned control

A WMS offers greater visibility and control over more details than a standalone ERP system; as a result, warehouse teams can improve order accuracy and efficiency.

Track in greater detail

An ERP system keeps track of total quantities of a stock item, but a WMS provides quantities of the item at each bin or location level, along with status details for items that are stored correctly, picked, dispatched, and in receiving. Additionally, the richer detail in a WMS enables cross-docking. When backordered items arrive and get scanned, a WMS can automatically re-route them directly to outbound trucks or rail cars, speeding fulfillment, increasing customer satisfaction, and eliminating the need for storage.

Optimize order accuracy

A WMS can offer hands-free voice technology that lets workers operate free of cumbersome lists, labels, and scanners. Workers can speak into their headset to confirm the last few digits of an item's code as they pick it, while the system checks and logs their work to minimize errors. According to **voicepicking.com**, voice-enabled order picking can result in an accuracy rate of 99.9% (one error in a thousand picks), as well as a productivity improvement of 20%. In addition, a WMS can easily track performance in real time to manage incentives and can use voice-enablement to workers about their progress.

Reduce waste

Because a WMS tracks detail such as expiration dates, it supports proper rotation of products and enforce principles such as first in, first out (FIFO) and first expire, first out (FEFO) to minimize obsolete and expired product.

Integrate to streamline processes

A WMS allows warehouse teams to connect with, manage, and orchestrate equipment such as scales, scanners, counters, and RFID in real-time, using these devices to streamline and optimize workflow. A WMS can also integrate with systems from third-party logistics providers (3PLs) to help ensure that billing and documentation get where they need to be. For example, if a pair of shoes needs to arrive with an invoice, it will be in the box.

Increase profit with value-added services

Value-added services such as light manufacturing, assembly, and kitting and bundling, can offer substantial new revenue streams. However, offering these services in a warehouse quickly complicates inventory control. An advanced WMS has functionality that can handle the challenges, while most ERP warehouse modules cannot. A WMS can support a wide variety of value-added services in different industries:

- **Electronics distributors** can rely on a WMS to assemble small parts into kits that reduce handling, or organize different production runs to meet retailer-specific configurations.

- **Fashion distributors** can look to a WMS to manage SKUs by attributes such as style, color, size, and fit. A WMS can help a distributor to build ratio packs that combine the required mix of sizes (2XS, 4S, 5M, 5L, etc.) for a given item.

- **Cold storage services** can use a WMS to drive business rules—such as automatically managing the right amount of blast freezer dwell time depending on a shipment's temperature. A WMS can also perform services such as capturing summary weight by pallet and recording the variable weight of individual units automatically.

- **Consumer packaged goods and food and beverage** distributors can depend on a WMS to offer services managing customer-specific shelf-life days, and automatic holds for QA testing, settling, and bottle-aging.

Enhance supply chain results through deeper visibility

Most ERP warehouse modules focus on efficiencies within an organization's four walls, while a WMS can offer a broader view of the entire supply chain and is critical for staying competitive. This enhances results by providing increased visibility in many areas:

Upstream and downstream supply chain partners

The cloud-based WMS is proactive. A WMS monitors transactions against user-defined rules for exceptions, issues, and opportunities. If inventory is running low or a date moves, partners will know it and can take actions accordingly. The alerts keep all partners informed and help minimize problems.

Companies that have multiple warehouses

Property managers can use a WMS to more easily search inventory facilities and cities and decide whether to transfer units instead of buying additional quantities, with visibility across locations to maximize profit. For example, a retailer can fulfill a late-season order by swapping the latest season inventory from multiple stores, boosting the rate of inventory from multiple stores, eliminating potential markdowns at the order store level while eliminating potential markdowns at the store level.

Managers

Managers can access details on demand without having to gather them first by contacting other teams, departments, or managers. A manager can turn to any mobile device connected to the cloud to see reports, guide operations, and answer customer queries from anywhere.

Customers

Customers use a WMS to generate real-time reporting, viewing order status, and out of stock. By receiving the availability. By knowing availability, inventory levels and order status, customers can prioritize their needs.
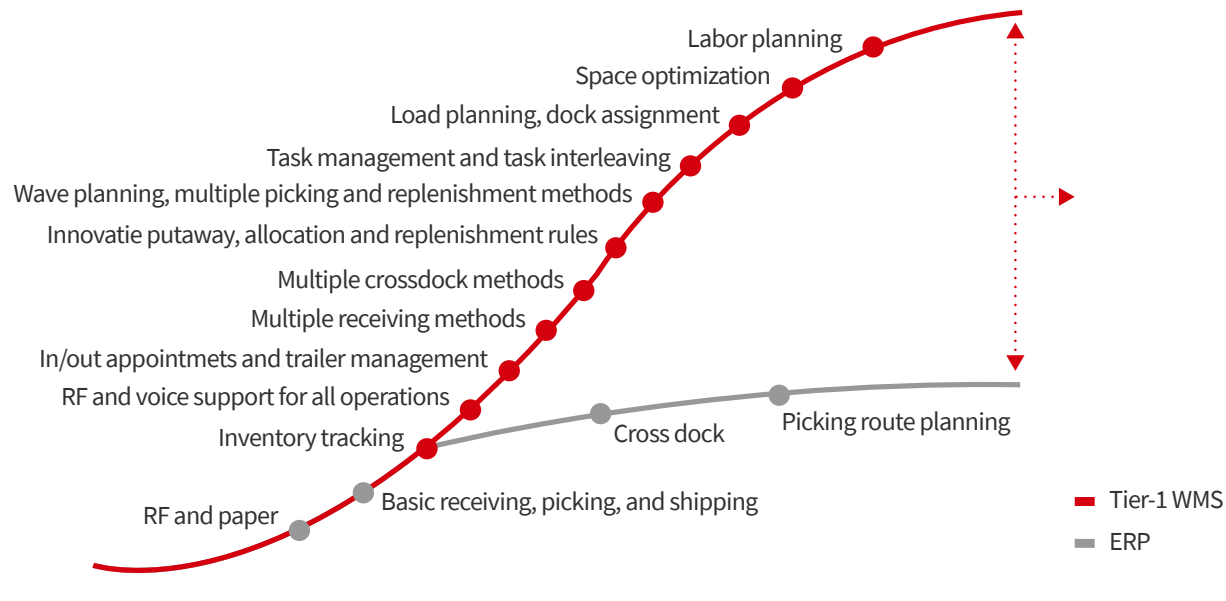
Modern operations require Tier-1 functionality available in the cloud

Integrating your ERP with a Tier-1 multi-tenant cloud WMS solution provides the continuous innovation and functionality that enable central management of distributed warehouses and allow organizations to take advantage of advanced features such as cross-docking, web receiving, attribute capture and serialization, multi-sequenced put-away, task interleaving, slotting, and wave management. These and other modern capabilities such as 3D animation, voice-enabled picking, and automation agents help organizations to streamline warehouse operations, even as today's supply chain processes continue to evolve. Adopting a cloud WMS with the solution footprint, scalability architecture, and cloud security extends your warehouse capabilities beyond ERP functionality and improve fulfillment across all distribution channels.

Expand capabilities with Tier-1 cloud WMS

Labor planning
Space optimization
Load planning, dock assignment
Task management and task interleaving
Wave planning, multiple picking and replenishment methods
Innovatie putaway, allocation and replenishment rules
Multiple crossdock methods
Multiple receiving methods
In/out appointmets and trailer management
RF and voice support for all operations
Inventory tracking
Cross dock
Picking route planning
RF and paper
Basic receiving, picking, and shipping

— Tier-1 WMS
— ERP

Speed, efficiency, and accuracy are the cornerstones of superior customer service

Clear the way for more business—faster

Cloud-based WMS creates fast information flow, empowering quicker business operations and higher customer value delivery at a lower cost. The comprehensive toolkit of a Tier-1 warehouse management system should deliver everything you need for warehouse management, labor management, task management, and transportation management in a single, unified solution.

Prepare your warehouse to keep the supply chain moving effectively with a cloud-based WMS.

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INF-2334900-en-US-0620-1