



The Most Important Reasons for a Business to Invest in a Warehouse Management System (WMS)

There are numerous reasons for a business to implement a reliable Warehouse Management System (WMS). The ten most important ones are listed below.

1. Reduction of OPEX.

A well-designed Warehouse Management System (WMS) can help reduce storage and distribution operational expenditure in multiple ways. The Warehouse Management System ensures more efficient use of "labor" and "space" resources, eliminating waste and errors. Sensitive products and older expiring stocks are prioritized. The storage and picking of products are improved to make the most of the business resources available. All these benefits collectively can result to significant savings throughout the fiscal year.

2. Stock reduction - Just-in-Time

The objective of maintaining a well-balanced and just-in-time inventory is achievable with the right Warehouse Management System (WMS). Wastage and depreciation of stocks are kept to a minimum as stocks are placed in the right environment and managed in the most efficient way. Inventory accuracy is drastically improved, helping to minimize the available stock, as well as safety stock and the amount of replenishment quantities.

3. Continual Improvement

A well-designed WMS introduces new features and processes into warehouse management, since it incorporates best practices from the industry where the company operates. This enables the business to stay on top of the latest technological developments and enables it to continually improve its processes based on the innovations the WMS brings into the warehouse.

4. Increased safety and control

Warehouse Management Systems require operators to use separate accounts (users) for performing their tasks, with corresponding records of each transaction in the Information System in real time. This creates a seamless record that directly connects operators to the transactions they perform, which improves accountability and reduces the risk of tampering and hiding malicious or inaccurate handling. This allows the company's management to identify new opportunities for process improvement as well as to apply new ways of improving applied practices.



5. Optimized operations

By using a Warehouse Management System, the business can optimize all its individual logistics processes. For example, a business can select, out of a set of order picking algorithms, the most appropriate, combining a large number of features related to items, warehouses, customer orders, etc. This makes it easier to select and apply the process that works best for each individual business. The WMS supports, for example, the integration of automations such as smart scales, Barcode, RFID, Pick-by-Light, Voice Picking etc.; allowing the business to further improve order collection processes.

6. Better Supply Management

Since Warehouse Management Systems help the business prepare and ship orders in a consistent manner, without errors nor delays, they help build a credible demand history without stock-outs. Therefore, the warehouse supply is effectively improved after the adoption of a WMS system. In addition, specialized WMS modules can more accurately predict future demand using self-adjusting statistical algorithms and plan its supply, allowing the business to move forward and stay ahead of its competition.

7. Maximized use of resources

A reliable WMS allows the business to easily and clearly identify which storage, order picking, feedback, packaging, etc. processes work best for the business. A WMS takes into account both the specific requirements of the product management and the particularities of the warehouse to ensure that the resources are being used more efficiently.

8. Improved employee satisfaction

When the business operates seamlessly and without friction using a reliable WMS, employees feel better within their work environment. There is less pressure; while improving productivity and profitability increases employee morale and satisfaction; resulting to a workforce that is enthusiastic and committed, and further enhancing the overall success of the business.

9. Increased transparency

Warehouse Management Systems provide full transparency to stock inventories in real time, allowing all supply chain links to optimize their operation. This results in better delivery times for the customer and effectively reduces the cost of corrective actions, such as emergency inventories. In addition, as all employees have access to real-time information, they are able to provide more timely information to their customers and partners.



10. Improved relationships with customers and partners

The benefits of Warehouse Management Systems go beyond the organization itself. The supply chain is optimized, which means less friction and problems with suppliers, business partners and distributors. Customers enjoy faster and error-free deliveries without shortages. The reputation of the business amongst customers and suppliers can be greatly improved with a WMS system.

The benefits of installing a WMS are easily understood and appreciated. A well designed warehouse management platform is the best way to quickly improve business success and profitability. It is important for the business to select the appropriate WMS to meet its unique requirements. Therefore, the faster you invest and implement a WMS, the faster the business can begin to derive significant benefits.