



Warehouse Design and Operations Diagnostics

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Lesson 01 - Importance of Warehouse Design

Hey everyone, welcome to Lesson One. In this lesson, we will first look into the importance of designing a warehouse in any business. To ensure smooth operation and efficient functioning of your warehouse, one must invest in a well designed layout. While the benefits of optimizing a warehouse layout could be improvisation in the usage of space, boosting your warehouse capacity, productivity capacity and productivity boosting your warehouse capacity and productivity which in turn frees up your working capital. So you see the benefit which bottles down your supply chain. And it's not just a one time, a single effort. One of the latest trends that we're observing of lately is that more 3PL and more businesses are investing a lot more in optimizing their warehouse space, which in turn ties down to how you have designed your layout and isn't even optimal. Now let's discuss why should a company even look or invest into designing the most optimal warehouse layout? While there are manifold benefits to having a design which is user friendly, some of the primary benefits include freeing up the space to accommodate more volume within the warehouse, thus improving the productivity. Having an optimized layout allows for improved flow of traffic which reduces your stock losses and aids in tracking and tracing of stock and boosts the overall efficiency, thus reducing the overall expenditure and cost. While having all of this in place, it is needless to say that the increase in productivity at the warehouse is directly proportional to optimizing the service lead time to customers. There are several metrics that is used to identify the productivity of a warehouse and one of those metrics includes could be the average lines or average orders picked per hour, per day or per minute. Well, while the design itself plays a significant role This optimization is not a metric and this is not the only method. The warehouse layout design, in combination with your warehouse management system and your material handling equipment, along with your IT integration and technology is used for picking in coordination with one another to contribute to coordination with one another to contribute to more easefree and positive supply chain experience. While with the boom in ecommerce and.com orders, it is needless to say that companies and businesses are striving harder to serve the end customer and enhance the user experience. In order to achieve this, some of he key points or elements within the supply chain has to be paid attention to, while one of the contributing factor is the demanding customer because customers are now anticipating or they're expecting to be exceeded their expectations. While there is no opportunity for missed delivery or late delivery, companies are now competing for next day deliveries and further improving the last mile in order to enhance the customer experience. One of the primary reasons to focus on improvising the warehouse design layout is to mitigate the risk of transportation as a bottleneck. While we know that more resiliency in supply chain is achieved by either creating a buffer in your transportation network or in your warehouse network, based on the region and mode of transportation of your middle mile or last mile, a strategy must be devised to understand which aspect of the supply chain is made more elastic to act as a shock absorber. made more elastic to act as a shock absorber. In order to mitigate transportation as risk, sometimes warehouses have to take on more load and thus have to step up to be more productive and efficient. It must be kept in mind

that good utilization of facility or a higher utilization factor of your warehouse most often equates to an organized work environment which promotes to the overall well being of the warehouse operator and the personnel and staff, which in turn contributes to higher employer attention, thus again contributing positively towards the growth of the business. The more easier and more optimized your warehouse layout is, the less prone you are to physical and human errors, such as, for example, picking and packing errors, which become more negligible. And also this creates a seamless segue to introduce automation. Thus, to summarize the importance of designing a most optimal warehouse, it is to boost the warehouse efficiency itself, improve productivity, optimize your storage space, and create a direction for the flow of traffic, thereby minimizing the amount of movement, the number of touches, which in turn contributes to a faster, holistic experience to not only the customer, but everyone involved in the supply chain. Thank you so much for listening to me in this lesson. I'll see you in the next.

