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A Study on the "Issues and Challenges Faced by the Logistic and Warehouse Sector"

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Abstract:

Today, India's logistics sector includes internal and external components of service and manufacturing supply chains. Recently, there has been a lot of interest from industry and policy makers. The task of managing these structures to facilitate competition is removed. Inadequate infrastructure affects the creation of a niche for economic growth. Internal control systems have the ability to overcome short_term structural weaknesses and provide longterm competitive advantages. There are many challenges and opportunities in the logistics sector of th e Indian economy.The biggest challenge facing the industry today is the limited integration of transportation networks, information technology, storage and distribution facilities. Regulations exist at different levels and are de termined by national,regional and local authorities. However, laws vary from city to city, which is an obstacle tocre ating a national network.
An educated workforce is essential for the manufacturing and marketing sectors as well as the third party integration sector. This is particularly vulnerable at operational levels - IT, drivers, warehouses - and at a higher strategic level. The poor nature of the Indian logistics sector is considered to be a labor_intensive industry with a la ck of adequate training facilities, resulting in a lack of skilled managers and customer service personnel. Lack of I T standards, tools and system integration.

Key words: Transport network integration, Internal integration, External transport.

INTRODUCTION:

A warehouse is the temporary storage of products for distribution or sale. Unlike a basement or garage that a sm all_scale business might use to store inventory, larger businesses often don't own or rent space in the building desig ned for storage.

Storage Facility Site Selection:

Must be a center for importing, storing and distributing bulk goods. Warehouse workers inspect deliveries, sort an d sort items, and route them to the appropriate storage areas. Keeping your items in storage is an important part of

maintaining their value. When it's time to move, your order will be picked, sorted, boxed, checked for complet ion and shipped. Control systems reduce costs by reducing cycle times and overall inventory. It will also improve the quality of services provided to customers. Warehouses add value to business operations when a large amo unt of goods are available at the right time and place. Some of the warehousing activities that contribute to the succ ess of the entire logistics network include order consolidation, order assembly, product mixing, and crossing. Eco nomic benefits The economic benefits of storage can be calculated through smooth operation,ample storage space a nd free space. Cost_saving measures such as consolidation reduce outbound shipping costs for the company and its customers. From here, the goods are sent to a warehouse,where they are combined with orders from other customer s and sent in a single shipment. With the help of warehousing, warehouses can meet both short-term and long-term storage requirements.

For year_round but seasonal items, this type of arrangement is important. Keeping inventory in your warehouse is one wayto ensure timely and complete outbound orders. The safety average ensures that the company has very l ittle stock in the store. Security products on the receiving side ensure that customer orders are not delayed in case o f emergency, such as delayed shipment or defective product packages. If the item is temporarily out of stock, stor age security will help you deliver products to your customers.

Current scenario in India:

Warehouses are an important part of the entire value chain. It is responsible for 5% of the Indian logistics market. According to estimates, the Indian storage sector is worth INR 560 billion (excluding INR 340 billion spent on inventory) (Ram Kripal Yadav, Business Article).

Of the $5.7 trillion logistics industry, 20% is warehousing. The old name of the house where goods were stored b etween production and consumption was Gowndown. Considering the growing industry, traditional warehouses ha ve been transformed into picking and storage areas where raw materials, intermediate products and finished produ cts are collected, sorted, stored and served at the point of consumption. Or buy it. In the coming years, the Indian warehouse industry will grow at a rate of 35% to 40% per annum (Ram Kripal Yadav, Business Article). The indus try is currently very fragmented.

Many small operators operate small equipment spread over many countries.

PSUs like Central Warehousing Corporation (CWC), Food Corporation of India (FCI) and state_level warehousing companies_control 70_75% of the organized market, and 92% of them are unorganized. Total (SWC). Although the total number of warehouses created by corporations, cooperatives and the private sector is 106.95 million sq uare meters, public-private partnerships (PPPs) are yet to reach this level.

Recently, with the help of new technologies, automated asset management tools,and established processes, the thir d-party logistics industry has taken another step towards becoming more robust.

Therefore, competition among domestic companies has become strong. In addition, the rise of organized w arehouses in the country is a direct response to the growing number of companies seeking higher quality ser vices at lower prices.

In addition to effective inventory management systems, distribution centers focus on providing value_added se rvices such as consolidation,labeling, packing and packaging, branding, distribution, formal delivery, customer service and back-end operations.

General Information

The development process of the global business ecosystem has accelerated in recent years. To gain a competitive a dvantage, the world's largest companies are considering the power of new technologies and solutions that are rapi dly changing not only their business operations, but also the very nature of the products they offer end users. Gain v isibility, maintain your market position and generate additional income.

Warehouse costs are high (Amazon lost $7 billion on logistics in 2017) and shipping costs are more than shipping r evenue. As the backbone of your supply chain, today's warehouses are incredible. In other words, it is a network of interconnected components that perform the basic functions of storage, processing, and transmission. As a critic

al link in the supply chain, warehouses are important to maximize productivity. Retailers, manufacturers,retailers a nd industrial companies rely heavily on warehouses and fulfillment as part of their operation.Up to 40% of entry fe es is spent on entry fees.Today, e_commerce is the most profitable area of warehouse management and the fastest growing products. With online orders growing 18% in 2018 and reaching a total value of $2.8 trillion, the global e_commerce sector is booming. According to Business EVO, Ukraine's e_commerce market grew by 35% in 2018, reaching UAH 65 billion, and is expected to grow by 25% in 2019.According to research fir m Gartner, revenue from_online stores that use artificial intelligence to personalize customer experiences will increase by 15% by 2020.Thiscan be seen at In fact, Very.co.uk saw an increase of 5 million euros in revenue after implementing a time_based website.Online businesses have grown as part of the real estate market in response to t he COVID_19 pandemic and quarantine measure.As a result,the manufacturing and storage industries have grow n and the storage markethas adapted to meet the growing demand for storage space.

LITERATURE REVIEW

The various schools of thought in the literature and supply chain management literature tend to enhance the ability of these fields to compete and succeed in the new business environment. Although there are many literatures that provide information on SCM, there are few studies on management processes.

Galt and Dale (2017)

We surveyed 10 UK companies and found that many of them are trying to reduce the number of suppliers they wo rk with and increase the relationships with the suppliers involved in theirs.

Fernie (2016) analyzed logistics operations in the supermarket chain industry and found that inventory levels in l ogistics departments in the United States and Europe were significantly different.**Tan and Wisner(2018)** comparel ogistics in the United States and Europe. We report on the state of logistics and SCM in New Zealand and discuss s upply chain strategies and architecture in India.

Sahay et al. (2019). Indian micro, small and medium enterprises (MSMEs) studied by **A. Deshmukh and H. Vasudevan (2016)**, analyzing the challenges and successes of using traditional and environmental factors in supplier selection.Normally 12 criteria are displayed. From 1992 to 2007, **A. Deshmukh and A. Chaudhari (2019)**
collected 49 publications on current supplier selection criteria. They observed the stated criteria. The purpose of thi s study is to determine whether companies are simply using traditional methods when selecting suppliers, or wheth er they are also considering environmentally friendly options. Material selection criteria and key green supply chain components were also discussed.

(Deshmukh A. and Vasudevan H., 2014). To investigate current SCM technologies, we conducted interviews wit h supply chain managers from six industries in Finland and conducted a survey of supply chain management practices for small businessesthe UK. We analyze changes in SCM from the perspective of organizational practice and organizational capabilities.
Chin et al (2014) analysis of the Hong Kong manufacturing sector found that there are several factors that are critical to the successful adoption and implementation of SCM in the sector. **Moberg et al. (2018),** a small manuscript on the topic of information sharing. Feldmann and Muller The question of how to establish incentives t o provide reliable and trustworthy information in supply chains (2019).
However, logistics and SCM jobs in India are endless. Most of the literature currently available covers two topics: (1) best practices and (2) updating internal control procedures. **Saxena and Sahay (2019)** examine the manufacturi ng industry's drive to adapt and integrate information technology. (IT) structure of two competing companies. Mo st recent studies are based on questionnaires and secondary data (Sahay and Mohan Sahay et al., 2016). Vrat (2004

) in his article “Some issues and challenges of SCM in India” explains these problems and offers possible solutions for the Indian market. In all these cases, Indian companies are seen lagging behind their western counterparts.

OBJECTIVES OF RESEARCH:

1. Maintain optimal levels by coordinating supply and demand.
2. Organizations can use this information to better plan their delivery and replenishment cycles.
3. The design of your facility can have a significant impact on the smoothness of operations throughout your factory.

RESEARCH METHODOLOGY:

This paper is a research or descriptive study on a specific topic. The methodology that underpins the research is qu alitative and, above all, descriptive.

METHODS FOR DATA COLLECTION & VARIABLES OF THE STUDY

Methods for data collection

Primary Data

Primary source of data was collected by questionnaire.

Secondary Data

Secondary source of data was collected from Books Journals Magazines Web’s big datas.

Sampling

The sample technique utilized for data gathering is convenient sampling. The convenience sampling method is a non-probability strategy.

Sampling size

Big data indicates the numbers of people to be surveyed. Though large samples give more reliable results than small samples but due to constraint of time and money.

Plan of analysis

- Diagrammatic representation through graphs and charts
- Big data able inferences will be made after applying necessary statistical tools.
- Findings & suggestions will be given to make the study more useful.

PROBLEM STATEMENT

Convergence and segmentation are two great challenges in logic. Since many people are involved (manufacturers,w arehouse workers, distributors, managers, customers), it is not possible to control all aspects of the process. Gen eral weaknesses are often the result of fragmentation.
SDL (warehousing, distribution, loading) is all aspects of warehouse integration, asmall area of supply chain

management. If goods have to be moved from one place to another to meet production times or meet customer dem ands, it is called logistics.

HYPOTHESIS:

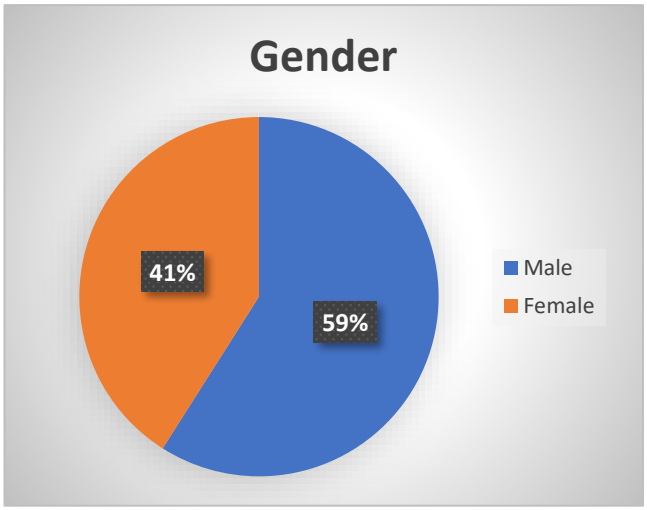
There are no significant differences in task and work item linkage for warehouse managers.
A number of trends regarding challenges and opportunities for warehouse managers were discussed among respond ents.Warehouse Manager Challenges in Warehouse Management,Space,Layout, Customer Expectations, Complem ents,Processes, Product Differentiation, Product Selection,Optimization, Inventory Accuracy
Tracking, Time_Management, Incidents of fires,personnel,Communication. These tasks are challenging for warehouse managers due to the variety of situations_delivery to warehouse managers_owners, shipping specialists.

DATA ANALYSIS AND INTERPRETATION:

➢ Gender :-

Response	Frequency	Percentage (%)
Male	23	59%
Female	16	41%
Total	**39**	**100%**

Survey report



Data analysis

In accordance with the table and graph above, which show 39 replies. 59% of the respondents are male, and 41% of the respondents are female.

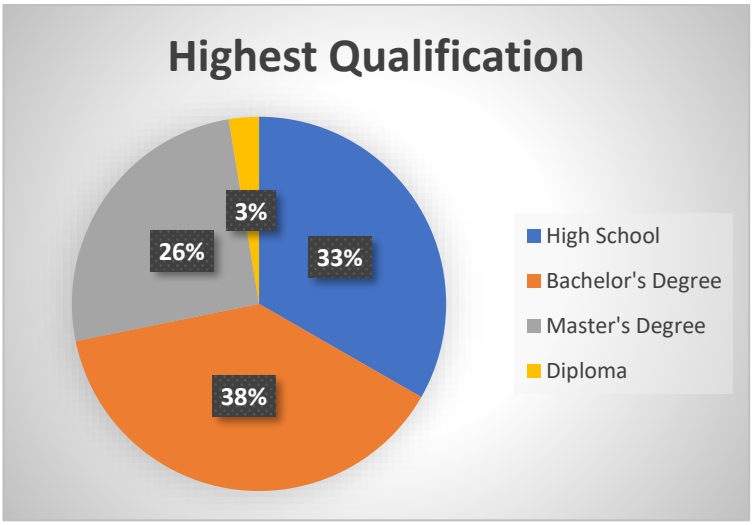
Interpretation

There is an unequal number of male that is 23 response and female are 16 responses, as may be noted.

➢ Highest Qualification :-

Responses	Frequency	Percentage (%)
High School	13	33.3%
Bachelor's Degree	15	38.5%
Master's Degree	10	25.6%
Diploma	1	2.6%
Total	**39**	**100.00%**

Survey report



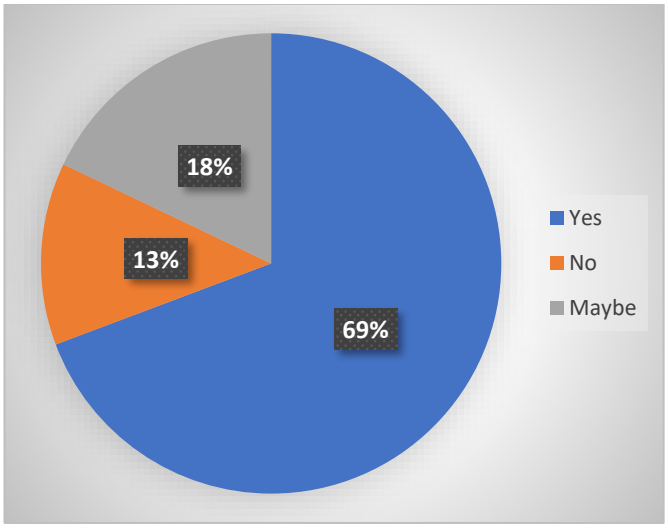
Data analysis

From the above graph and table, it is observed that out of 39 responses based on Educational. 13 respondents are from High School with 33.3%, 15 respondents are from Bachelor's Degree with 38.5%, 10 respondents are from Master's Degree with 25.6% and 1 respondent is from Diploma with 2.6% .

➢ Does every Businesses have a Supply Chain Management sector? :-

Responses	Frequency	Percentage (%)
Yes	27	69.2%
No	5	12.8%
Maybe	7	17.9%
Total	**39**	**100%**

Survey report



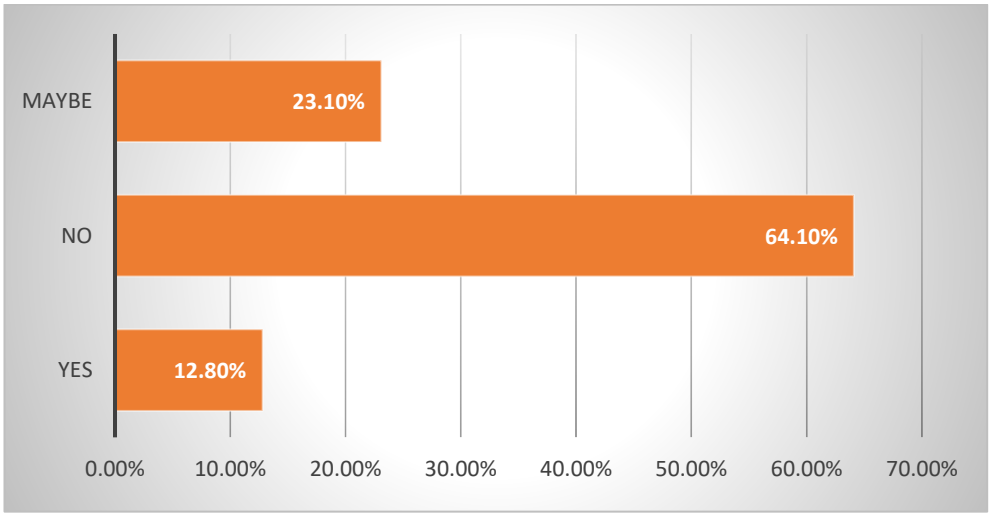
Data analysis

It has been observed that, majority of the population approx. 27 respondents thinks that "**Yes"** every Businesses have a Supply Chain Management sector with 69.2% . While, 7 respondents thinks that "**Maybe"** every Businesses have a Supply Chain Management sector with 17.9% and rest of 5 people thinks that **"No"** every Businesses have not a Supply Chain Management sector with 12.8%.

➢ Can any Organization or a Company run there business without SCM?

Responses	**Frequency**	**Percentage (%)**
Yes	5	12.8%
No	25	64.1%
Maybe	9	23.1%
Total	**39**	**100%**

Survey report



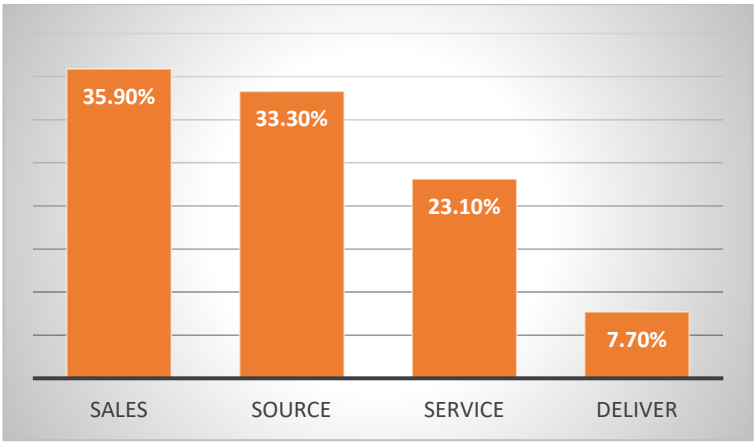
Data analysis and Interpretation

It has been observed that, majority of the population approx. 5 respondents thinks that "**Yes"** Company can run there business without SCM with 12.80% . While, 9 respondents thinks that "**Maybe"** Company can run there business without SCM with 23.10% and rest of 25 people thinks that **"No"** Company can not run there business without SCM with 64.10%.

➢ Which of the following is not a part of SCM?

Responses	**Frequency**	**Percentage (%)**
Sales	14	35.9%
Source	13	33.3%
Service	9	23.1%
Deliver	3	7.7%
Total	**39**	**100.00%**

Survey report



Data analysis

From the above graph and table, it is observed that out of 39 responses, 14 respondents are saying that "**Sales"** is not a part of SCM with 35.9%, 13 respondents are saying that "**Source"** is not a part of SCM with 33.3%, 9 respondents are saying that "**Service"** is not a part of SCM with 23.1% and 3 respondents are saying that "**Deliver"** is not a part of SCM with 7.7%.

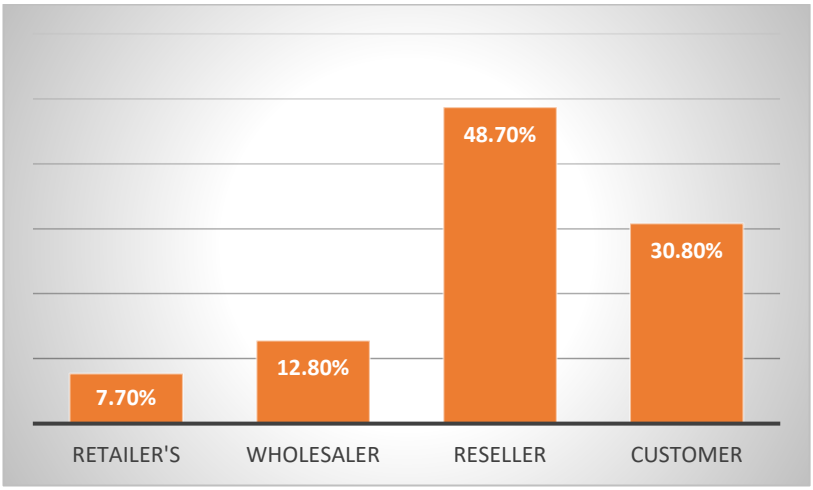
Interpretation

It has been observed that, there is a majority of people who are saying that "**Sales"** is not a part of SCM and there are only few people who are saying that "**Deliver"** is not a part of SCM.

➢ Which of the following is not a typical SCM?

Responses	Frequency	Percentage (%)
Retailer's	3	7.7%
Wholesaler	5	12.8%
Reseller	19	48.7%
Customer	12	30.8%
Total	**39**	**100.00%**

Survey report



Data analysis

From the above graph and table, it is observed that out of 39 responses, 3 respondents are saying that **"Retailer's"** is not a typical SCM with 7.70%, 5 respondents are saying that **"wholesaler"** is not a typical SCM with 12.50%, 19 respondents are saying that **"Reseller"** is not a typical SCM with 48.70% and 12 respondents are saying that **"customer"** is not a typical SCM with 30.80%.

SUGGESTIONS AND RECOMMENDATIONS:

1. A distribution center framework includes the capacity, consistency and internal control of processes to help you move inventory out of your warehouse faster and help you in every step of your good strategy.
2. Creating and compressing product protection materials can improve the performance of warehouse areas such as local, regional and storm surges.
3. Distribution center employees can use assigned responsibilities and have the ability to manage distributions an d pick up the best parts.
4. Eliminate challenges for warehouse managers by implementing and maintaining technology to manage produc ts in distribution centers efficiently and effectively.
5. It is an association that tries to improve the presentation of the store network_to make it more attractive and profitable.

CONCLUSION:

It is an innovation in logistics that is changing the technological and economic foundations of economies around the world. The warehouse logistics sector is an early adopter of robotics and AI as a way to adapt to wider technological changes. The emergence of modern trends such as robotics, big data, electronic data transfer technolo gy, drones, Internet of Things (IoT), additive technology, etc. stimulated the market a lot. High speed in warehouse operations. Optimization of inventories in the supply chain; Increased productivity and quality; cut themoney etc.

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