

## The Study of Warehouse Management – Challenges and Smart Ways

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### Introduction: -

When most people think of warehousing, they think of big structures that contain products, people, racking and equipment all focused on receiving, storing and shipping inventory. For those of who live, breathe and continuously try to improve all aspects of warehousing and distribution, these structures represent exciting chances for optimization. Businessman constantly work to improve how tasks, resources, kit and infrastructure are leveraged based on today's information and constraints. With the support of comprehensive warehouse services, organizations can better and more quickly respond to client demands. Personnel can open and stock new and fast-selling items so they're easy to find and package for customers. Since warehouses essentially manage inventory, they can connect with company leaders about products that need reordering or aren't selling as effectively as others. A major reason behind this growth is the changing perception of companies. An increasingly mature Indian industry is viewing supply chain not as a cost centre, but as a profit centre—a strategic arm which could be leveraged to increase revenue and the overall profitability of a company. Modern logistics centres require better processes, technology, equipment, a trained workforce and of course, better infrastructure.

### Objectives of the study: -

1. To study the concept of warehouse management.
2. To understand challenges of warehouse management.
3. To study the smart way of warehouse management.

### Concept of warehouse management: -

Warehouses as part of the supply chain can generate both good and waste for the company. Does it mean that companies have begun to revamp their entire supply chain and do away with all the inefficiencies that resided in the form of stock. A very critical, if not the most critical decision, taken by a customer company during setting up or contracting a warehouse is the location of the warehouse. A poorly chosen warehouse location can result in very high losses due to missed tax benefits, missed shipment deadlines on account of poor connectivity, unavailability of skilled workforce in a particular area or traffic bottlenecks, such as truck bans. In the coming decade, this industry is poised to provide high and stable returns to the investors and developers who could provide the most required smart warehouses to customers. Simultaneously, investors and developers need to look beyond the four walls of the warehouse, and develop integrated logistics facilities. The organized warehousing market is set to grow threefold in size in the next five years. The business opportunity is not just in terms of the share of the total area covered by warehouses, but it is in terms of the share of overall revenue from the market. From a 15 percent share of warehousing revenues, the organized market now commands 30 percent of the revenues from this industry, and that is a key driving factor which is influencing many investors towards investing in this market.

### Challenges facing the warehousing industry: -

The warehousing industry is not without its share of challenges. Some of the key challenges that are handled by the industry as a whole are:

#### 1. Availability of skilled workforce:

The industry lacks trained personnel who can function sophisticated material handling systems and warehouse management systems. Further, under the present working conditions, the job in a warehouse is not very attractive for skilled people. Although with the changing attitude about the design of logistics centres and logistics parks it is becoming more attractive, there is still a long way to go.

#### 2. Availability of land:

Procurement of land for warehousing is a difficult task, with the increase in real estate prices of land in and around major cities, most of which also happen to be mainly operative logistics hubs. Additionally, reclassification of land becomes a major worry when it comes to development of warehousing zones. Many industry players have raised a demand of relaxing land prices for logistics purposes and ease the rules on land arrangement for warehousing.

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**Availability of an efficient, multi-modal transport system:** India is yet to fully develop a multi-modal transport system which could basically harness the full capabilities of road, rail, sea, and air transport infrastructure. Such a system will reduce the overall logistics costs and extend the marketability of Indian companies international without them having to rely only on global logistics players.

**3. Implementation of policy reforms:**

While the reforms are going to play a very large role in the changing scenario of warehousing in India, it is the constantly delayed execution of these reforms which is holding back the growth of this industry at the same time. The GST application, for example, has been delayed due to disagreements between the central and the state administrations, while the progress on the dedicated cargo corridor has been halted by various land-related issues. Unless the reforms are brought in expeditiously, the momentum with which this industry aims to grow will be lost.

**Smart way of Warehouse Management: -**

Modern warehousing centres require better processes, technology, equipment, a trained workforce and of course, better infrastructure. But for Indian companies, all this also comes with a rider—the need to defend the investment, increase in rentals and other costs, thus boosting the need for smart warehouses.

**1. Accessible:**

Customers are looking for warehousing resolutions that can cater to their long-term needs—while being cost-effective for their current capacities. According to most businesses, the capacities and SKU proliferation is increasing at very high rates every year and they want stable warehousing solutions which can handle such needs over a period of at least few years. Many companies find it difficult to sense operations from one facility to another in short breaks and the benefits of supply chain integration are lost if due to the need for suitable space, the operations have to be spread across multiple facilities in the same region.

**2. Mechanization-compatible:**

various companies believe that if not instantly, most of their distribution centres should be mechanized and functioned through sophisticated warehouse management systems, at least in the near future. Businesses want high throughputs and high-density warehouses in their supply chains which could achieve the multifaceted roles of the emerging logistics centres, and mechanization is a crucial step forward. Supply chain directors are united in their estimation that in order to handle the increasing volumes and complexity of products in the future, they have no option but to mechanize their operations, as otherwise managing the business will be next to impossible.

**3. Exact:**

Companies want their warehouses to be able to ship out the orders to absolute perfection. The increasingly large number of modern retail stores, combined with decreasing in supply chain layers, puts the onus of handling an intricate upstream and downstream network on the warehouse and missed, damaged, or inappropriate deliveries are not an option. As a result, warehouse processes have drifted from a simple put away or picking procedure to a much more complex, and which needs an entirely different approach to warehouse design.

**4. Responsive:**

Warehouse management not only does the customer not tolerate any fault, but customer also wants the products on their shopping list immediately and fresh, whether customer buys it from neighbourhood supermarket or from an online store. Companies need their supply chains to be agile and their warehouses, more responsive than ever. Infrastructure has to gear up for extremely swift action, and the workforce motivated on the same lines. To take a step forward, warehouses need to attract, train, and retain staff to ensure responsiveness and good quality of operations, and accordingly, the work conditions and employment benefits have to increase in order to acquire a skilled workforce.

**5. Transportation-friendly:**

It is the need for warehouses to become favourable to developing modes of transportation. Supply chain responsibility does not start or end at the gates of the warehouse. It is just as much a necessity to ensure that transportation operations are smooth. Up-to-date warehouses, therefore, have to be designed keeping in mind the ever-growing operation of multi-modal transportation, of containerized loads, of longer trucks and trailers, and of material handling equipment such as forklifting used for automatic loading and unloading. The space outside the warehouse is as much an important aspect of warehousing as is the strategy within.

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**Conclusion**

From this study we conclude that warehousing is very important process within organization. Every organization is must be developed effective warehouse management system. Also, it is important that managers should always consider actions lowering the amount of inventory needed avoiding cost to increase neither reduce the responsiveness of the warehouse management. If inventory is managed efficiently then there would probably a good management of warehouse as well. With this study is also conclude that various problems for organizations. Such as changing government tax and policies, availability of land, transport system and etc. all this issue will be settled down by organization. Which will help to organization build smart warehouse management.

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