

Warehouse Management in Operation Management

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ABSTRACT

Warehouse management plays a pivotal role in the broader context of operation management by ensuring the efficient storage, retrieval, and distribution of goods. This study explores the strategic and operational aspects of warehouse management, focusing on its impact on supply chain performance, cost reduction, and customer satisfaction. It examines key components such as inventory control, layout design, technology integration (like Warehouse Management Systems and automation), and labor management. Additionally, the paper discusses emerging trends such as smart warehouses and sustainable practices. By aligning warehouse operations with overall business objectives, organizations can enhance responsiveness, optimize resource utilization, and maintain competitive advantage in dynamic markets.

KEYWORDS: Warehouse Management, Operation Management, Supply Chain, Inventory Control, Warehouse Management System (WMS), Storage Optimization, Distribution Efficiency, Customer Satisfaction

INTRODUCTION

A warehouse management system or WMS primarily aims to control the movement and storage of materials within a warehouse and process the associated transactions, including shipping, receiving, put-away and picking. A warehouse management system (WMS) is a database driven computer application, to improve the efficiency of the warehouse by directing cutaways and to maintain accurate inventory by recording warehouse transactions. The systems also direct and optimize stock based on real-time information about the status of bin utilization.. It often utilize Auto ID Data Capture (AIDC) technology, such as barcode scanners, mobile computers, wireless LANs (Local Area Network) and potentially Radio-frequency identification (RFID) to efficiently monitor the flow of products. Once data has been collected, there is either batch synchronization with, or a real-time wireless transmission to a central database.

SCOPE OF THE STUDY

The scope of this thesis work is to give an overview and to understand deeply the concept of “Warehousing”, which is defined and interpreted in theory and practice. In order to get an overview, both theoretical and empirical studies are conducted. The theoretical study is conducted by carrying out a research work on relevant literature through textbooks, scientific articles, internet etc. In the empirical study, we investigate the present state of the warehouses and examine whether the case companies utilize the practices that the literature points out based on theoretical background. The empirical study is implemented by interviewing warehouse managers of four firms with the help of a questionnaire.

OBJECTIVE OF THE STUDY

- To examine the profile of employees working in warehouse located in Diamond Shipping Agencies Pvt. Ltd, Chennai.
- To elaborate the three dimensional factors of warehouse (Quality, Facility, Functioning).
- To analyse the relationship between the employees and the dimensional factors of warehouse.
- To suggest better ways to carry out the warehousing mechanism for smoother progress in future.

RESEARCH METHODOLOGY

This chapter deals with the Survey questionnaires were dispatched to Chennai logistics companies engaged in warehouse functions and qualities were in total 128 respondents received. Interviews were also conducted in order to gather in brief information above the topic.

RESEARCH DESIGN

Research design is generally a pure and simplified framework and certain plan for a study that will guide the collection and analysis of data where information needed. The function of the research design is to ensure that the required data is obtained and collected accurately and economically. Research design is basic framework, which provides guideline for the best of research purpose.

SAMPLING METHOD

To study the Project a Convenient Sampling Method is adopted. The study depends on primary data. A pilot study is conducted to validate the questionnaire and to confirm the feasibility of the study. Based on the pilot study, the questionnaire is modified suitably to elicit response from the sample group.

SAMPLING SIZE

Sample of 128 respondents were taken into study, and their data were collected. Samples for the purpose of the study are selected systematically.

STATEMENT OF THE PROBLEM

Well managed warehouse system help an organization keep proper track of inventory, maintain the levels of inventory as per requirement, increase in accuracy, reduce labour costs and ensure proper maintenance as well as storage of stock. This kind of management will provide ease and convenience to the suppliers and distributors to keep the track of inventory and maintenance as well. Thus, warehouse management is very beneficial in storage and maintenance of stock or inventory. Indeed a number of studies indicate that an efficient warehouse management system is crucial to an organization's operational performance. However, many organizations today have not taken the issue of warehousing into account, storage of goods and distributions from the same warehouses are done haphazardly that is without any order, theft cases have been on the rise giving a compromise on the general ethics of workers, due to the disorganization and inadequate incorporation of modern information technology which come with good warehouse management systems, it has resulted to inaccuracy order management techniques which has dealt a major blow to the organization as a whole Information technology has been identified as one of the biggest influencers of the business world today.

Though many believe that information technology mainly benefits large operations that have considerable financial muscle, there is evidence that even small warehouses can benefit from IT innovations. This can be achieved through partial automation of their operations through emerging internet based services. Organizations are trying their best to cut on costs and increase profitability. Warehouse management is one of the areas in which substantial cost savings can be made. Warehouse maintenance cost reduction can only be achieved by making appropriate design decisions on the strategic characteristics of warehouse facilities. It is from these issues that the researcher planned to carry out a study based on the factors affecting warehouse management.

The study intends to compare the present warehouse management practice at Chennai district with the logistics companies. The main objective is to welfare of the workers safety needs and to knowing the warehousing functioning, quality, facilities. To suggest the way of how to develop the warehouse materials handling and way to make warehousing smoothly in future days. Some of the recent developments in the warehousing led to the development of new warehousing concept called a "Retail Warehouse". In a retail warehouse, the floor space is used for warehousing as well as the retail store. These types of warehouses are equipped with tall racks and the items which are ready for sale are placed at the bottom of the racks and the products which are wrapped, packaged and palletized are placed in the top parts.

SUGGESTION

- Shift 'agricultural marketing' from the list of state subjects to the concurrent list for speeding up the progress of market reforms and evolving a unified national market.
- Single unified license for buying, procuring, selling of inputs, storage, and processing of all agriculture commodities for the State as whole be introduced.
- The existing markets with APMCs could be leased out for up gradation and management on long term contracts or be converted into public-private partnership markets. The organization of markets should be on the principle of a service industry.
- The state should hold regular elections of agricultural produce market committees and bring professionalism in the functioning of existing regulated markets.
- Promote grading, standardization, packaging and certification in the market area.
- Ensure transparency in auction system, penalization on arbitrary deductions from the farmers' realization, prompt payments to farmers, dissemination of market intelligence and speedier and hassle free transactions in the market.
- With the increasing tendency of organized retailing (like supermarkets), farmers organizations should

be provided support in the form of necessary infrastructure of grading, sorting and packaging that will help in increasing farmer to fork linkages.

- There is need to abolish or reduce fees, cess, taxes, and duties on procurement of agricultural or horticultural produce through any registered contract-farming programme. This would promote direct procurement, improve quality of produce and lead to reduction in the load on the State and Central procurement system.

CONCLUSION

To maintain competitiveness, customer requirements are met consistently, which are achieved by, among others, enabling of more flexible processes with deployment of radio-frequency technology, improved scope of delivery with provision of same day delivery services, shorter delivery lead time especially airfreight mode, increased customer satisfaction with less complaints, inventory visibility with higher inventory accuracy and cost efficiencies with higher labour productivity while minimizing inventory investment which includes inventory handling. Procedures have been established to monitor and measure WMS activities.

It is concluded that WMS has a positive impact on operations measures. Investments in WMS enable the distribution centre to compete successfully against other rivals in the market. To adopt the MIS, wireless barcode embedded WMS in specific, it is necessary to have corporate culture that supports complex operational activities. BPR has to be enacted as such that the WMS and associated physical operations are well integrated. WMS implementation was crucial in bringing about reduction of cost in operational level, and effective management in management level, as well as improvement of the company's competitiveness in strategic level.

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