



Aptean

# Warehouse Management **Best Practices** for the Peak Season





Maybe you've owned a warehouse (or two) for years, or maybe your consumer goods business has grown enough that you need one.

If you're new to running a warehouse, the basic principles of warehouse management encompass running the day-to-day operations of a warehouse. This includes receiving inventory, fulfilling orders, managing and organizing the warehouse floor and scheduling labor. But it's more than that—you need to streamline and integrate each process to increase productivity and reduce costs. Even veteran warehouse owners struggle with operating a warehouse effectively.

Managing a warehouse is always difficult, but during peak season, that means long hours in the warehouse with staff working 24 hours a day. If your warehouse team can manage inventory efficiently, handling the busy season should be a piece of cake. But without the right tools, you could drown in a sea of paperwork and excess inventory.

Your customers could care less about global supply chain issues. They still expect rapid delivery times, and the fulfillment cycle keeps getting compressed due to "The Amazon Effect". Expedited delivery times are the norm, even for B2B distributors. And during your busy season, your clients want their deliveries on time, at cost, and with no issues.

What is the key to achieving this? Exceptional warehouse management. In this whitepaper, we'll explore the ins and outs of running a warehouse and what you can do during peak season—and throughout the year—to keep your warehouse operating efficiently.

# Warehouse Management 101

Let's start with the basics. Your consumer goods business has grown, and you need a place to store your inventory. You've purchased a warehouse. Now what?

You can have a state-of-the-art facility, but if your operations are based on manual, paper processes, you won't succeed. Think about it. You wouldn't buy an electric drill and then try to build a bookcase with a hammer and nails. Your warehouse is the same way. The inventory in your warehouse is your biggest asset. Why not use the best tools to transform it into your biggest competitive advantage?

To manage your warehouse inventory, you need efficient processes in order picking and packing, accurate inventory counts, and projections of how much future inventory you'll need. You need to keep optimal inventory levels, and you need to have the right teams in place. Under normal circumstances, an average day in a warehouse looks something like this:

- 1. Receive goods
- 2. Count inventory
- 3. Put goods away
- 4. Review and manage orders
- 5. Replenish primary pick locations
- 6. Pick and pack orders
- 7. Process documents and print labels
- 8. Load trucks
- 9. Count inventory
- 10. Start again

Now, it's not impossible to manage these processes manually—warehouse owners did it manually for decades. But with stringent [retailer compliance requirements](#) and astronomical expectations for delivery windows, you need to offer fast, efficient delivery at a reasonable price. And during your busy season, these processes need to go even quicker. Can you do that with your current software?

Good warehouse management optimizes warehouse space to maximize inventory storage. This ensures that your staff can find inventory easily. It guarantees that you have adequate staff to efficiently fulfill orders, a bonus during peak times. Warehouse management also involves communicating with suppliers and transporters, so customer orders arrive on time. Can you do that with your current software?

If your current software isn't up to the task of managing your warehouse, it's time to think about a [distribution enterprise resource planning \(ERP\) with warehouse management built right in](#).

# Warehouse Management Best Practices for Peak Season (And Throughout the Year)

## 1. Look at Your Current Processes and Focus on Improvement

Create well-documented standards and procedures and stick to them. Can you improve your inventory management? The trick is to balance speed and accuracy, so make sure your team sticks to the most efficient processes, even when they get busy. For example, double-checking SKUs both when picking and when packing will guarantee that inventory counts are accurate.

Set up a picking process, such as wave or zone picking, so your team members aren't walking all over one another or duplicating steps. Have time set aside on every shift for clean-up to ensure staff safety. This includes clearing aisles, keeping items off the floors, and putting equipment away. Make sure that you give each shift time to take a break—well-rested employees are more productive. To reduce inventory shrinkage, restrict access to the inventory area. ID badges might be a good idea to enhance security and reduce potential accidents.

All of these small improvements to your processes will add up to larger gains in your warehouse operations.

## 2. Optimize Warehouse Layout

If you're new to warehousing, you need to think about the most efficient layout for the floor to facilitate storage, as well as easy movement into and out of the building. If you've had a warehouse for years, you need to address any operational challenges before the busy season starts. You want a setup where the most popular items are closest to your shipping and receiving areas. Map it out and include the direction of the workflow. If you have a variety of products, you may want to organize them by the cluster method, which groups them by type.

Always make good use of vertical space because stacking products will maximize limited space. Experts recommend calculating the amount of space you have, and then only dedicate about 25% of that space to storage. If you plan on using a forklift, your aisles need to be at least twelve feet wide. Dedicate plenty of space near the loading docks to prevent bottlenecks. If you have the means, separate the picking area from the storage area, as it will reduce the amount of time your team spends looking for items.





### 3. Keep Your Staff Motivated

Outside of your inventory, labor is the most expensive cost in any warehouse. During peak season, you may have to hire seasonal help to meet demand. But a productive workforce will ensure success. Offer flexible working hours so that everyone can work at a time that suits them.

Promote safety and well-being by scheduling regular breaks so that everyone has a chance to rest. Exhausted employees aren't productive and fostering a "work until you drop" mentality increases the chance of accidents and high turnover. Make sure that everyone is adequately trained for the job they must do and offer additional training for employees that want it.

Try to make it rewarding. Perhaps you can set targets, like the highest number of correct items picked and packed in a day, and then offer cash incentives.

There's no need to keep track of employee performance manually. A robust distribution ERP with built-in warehouse management system (WMS) tools enables warehouse managers to engage, monitor and measure employees throughout their shifts. You can redirect staff, materials and equipment as demand fluctuates. Your WMS makes the shift transition seamless and employee time is maximized.

## 4. Use Route Optimization Software to Optimize Delivery

If your customers arrange for pickup at your warehouse, the responsibility for on-time, in-full (OTIF) delivery is out of your hands. But if you need to arrange transport of your products, you need to have constant communication with your transportation team. Your warehouse team might pick and pack the order perfectly, but if the delivery truck doesn't get there, then product is just going to sit on the loading dock. This can create a chain reaction that causes delays for the entire day.

Warehouse managers and the customer service team need to know when delivery trucks will arrive. That way, you can schedule picking and packing at the right time.

Did you know you can synchronize your supply chain? By integrating [route optimization software](#) and your WMS, the warehouse manager and your service team can see where delivery drivers are in real time. This means that your customers will know when they will get their orders, and your warehouse team can minimize the amount of time that trucks have to wait. Route optimization software also improves customer experience because every delivery driver is taking the most efficient route possible. [Aptean's Routing and Scheduling](#) software gives you the tools to better manage your transportation operations and improves supply-chain efficiency. You'll be able to improve efficiency, cut costs, increase visibility, implement more sustainable practices, and enhance customer service. Pair it with your WMS, and you have perfect visibility in all aspects of the supply chain.



## 5. Reduce Chargebacks with Vendor Compliance

Trying to stay ahead of ever-changing vendor compliance requirements is like trying to navigate a labyrinth in the dark with no flashlight. You need to stay one step ahead of your retailers, or you'll pay the price in chargebacks. There are far more retail compliance standards than ever before. Some may be simple to execute, like sending an electronic data interchange (EDI) invoice.

But most retailers throw out multiple hoops for the unwary distributor to jump through. For example, some retailers expect you to send out an advance ship notice (ASN). Some may ask that you print specific labels and packing slips. While their requests make sense from an economic standpoint, they also have a huge staff to help them process orders—you do not.

If you fail to meet these compliance standards, you'll get chargebacks that could add up to thousands of dollars every pay cycle. There is good news, though. Compliance-related chargebacks are avoidable.

[Aptean's Distribution ERP](#) has built-in WMS and EDI. It comes with standard vendor compliance modules that automate the generation of labels, packing lists and shipping documents. This will speed up retailers' certification processes and help minimize chargebacks—saving your business money.

## 6. Streamline Processes by Leveraging the Right Technology

Warehouse management is similar to a chess game. It takes strategy, intelligence, and there are lots of moving parts. WMS software increases efficiency, improves operations and helps lower costs. Even when it's not peak season, you know that you need impeccable coordination and communication to operate well.

You can take efficiency and optimization to the next level by leveraging a distribution ERP with built-in WMS. This leads to streamlined processes across your business, greater warehouse (and supply chain) efficiency and full visibility throughout the order fulfillment process. Here are a few ways that a distribution ERP with built-in WMS capabilities can help you improve inventory management and warehouse operations.

- › **Automated warehouse replenishment.** Manual inventory processes and spreadsheets aren't going to work if you want to grow your business. Not only are those methods antiquated, but they won't give you an accurate picture of what is in your inventory. Using your robust WMS, you can set alerts that will trigger replenishment activities for the day. That means you won't have to scramble to replenish pallets of product from storage to your primary pick locations during your busy times of day. The system automatically recognizes when you are running low and will let you know when it's time to move another pallet to the primary pick location and when it's time to reorder the product.
- › **Faster picking and packing.** There are a variety of picking strategies in any warehouse; which one you choose depends a great deal on your setup. However, whatever strategy your workers use, your WMS can help you pick and pack faster. With real-time visibility, your team will always know where every item is, and will automatically update the inventory as items get pulled. Then, your packing team can easily print the labels they need to stay compliant and put them on the proper packaging. When your trucks come to pick up orders, you'll know that everything is correct and all data is recorded into the system.
- › **Better receiving processes.** Running a better warehouse starts with your receiving dock. Obviously, your team needs to check that you receive what you ordered. With a WMS, you can scan the items and then instantly print the labels you need. Then, because your warehouse is already organized, your team will know exactly where everything needs to go. You'll also be able to schedule sufficient staff to process the incoming order. If you have warehouse management software built within your distribution ERP, your managers will have the data they need to make the right decisions on personnel, space and equipment.
- › **Managing returns.** Returns are an unfortunate side effect of running a distribution business. They don't have to be a headache, though. With the right WMS tools, you can administer the returns process swiftly. The returned items can quickly be classified as reusable or damaged, and reusable items can be relocated for picking later. Damaged items can be integrated into your ERP to ensure your customers get either credits or a replacement sent. An ERP with built-in WMS ensures complete traceability of all inventory and allows you to track and monitor all your returns.

Here's the skinny: an distribution ERP with a built-in WMS may be the best solution for your company. It allows you to control the movement and storage of materials within your warehouse. You can accurately track and streamline receiving, picking and shipping processes. Later, when the time comes for an audit, automated reporting has already been stored in the system.

# Why Choose ERP with Built-In Warehouse Management Software?

Warehouse management is simply one link in the supply chain, but it's a crucial one. Warehouse management software (WMS) streamlines order fulfillment, storage, inventory management, shipping, and distribution in one solution. You'll be able to see what's happening with your orders in real time, and track them from container to customer.

Warehouse management is extremely complex and involves countless processes. But managing a warehouse efficiently doesn't have to be difficult.

Aptean Distribution ERP has strong WMS capabilities built into the system, it is user-friendly and intuitive, and can help your consumer goods business reduce costs, increase inventory accuracy and improve customer satisfaction.

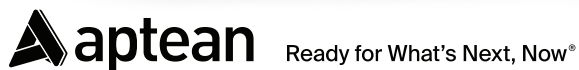
With the current supply chain issues and peak season, you need an instrument to help you rise above the competition. Aptean Distribution ERP with built-in WMS functionality enables you to effectively manage all your processes. Consumer goods distributors need the right tools to satisfy customers and fuel growth. Aptean Distribution ERP with WMS is the right tool.



## Are You Ready to Learn More?

Want to know how to optimize your warehouse management?

Contact us at [info@aptean.com](mailto:info@aptean.com) or visit [www.aptean.com](http://www.aptean.com).



### About Aptean

Aptean is one of the world's leading providers of purpose-built, industry-specific software that helps manufacturers and distributors effectively run and grow their businesses. With both cloud and on-premise deployment options, Aptean's products, services and unmatched expertise help businesses of all sizes to be Ready for What's Next, Now®. Aptean is headquartered in Alpharetta, Georgia and has offices in North America, Europe and Asia-Pacific.

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