

How to Find the Best WMS for Your Business

A guide to evaluating and selecting a warehouse management system



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Introduction

As of 2016, supply chain industry studies indicate that approximately 60-66% of businesses that utilize warehouses have a warehouse management system. Warehouse management software is deployed either via Cloud or on premise and varies considerably in the level of specialization, complexity and cost.

Using a WMS can enable a business to have greater information visibility and control over inventory, processes and its workforce and can result in greater profitability and the ability to successfully compete and win new business.

Here is some of what you will learn in this e-book:

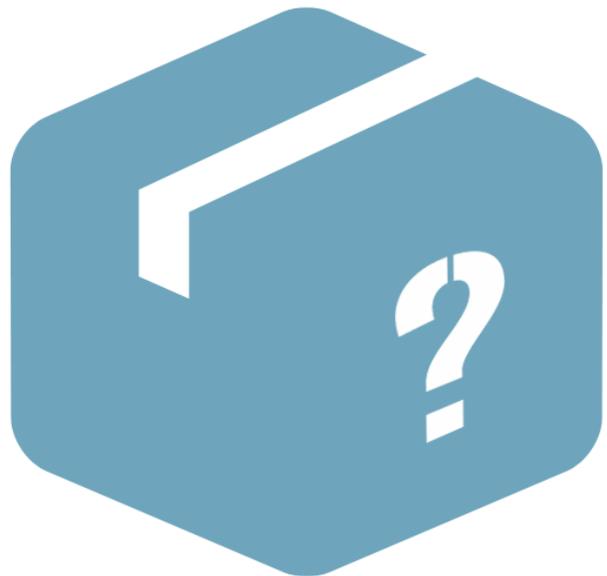
- Tips to determine if you should retain, replace or upgrade warehousing software
- Steps needed to prepare for a software evaluation
- How to conduct a WMS software evaluation process
- The importance of looking for user friendly software
- How to select and decide on a warehouse management system
- WMS implementation tips

Do You Need to
Replace Your
Current Warehouse
Management
Software?

Is Your Current WMS Enough?

Every year, supply chain businesses all over the world face the issue of whether to upgrade or replace their existing warehouse management systems. As technology continues to advance at a rapid rate, how can you tell which option is best for your business?

When asked this question, many supply chain executives respond that their company is satisfied with their current technology. More in depth questions often reveal hidden dissatisfaction or even ignorance about how their current WMS is holding their businesses back from achieving better results. Want to know how your WMS is performing for your business? Talk to software users in each department in order to discover areas where efficiency and productivity may be suffering. Next compare your current system to today's technology. While warehouse management systems may have similar features, the total cost of ownership, implementation and ongoing operating costs may be vastly different. Request a technology assessment and compare functionality and features, total cost of ownership and other factors to see if you are getting the most from your technology dollars.



Consider the following factors when deciding whether to retain, replace or upgrade your current warehouse management software:

1. Support for your current WMS is no longer supported by the vendor.

Vendors who are eliminating products, consolidating or moving to new platforms may decide not to support your existing system in order to encourage upgrades or purchase of new technology. If you plan on staying the course with your current warehouse management system, know that there is a risk to your operations.

2. Outsourced, ineffective in-house, third party or inadequate customer support.

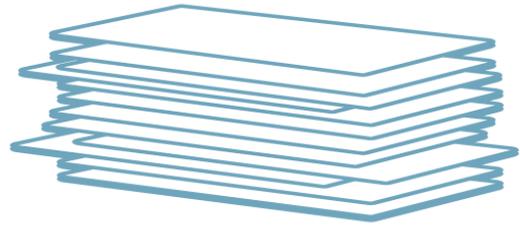
Are you dissatisfied with the support your business is currently receiving? If customer support is inadequate, this can have an impact on the bottom line of your business. Unresolved support issues can have an impact on workforce productivity, operational efficiency, accuracy and customer satisfaction.

3. Current WMS is built on an outdated technology platform.

Older warehouse management systems were not developed to be adaptable to operational needs and often fail to fit today's changing business model. Outdated warehouse management systems tend to provide only limited options to address issues such as increases in volumes, product mix changes and new distribution strategies. This can lead to use of manual workarounds, business inefficiencies and lack of worker productivity as well as expensive customizations by the software vendor. Typically companies that use older WMS systems are paying significantly higher fees than those who recently implemented modern technology. Are you paying more for outdated technology that no longer fits your business?

4. Workers use manual “workarounds” and/or paper based processes.

If this is the case, your WMS either does not satisfy your company’s business requirements or your workforce needs additional training. Using “workarounds” reduces system efficiency and accuracy and costs your business valuable labor productivity.



5. The cost of upgrading to the latest version of your software may be prohibitive.

This is especially significant if your company is using a system that is not workflow based. Older warehouse management systems were developed using static coding that often does not carry forward with software upgrades. Systems that have had to rely on code modifications can find upgrades to be a major undertaking in terms of time, complexity and cost.

6. Lack of innovation by software vendor to support new operational requirements, new industry best practices and regulatory needs.

Does your current WMS vendor keep pace with the needs of your particular industry? Does your software vendor belong to key industry associations and keep your WMS software updated to meet industry best practices? If not, your business may need a WMS that can help with these issues in order to maintain operational efficiency and provide you with the competitive edge you need to attract and win new business.

7. Inability to customize billing, labels, contracts, business processes, etc.

If you operate a 3PL, having the ability to meet the varying needs of each customer is essential to your business.

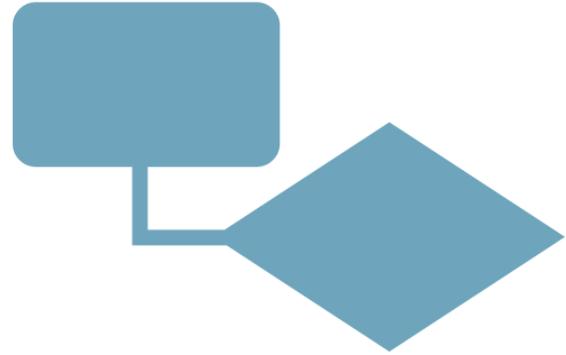


8. Lack of control by your current WMS over key operational processes.

Does your current WMS provide you with the level of product and component traceability needed for your business and that of your clients?

9. Inability of your current WMS to support less than case quantities.

The huge shift toward omni-channel requires that warehouse management systems have more flexibility including picking at less than case quantities, most notably by eaches. If your WMS cannot accommodate this, your business may not be able to compete to win new business with this critical need.



10. Lack of WMS system flexibility.

Many WMS systems can only accommodate changes using costly custom coding. This increases dependence upon the software vendor and can be quite costly in terms of time and money. Can your IT resources be trained how to adapt workflows to make changes to business processes? If not or if your WMS relies on custom coding, your business is less able to make changes quickly or cost effectively. This can limit your company's ability to react to and adapt to today's quickly changing markets. In turn, this may restrict your company's ability to compete successfully to win new clients. Lack of flexibility can diminish your company's ability to meet expectations and result in reduced customer satisfaction rates. This can also inhibit your company's ability to adapt and support the business processes needed by your company and your customers.

11. Current WMS “hangs” up causing frustration and delays in operational processes.

A warehouse management system that takes a disproportionately long time to respond may do so because it can no longer handle the demands placed upon it. If your system is experiencing these types of problems, your business may suffer from decreased operational efficiency, labor productivity and order fulfillment rates.

12. Inability of your current WMS to communicate seamlessly with other systems.

Can your business operate “outside the four walls of the warehouse”? If your current warehouse management system cannot communicate harmoniously with material handling, transportation, shipping carriers, voice technology, ERP/MRP systems and other critical technology, your ability to win new business and work successfully with trading partners and shipping carriers is likely to be diminished. Your business does not operate in a vacuum so your technology should not either.



13. Inability to produce reports based on real time information.

Getting real time information when and how you need it is essential to making the best decisions possible for your business. Your warehouse management system should be able to provide a wide variety of standardized reports as well as customized reports in multiple formats. Your business should also have the ability to automate reporting functionality and delivery. This will save the time and trouble of having your staff produce what is needed, especially regularly needed information.

14. Lack of defined product roadmap for future development.

This may indicate that WMS system functionality will remain stationary while competitive WMS products are innovating their technology to meet the needs of a changing market.

15. Upgrades are not regularly available with the latest features and functionality.

Rather than just bug fixes to support omni-channel fulfillment needs, e-commerce and regulatory needs, your WMS provider needs to continue to innovate and add new features and functionality to enhance system performance and provide new tools for improved operations.

16. Using outdated technology and older versions of related components such as operating systems and databases.

This can require the use of third party vendors that may charge higher rates for support and can also require personnel who have the specific technical expertise for this.

17. Hard to use system, not user friendly or intuitive.

Is it challenging to train employees how to use the system you currently have in place? With typically high rates of employee turnover, challenge in managing seasonal employees and crisis in locating qualified workers, having a hard to use WMS can cost your business thousands of dollars annually. Does your current WMS vendor help enable you to train new users more cost effectively using online training materials and videos? This can help minimize the cost of onboarding and training for your organization.



18. Inability to support company growth strategy.

If your current WMS is not scalable or if it is cost prohibitive for your growing business, you may want to consider a new warehouse management system.

19. Set up and/or ongoing charges for EDI are higher than anticipated.

Can your current WMS vendor provide cost effective end-to-end EDI service? If not, your business can be losing out on valuable business opportunities.

20. Custom feature development takes over three months to complete.

Unless extensive, your WMS vendor should be able to satisfy custom development projects within a reasonable period of time.

The Take Away

A warehouse management system is a critical tool for effectively managing your supply chain operation. Supply chain operations are changing. If your business is not using a modern warehouse management system that can be readily adapted to meet the needs of your business and that of your clients, your profitability could be impacted.

Using a state-of-the-art warehouse management system can help your business compete and win new business, ensure customer satisfaction and grow your business.

While most WMS include similar functionality, what is different is the technical architecture, ease of use and way each approaches operations. One system may automate an operation and be able to accomplish a task or operation with one or two clicks of a mouse while another may take 5-10. Additional steps and clicks equate to wasted labor and time.

Using a modern WMS can provide your business with many benefits including:

- Enabling that the unique and changing needs of your business and that of your customers are continually met without having to wait for costly customization by the software vendor
- Monitoring and maximizing workforce productivity
- Helping to ensure better informed decisions using real time accurate information
- Maximizing warehouse space
- Reducing wasteful manual and inaccurate operations
- Ensuring client satisfaction that can potentially lead to referrals for new business
- Providing enhanced real time accurate information across your enterprise to allow you to more effectively manage operations
- Enhancing communications with trading partners, equipment, shipping carriers, clients, vendors and others in the supply chain
- Providing you with the tools to be compliant with governmental regulations and guidelines

Using outdated technology can be holding your business back. Take a critical look at your current warehouse management system to see if you could benefit by replacing or upgrading your current WMS.

The Cost of Old Technology

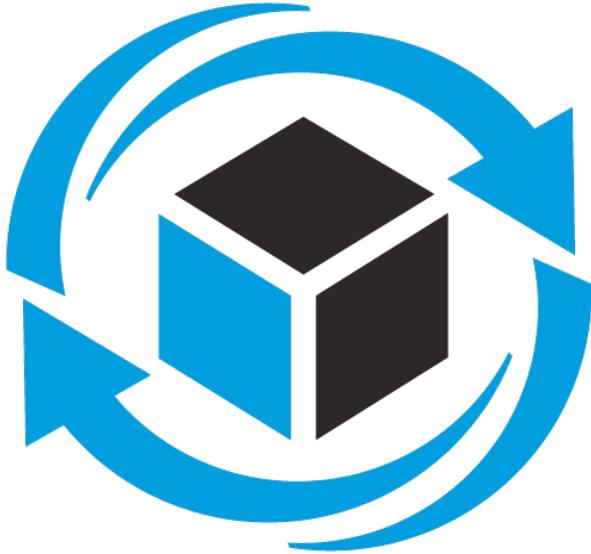
Legacy Warehouse Management Software Is Often Outdated and Unable to Meet Today's Business Challenges

If your supply chain or third party logistics operation is still using WMS technology from years past, you may want to rethink that decision. Warehouse management systems that were developed years ago were designed to handle the supply chain and logistics needs of that time. Today's "click to ship" dynamic changes everything.

Today, consumers are in the driver's seat. They decide how, when and where orders are fulfilled. They choose whether to pick up orders at brick and mortar stores or have them delivered to their homes or places of employment. If they need to return the goods, a flexible system must be in place to handle the returns process quickly, accurately and efficiently. This requires developing a different strategy for distribution centers, warehouses and fulfillment centers.



Why do third party logistics providers and other supply chain businesses need to use new WMS technologies?



To remain competitive and relevant in their daily operations, you need to be able to monitor all warehousing and transportation activities. Relying on manual processes to track daily shipments can result in errors and delays that lead to bottlenecks, reduced order fulfillment rates and unhappy consumers.

Many supply chain operations have legacy warehouse management systems that do not support the ability to process the high volume of smaller orders via Internet sales channels. These systems often cannot handle multi-step picking processes and were developed to deal with goods by the pallet, not on an “each”

basis. In order to accommodate these needs, companies may need to use manual workarounds that are more prone to error and waste valuable labor and time.

Because consumers want faster delivery and the volume of small shipments has increased so dramatically, managing truck routes and orders has increased in complexity exponentially. In today's world the number of vendors, suppliers and other partners has also increased. With all the varied scheduling, compliance and regulatory requirements involved with handling, storing and shipping goods it has become essential to rely on state-of-the-art technology. This enables businesses to streamline operations, keep costs under control and have information at the ready—all necessary to being competitive in today's dynamic marketplace.

Is Your Legacy Warehouse Management Software Dragging Down Your Business?

1. Has the reliability of your system diminished over time?
2. Have you lost business or been unable to sign the type of clients you desired because of a lack of technological capabilities?
3. When included with your company's ability to compete more effectively to win and retain clients, having a higher level of technology is likely to be a sound investment in your company's future.
4. Has your company suffered from "data disconnects", a lack of real time information visibility?
5. Has your operation or that of your clients experienced product shortages and notify supply chain partners and others accordingly? If your business does not have the ability to anticipate this, you may be in trouble. For example, 429 drug shortages in 2010 and 2011 prompted the 2012 enactment of federal legislation. Now pharma industry businesses must notify the FDA of potential shortages of certain kinds of drugs including cancer drugs and anesthetics.
6. Can your supply chain company process product recalls swiftly and accurately? Can your business meet regulatory requirements for track and trace and product traceability?
7. Is your company able to process and communicate invoices electronically?
8. Does your company have computerized shipping and tracking capabilities?
9. Can your current WMS system provide real time status updates and automated notifications?
10. Are you currently using a system with yard management capabilities?

Here are some other ways WMS can potentially help your organization be more competitive in the marketplace:

- Faster more accurate order processing and fulfillment at higher capacity
- Can help you react to rapidly changing demands of retailers and manufacturers
- Can help enable you to comply with regulatory and vendor compliance requirements and reduce associated fines and fees
- Reduced inventory carrying and distribution costs
- Enhanced replenishment with time and labor savings
- Real time, convenient access to accurate information for better decision making and faster response
- Ability to capture and bill based on client requirements
- Can help enable your 3PL operation to increase the range of value added service offerings
- Enhanced control over operational costs
- Helps to increase the amount of downtime and its associated costs

Keeping Pace with Current Needs of Supply Chain Partners: Retailers and Manufacturers

If your 3PL or distribution company does business with retailers, manufacturers and other supply chain partners that use state-of-the-art warehouse management systems, it is important that you have warehousing software and other systems that can keep pace. Not doing so can result in loss of inventory, reduced order fulfillment rates, delayed shipments, damaged goods and other problems.



If your current warehouse management software has problems integrating with other key systems, you should consider investing in newer WMS technology. Having all necessary systems work together seamlessly provides the range of accurate real time business intelligence you need to operate your company in the most effective manner. Not having this capability puts your company at a competitive disadvantage.

Does your current warehouse management system have the flexibility to organize and execute inventory requirements, operational processes and billing for a variety of different clients? If not, not only could your company be in a disadvantageous competitive position but also more likely to have difficulty servicing and retaining existing clients.

Does your company currently have the reporting and analytics tools needed to enable you to reduce labor cost, track and trace products, quantify 3PL client and labor operations costs? If not, you may not have all the information needed to make the best decisions for your operation. If your field of vision is reduced by not having real time accurate information available whenever and however you need it, you are probably operating at a disadvantage.

Leading Edge WMS Technology Helps Increase Drop Shipping

With the huge increase in online and mobile orders, supply chain operations have seen a major emphasis on order fulfillment speed, order accuracy and real time data visibility. To handle

these challenges, has increased dramatically. By relying on leading edge WMS systems to power operations, cash is not tied up in inventory, logistics costs are reduced and there are less problems with inventory visibility.



State-of-the-Art Communications Using Automated Notifications for Supply Chain Operations

Extremely popular and in widespread use, automated notifications can be critical to keeping your operation on track and to communicating status changes in real time. The popularity and effectiveness of automated notifications has helped to fuel more just-in-time (JIT) operations including those for inventory management and delivery. Using a JIT inventory management strategy can help to free up cash and increase working capital. In addition just-in-time inventory management can reduce the risk that inventory becomes obsolete, key for trendy goods and products.



Using automated notifications helps with the JIT inventory management strategy because can provide faster, real time warning to suppliers if goods and raw materials will be in short supply. This enables more responsive turnaround and better decision making by businesses up and down the supply chain.

Automated notifications for JIT manufacturing and other processes is critical when dealing with the impact on orders due to natural disasters, war, political or other instabilities. Automated notifications can also be made to consumers to communicate order status or delays. This can help to minimize

consumer reaction (important in today's fast breaking social media news). In a global supply chain, communication is key-to consumers as well as to supply chain partners.

Your business can also reap benefits when using automated notifications to help gain operational efficiencies. Updating partners and clients automatically on status changes and other issues can enable more seamless execution, regulatory compliance, processing of product recalls and reverse logistics of goods.

Leading Edge WMS Systems with Yard Management Functionality Help Reduce Manual Warehouse Processes

There are many businesses that still complete yard management transactions using manual processes or via email. Doing so may result in higher incidence of lost or misplaced products, wasted time and labor and damaged goods.

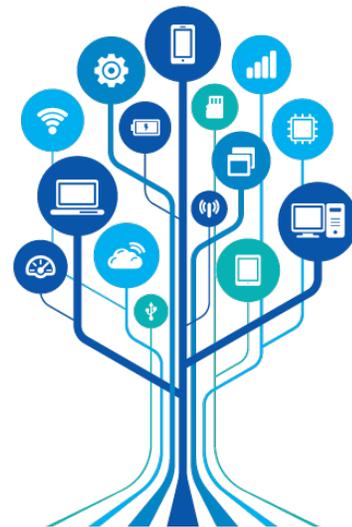
Using a WMS with yard management (YMS) capabilities can help your company to standardize yard processes, reduce time needed to allocate vehicles to load, prioritize shipment arrivals, identify trailer contents and help make operations more effective and space efficient. YMS usage can also help improve the overall flow of goods, improve information visibility and provide better reporting needed for day to day operations.

Are You Relying on Manual Operations in Your Warehousing or 3PL Business?

You may have noticed, the world has fallen in love with technology. Every year the hottest items on holiday gift lists tend to be the latest gadgets, electronic gizmos as well as entertainment and communication devices. The power of innovation has drawn people across the world together through new methods of communication, enabled greater collaboration of workforces and partners and made life easier for most of us.

Using technology in the warehouse workplace today is expected.

If your company is using outdated technologies, it can make your business appear less contemporary, sophisticated and professional. Do you think your competitors are using leading edge technologies? You bet! One factor that has helped to transform the 3PL industry is technology. Smaller 3PL operations have been able to compete with and win new business against larger competitors by relying on technology. Using state-of-the-art technologies enables businesses to do more with less resources-less labor, less paper, less supplies etc.



Why should you use state-of-the-art technology in the warehouse? Manual operations are more labor intensive and tend to be prone to human error. Once errors have occurred, your company then invests more labor resources to find and resolve the errors. Using outdated warehouse and other technologies may mean that your current systems cannot handle the complex requirements and operational processes needed today. That may lead to manual workarounds that are much more prone to error and wasted time.

The Take Away

Using legacy warehouse management systems that were designed years ago for a different supply chain model can put your supply chain operation at a competitive disadvantage. Older WMS systems were not designed to handle the highly complex nature of today's "click to ship" consumer needs and may result in lower order fulfillment and delivery rates and other problems.

How Much is Outdated WMS Technology Really Costing Your Business?

Have you only looked at an investment in technology strictly from a cost perspective? Using a leading edge WMS can enable your business to increase labor productivity and operational efficiency and reduce costs. Those savings can produce the needed return on investment (ROI) for you to justify the cost of a new leading edge warehouse management system.

Warehouse Management System Software Evaluation Process

Preparation: The Key to the Evaluation Process

15 Ways You Can Prepare Your Business for a WMS System Search

If your company is starting to search for a new warehouse management system, take heart. Having a blueprint to help your organization get ready for the evaluation of new WMS software technology can help to streamline your search, establish realistic expectations of the process, ensure that your organization is well prepared and help make your search more productive.

By focusing first on building a business case for a new warehouse management system, you can become familiar with current and future organizational needs and the challenges with the technology currently used. Using a team approach can be extremely helpful in a WMS evaluation process. By involving team members from various departments, you can learn about the challenges faced on a daily basis. Using this information can help you determine how new software can be used to streamline operations and resolve issues that waste time, labor and money.



Here are 15 tips to help you ensure that your organization is prepared to evaluate warehouse management systems to meet the specific needs of your business:

1. Build a business case for your WMS project.

Consult with the various departments of your organization including information technology, finance, operations, quality assurance and customer service to find the areas where a warehouse management system can produce improvements. Involving all the arms of your organization can help to provide a true picture of the current challenges your business faces daily and can help you build a blueprint for what you need a new WMS to do to produce the needed results.

Here are some of the top areas where implementing a warehouse management software system can benefit your organization:

- Increase in labor efficiency and productivity
- Picking and shipping error reduction
- Utilization of warehouse space
- Savings resulting from reduced charge backs, penalties, etc. associated with compliance issues in dealing with retailers, shipping carriers, etc.
- Improved order accuracy and order fulfillment rates
- Enhanced customer satisfaction rates
- Ability to compete successfully to win new business and generate more referrals from existing customers
- Labor savings due to enhanced workforce productivity
- Greater information visibility

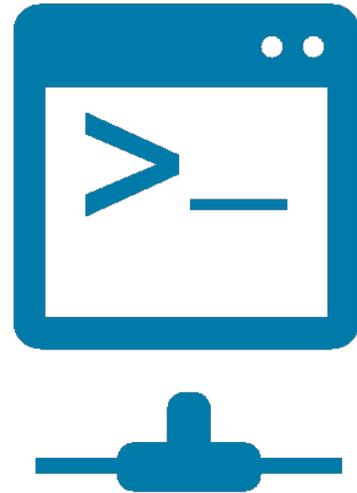
Ease of Use.

When building a business case for investing in new warehouse management system technology, include hard to quantify benefits such as those gained from selecting a warehouse management system that users will find easier to navigate, learn and use. This is especially critical for organizations with high employee turnover

rates and/or use of seasonal workers. WMS systems that are cumbersome to use, require multiple log-ins and passwords and that are not user friendly are challenging to workers. This increases frustration and can produce unnecessary errors and manual work, a drag on worker productivity.

Review how up to date your technology is in keeping with industry trends.

To win new business, it is important that your technology can meet the needs of your industry and that of your customers. Can your business currently integrate with all the systems and equipment it needs to extend beyond the four walls of the warehouse? Can your organization meet the challenge of dealing effectively with the huge trend of omni-channel and multi-channel? If the answer to these questions is no, you may be missing out on attracting valuable new customers to your business. Your business may not be as competitive as you think.



Consider new and current regulatory needs.

Can your current technology help you to meet compliance requirements and provide the traceability, documentation and validation needed?

Consider the technology you are currently using.

Organizations that are using certain types of technologies often find that databases, professional assistance and other factors can be more expensive when compared with other technologies. In these cases, implementing a warehouse management system using other technology can produce dramatic results, especially when ongoing cost over a period of years is calculated.

Consider advances in current technology.

When evaluating your current system, pay special attention to the rigidity of the system. Is your current warehouse management software easy and cost effective to configure and customize or does it require costly intervention by the software vendor for even small issues? These costs can really add up

and need to be evaluated against the cost of implementing a warehouse management system than can reduce your dependence upon a software vendor.

Consider the cost of maintaining and updating proprietary systems.

Perhaps your organization is using software developed internally using your own IT resources or a WMS system that has been highly customized by the vendor and maintained using internal resources. Evaluating the cost of maintaining this software over time may surprise you. The cost of resources can be prohibitive, especially for certain kinds of technology. Selecting a state-of-the-art warehouse management software package that is designed to be highly customizable can provide tremendous benefits and reduce overall costs in your operation, both short and long term. This can result in reducing the burden on IT resources so that they can work on other projects.

2. Obtain executive commitment before contacting any software vendors.

WMS software technology search projects that lack executive approval have a reduced chance for success. To obtain executive commitment for your WMS project, first develop a business case. Make sure you have developed a budget and anticipated timeline. For executive consideration, include a list of issues that implementing new technology can solve as well as cost justification for the project.

3. Get “buy in” from the affected departments including customer service, finance, quality assurance, operations and IT.

Involving team members from across your organization in building your business case can help to win over advocates for your plan to evaluate warehouse management software systems. As part of the technology evaluation process, plan to involve cross-functional teams in software demonstrations. Schedule time after the demonstrations



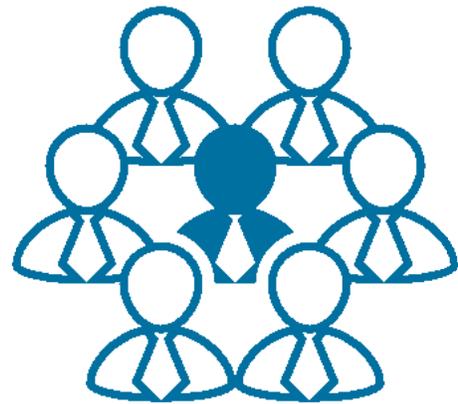
to discuss the preferences, concerns and questions of each team and take these issues into account when evaluating each warehouse management system.

4. Define the project parameters. Define a project budget and timeline.

Know your “busy season” and that of your clients. Plan accordingly. Be ready when establishing your timeline to plan for vacations, internal issues, customer preferences and other factors. Having a plan before you start looking for a WMS can help to clarify issues with vendors and establish clear expectations.

5. Form a project team

As part of a cross-functional approach, it is advisable to form a project team that includes a member or two from various departments. Selecting individuals who communicate effectively and have the respect of their team members can prove highly beneficial during this process. This can help to reassure other team members that both the experience of system users and the needs of the business are being considered thoughtfully during this process.



6. Be clear about the needs of your project and establish reasonable expectations.

Clarify your pain points and business requirements. Recognize the limits of your organization’s workforce, budget and objectives when planning for change.

7. Recognize that there may be those in your organization who do not deal well with change.

Fear of change can be a powerful force with individuals. Understand that not everyone will embrace new ideas, new technology or processes and help convey the benefits that

can be gained from a new investment in WMS technology. Providing clear, visible direction and communication about the process can often go a long way towards helping to encourage team members to feel positively about cooperating with technology and process changes.

8. Know what features and functionality you want the WMS vendor to show you.

After you have identified areas in your organization that need improvement and defined your project team, it is advisable for you to have a list of features and functionality for the warehouse management software vendor to show working in real time. For this, a slide presentation will just not suffice. Make sure that the WMS software vendor can and does demonstrate what you need to see working, as it would every day for your business.



9. Communicate your expectations and needs clearly

Keep your team members “in the loop”. Keeping others in your organization informed will help decrease anxiety about changing systems and allow them to communicate their concerns, ask questions and provide feedback. It will also encourage them to feel as if they are part of the process. This may encourage team members to be more helpful during the transition process.

10. Recognize your company's limitation.

If your company does not have an IT team or access to IT resources, consider the cost of customizing documents, labels, processes, etc. If this is something that only the WMS software vendor can do, using and maintaining the system may prove to be a costly burden on your organization.

Knowing the limitations of your organization can help you be better prepared when searching for WMS software by narrowing down vendor selection if you require specific delivery models. Some warehouse management software vendors do not offer a choice of delivery models (Cloud, SaaS or on premise) and can be dismissed early in the consideration process.

Some vendors offer additional services such as managed services, mobile device management, etc. If your business has these needs, it can be advantageous to consider a software vendor that can provide this additional level of service to your operation.

Make sure that you have a clear understanding of organizational needs and expectations based on the current and future workforce, budget and time limitations before you start evaluating warehouse management software.

11. Locate a project sponsor, potential company project manager and identify super-users.

As you move through the WMS software evaluation process, software vendors will ask questions to help you identify how you plan to implement the software and all other associated technology. If possible, as part of your preparation to start evaluating new WMS software, compile a “short list” of team members that can help with this process. These key individuals can take on crucial roles during the implementation process to help ensure a seamless transition process.



12. Have a clear understanding of your company's operational processes.

As part of the WMS software demonstration process, software vendors will often ask for information about how your organization handles specific processes for demonstration preparation. Before starting the process of searching for a warehouse management system, clarify typical business processes including any special or critical processes that may be different for certain key customers.

Having documentation and a clear understanding of operational processes can help you guide the software vendor during demonstration. It will also help to ensure that you are able to see their WMS software performing as your company would use it.

13. Know the technology you currently use.

Before engaging with a WMS software vendor, it is common to have a discovery call to review your current use of technology. Having all this information ready at the beginning of the process can help to ensure that you are able to clearly communicate your current and future needs and expectations. Questions typically are asked about use of mobile computing devices, RF, servers and other related issues.

14. Have an estimate of the number of potential WMS software users both desktop and mobile.

Warehouse management software sales typically incorporate pricing based on named or concurrent software users. Knowing the number of users, both for desktop and mobile systems before you start the process of evaluating WMS systems is key to being able to obtain price quotations when requested.

15. Anticipate the “ramp up” phase



Implementing a new warehouse management software system takes time and commitment. In order to fully recognize the benefits for your business, your team must be fully trained and comfortable using the WMS. Anticipate that the WMS software users will need to gain confidence. Because it will take time for your workforce to accept the change of technology and to become confident using the new WMS system, it is best to adjust your expectations and not expect results immediately after the implementation has been completed. Changing to any system will take a little time to produce results.

The Take Away

Thinking through the reasons why you are considering the purchase of new warehouse management technology can help you create a blueprint for a successful WMS evaluation process. It is important to develop an effective business case, win executive commitment and to define a project timeline and budget before starting your search for a WMS.

Utilizing the skills and experience of others throughout your organization can aid in this process. By considering the experience and perspective of other software users, you can help to encourage more “buy in” for the new system. This can also help to reduce the anxiety often associated with changing technology systems and processes.

Knowing the pain points of your current operation as well as your company's current use of technology can help the WMS software vendor to show you how their software can best be used to meet the needs of your business and produce the desired results.

Getting prepared for a warehouse technology software evaluation can take some time and patience but can produce a more streamlined evaluation process and better overall results for your organization.

Getting the Most Out of the Evaluation Process

Looking for new warehouse management software? Before you schedule any software demonstrations, get prepared. Getting ready for the software evaluation process can help to ensure that you have a full understanding of your business needs as well as the information assembled to provide to software vendors. This effort can help to streamline the selection process for a WMS system and enable you to have a clearer perspective on the features and functionality that are “must haves” versus those that it would be “nice to have” in the WMS software package.

While there are a large number of warehouse management system software packages on the market today, most have the ability to conduct processes like picking, putaway, outbound, etc. One of the main differences in warehouse management systems tends to be in how these processes are done within the software. For this reason, it is critical that you and your team are able to see WMS solutions working in real time and not simply screenshots in a presentation.

How to Get Ready for the WMS Software Evaluation Process

Whether your WMS software project is initiated by the operations or IT team, it is important that there is a clear understanding of your company’s operational processes in the facilities for which the warehouse management system will be used. If your business is a third party logistics provider, it is necessary for you to also have knowledge of processes that may be specific to one or more of your customers.

Document or map out key operational processes

Ideally it is advisable for you to take some time to write down or map out key processes used in your operation. This will make it easier to convey the details to WMS software vendors and help them to be able to provide the type of customized sales presentations and software demonstrations that will benefit your business.

Compare your operational processes with industry best practices

As you learn more in depth information and document operational processes, it is advisable for you to compare this information with industry best practices. As you gather information, talk to team members in each area to find out their daily challenges and learn if any processes need to be altered to increase efficiency or productivity. Encouraging free dialogue about the current WMS software your business is using.

Make sure you make note of operational processes that are ineffective, include manual work, are error prone and are time or labor intensive. These types of processes can often be improved with some alteration and use of a warehouse management system, especially a system that utilizes workflows or is workflow based.

Identify what you like and do not like about your current WMS software

Keep track of features found in your current WMS software solution that you and your team do not like or do not find effective. Knowing the limitations and challenges of your current warehouse management software can help you to focus your attention on finding the right solution for your business.

Identify your technical requirements and limitations.

Be ready to discuss your current use of mobile hardware solutions, printers, servers, wireless network, etc. Review your current hardware and systems so that you can provide WMS system vendors with information on what you are currently using and will need.



Knowing how many software users you will need for both desktop and mobile users is typically necessary for WMS software vendors to produce quotes.

Understand the limitations of the size, scope and experience of your technology team. Be ready to ask WMS vendors questions about the expertise needed to customize reports, labels, billing, contracts and other documentation, perform software upgrades and other issues. You may find it useful to pay special attention to vendors that can provide not only warehousing software but also mobile hardware solutions, mobile printers and services such as mobile device management, hosting and more. Developing a partnership

with one vendor to provide warehousing software, mobile hardware solutions as well as services including integrations and EDI solutions often can help reduce implementation time, errors and cost.

Discuss internally if you have a preference for a specific software delivery model - on premise, Cloud vs. SaaS. As part of your software evaluation process, you may want to consider various delivery models. Not all WMS software vendors offer all delivery models, so keep this in mind when determining which vendors to contact.

To develop a common understanding of the size, scope and timeline of your project be sure to provide software vendors with information on integrations and EDI solutions. This will also help software vendors to estimate costs for your project. Know the integrations that will be needed for your project. If you will be utilizing EDI solutions as part of your warehouse management system project, know the document numbers, number of trading partners and other essential information.

Getting the Most from the WMS Software Demonstration Process

Once you and your team have reviewed operational processes, technical requirements and other mission critical business information, you are ready to start looking at warehouse management software demonstrations.

How to get prepared for a warehouse management software demonstration

Before scheduling a warehouse management system software demonstration, some software vendors may want to schedule a discovery call to learn more about your project. The vendor may ask you questions about such issues as:

- Project timeline
- Number of users
- Number of warehouses
- Types of features and functionality needed
- Types of inventory you handle
- Integrations
- Whether EDI solutions will be needed
- Delivery model
- Questions about the technical needs and requirements of your WMS project

It is useful to discuss if your business is using RF, RFID or other technologies as well as your use of mobile hardware solutions and to clarify if your business operates under any regulatory restrictions such as FDA 21 CFR Part 11, DQSA, LBMA Good Delivery Rules, software validation or other standards based on the inventory you handle.



Develop a strategy for engaging and soliciting feedback from your team members

Assemble a cross functional team of experts from each department. Ask them to participate in the selection of the warehouse management software by attending software demonstrations, providing information on the needs and processes of their department as well as feedback on each warehouse management system. Each department representative will undoubtedly have their respective concerns. From omni channel retailing and order management to shipping software and financial reports, your team can provide guidance on the issues that are most critical for your operation without having to rely on only one person as an expert on your business. This is especially important if you are evaluating a full suite of supply chain management software.

Develop a checklist of the features and functionality you want to see

After you have compiled information about your business and considered your company's technical needs, it is key to have a list of both the business challenges you want the WMS software to help resolve as well as a checklist of the features and functionality you want to see.

Take notes, stay organized and keep information on each warehouse management system and vendor separate and clearly marked to avoid any confusion.

Develop a strategy for the software demonstration process



Just as there is no “one size fits all” approach to evaluating WMS software, there is more than one strategy that can be employed with the software demonstration process. While often unspoken, one of the primary concerns of companies that evaluate software systems is the need to become comfortable with the software. As a potential software buyer, you need to be sure that the software is not only a good fit for your business but also that the software vendor will engage with your team to resolve business challenges as needed, answer questions and be a true partner to your business.

If your business is evaluating a large number of warehouse management systems, it is especially useful to strategize and communicate your expectations for the software demonstration process. Engaging and comparing multiple systems can become confusing, especially if demonstrations are scheduled within a short period of time. Often participants cannot recall or confuse details about systems and this can lead to poor decision making.

Before scheduling your initial WMS system software demonstration, determine if you want to see just a system overview at first or a more detailed look at the software. Knowing this will help the WMS software vendor schedule your demonstration.

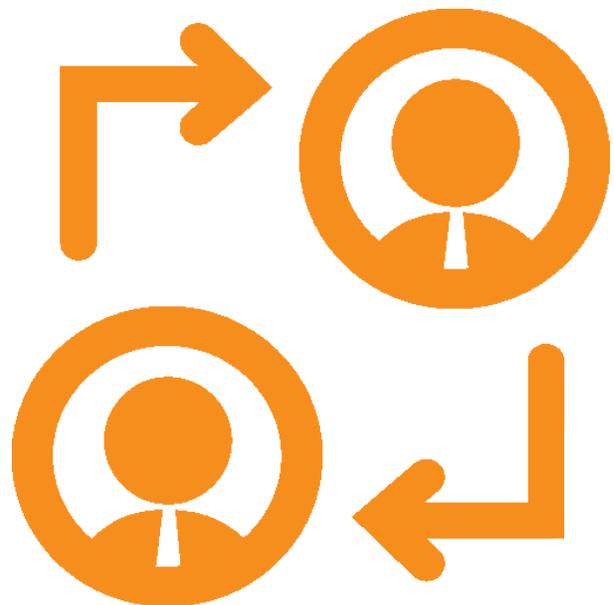
Here are some tips to help ensure that your company can increase the effectiveness of the WMS software demonstrations it receives from each software vendor:

- Prepare an agenda of features and functionality that you need to see
- Ask for separate demonstrations of each functional area: operations, IT, customer service, finance, managerial/executive etc.
- If your business manages specialized or regulated inventory, you may want to set aside time to see specific features and functionality of each WMS system to show how the software can meet those business needs and requirements
- It can be very useful to schedule shorter meetings (15-30 minutes) to focus on area specific topics. This will allow you to engage only those team members who would be most affected. By scheduling these shorter software demonstrations, the attention of your team may be more focused on those specific issues without having to sit through a demonstration of other functionality they would not ordinarily use or in which they had no interest. This will also benefit you as it will allow you to take these team members away from their daily work for a shorter period of time. Here are a few issues for which you may want to request separate WMS software topical demonstrations: omni channel retailing, order management, labor management, yard management, order fulfillment and shipping.

- Ask for the software demonstrations to be recorded and access provided to you for later review
- Ask questions and take notes. Make sure that any questions you ask are answered to your satisfaction and not deferred to be answered at a later date. Keep track of what you like, do not like and have concerns or questions about with respect to each warehouse management software solution and vendor.
- Immediately after the meeting, have a review session with your team members. Document the perceptions of the team thoroughly and make a list of any questions resulting from the demo
- Request a scripted demonstration. Provide data and scenarios that showcase how you would use the system. Include information on your company's operational processes. If a WMS system vendor will not provide a scripted demonstration, this should be a red flag. It is important for you to be able to see how the warehouse management software would work and be used by your company, not just in a generic demonstration. This may help to uncover gaps in functionality.

Schedule feedback sessions with the software vendors

Provide lists of questions from your team as well as feedback on each warehouse management system. Engage the software vendor team to respond to your questions, meet with you as needed and note the time it takes to for them to respond as well as the quality of their response. This can provide valuable insight into how your business will be valued and treated by each software vendor in the future.



Encourage software vendors to visit your facilities

Having a representative of the software vendor team visit your facilities can provide them with insight into your operations and better clarify your business needs and requirements. Not all visits are equal however. Pay attention to software vendors who send sales consultants versus seasoned business analysts and experienced supply chain experts to visit your company. A software vendor that sends only sales consultants is primarily interested in gathering information to make a sale. A software vendor that provides the added value of an experienced business analyst or supply chain expert is interested in forming a true collaborative partnership to ensure that their WMS solution is a good fit for your company and can resolve business challenges.

The Take Away and some final advice

When evaluating warehouse management system software, it is best to invest time in preparation before engaging with each software vendor. Being prepared and armed with detailed information about your operation will enable you to guide each software vendor to show you the features and functionality required for your business and will ensure better information on which you can base your ultimate decision.

- Before beginning to engage in software vendor demonstrations, be prepared. Know your business, technical requirements and operational processes
- Identify which requirements are “must haves” as compared to “nice to have”
- Involve cross functional teams throughout the entire evaluation process
- Help facilitate the software demonstration process by determining a strategy before seeing the first demonstration

- Make sure you see a scripted demonstration using your data and scenarios that are common to your business
- Encourage software vendors to visit your facilities. Pay special attention to added value visits by experienced business analysts and supply chain experts as compared to those by sales consultants.

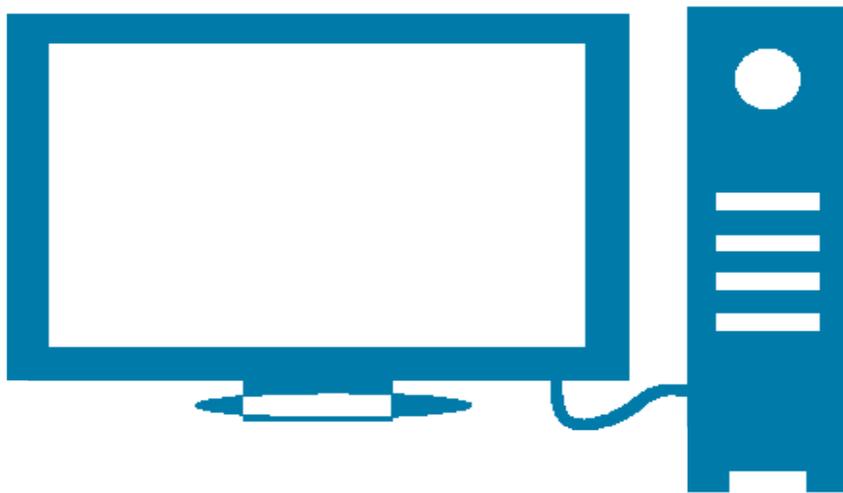
Features, Functionality, Benefits and Other Key Considerations

As your business grows and adapts to industry changes it is important that your supply chain technology can do the same.

Many supply chain businesses currently utilize solutions that are outdated or do not perform all of the necessary functions their business may need to realize maximum efficiency and profitability.

It is crucial to evaluate warehouse management software (WMS) solutions available to ensure that the best WMS for your business will promote growth, efficiency and profitability.

Ask yourself the following questions, to find a better fit with your new warehouse management solution.



1. System Flexibility

- Can the system handle any activity fluctuations your facility may experience in such as those seen during holiday seasons?
- Are you able to make customizations to processes, documentation, etc. on a customer-by-customer basis?
- Is the system scalable enough to grow with your business without significant additional cash outlay?

2. System Reliability

- Can the system handle a high volume of activity?
- During peak activity times would the system be more likely to experience stalling and significant lag?
- If issues arise is the vendor's support staff available 24/7 to reduce downtime?



3. User friendliness

- Is the WMS designed to be easy to learn for new and temporary employees?
- Can users customize screens and views to increase productivity?
- Does the vendor have training programs in place to onboard new employees more efficiently?

4. Real Time Data Availability

- Can all information be accessed in real time?
- Can your staff create real time reports based on all system fields in a variety of formats?
- Can these reports be customized on a customer-by-customer basis?
- Is it easy to share reports with staff and customers as needed? Can this process be automated?
- Can data be accessed using both desktop and mobile devices worldwide?

5. Product Traceability

- Will your business have full audit trail access?
- Can the system track finished product ingredients to their point of origin?
- Is the system able to react quickly and effectively to recall situations?
- Can all handling within your facility be recorded including handling by staff, inspections, temperature readings, etc.?



6. Government Regulatory Compliance

- Is the system designed to meet your customer's required regulations such as:
 - FDA
 - DQSA/DSCSA
 - FDA CFR Part 11
 - LBMA
 - And more...
- Can this system help provide proof of compliance to customers and third party auditors?
- Does the WMS vendor provide validation services?
- Is the system capable of including specified verbiage and contract terms if required?
- Can the system produce documentation such as HAZMAT paperwork on the facility floor?

7. Billing

- Can this system capture billing instances in real time using RF devices?
- Does this billing system capture and bill for all value added service fees?
- Can you view past and future billing to assist in revenue forecasting?
- Can this system create custom contracts and rates to best fit your customer's needs?
- Is it labor intensive to create, audit and send invoices and contracts to customers?

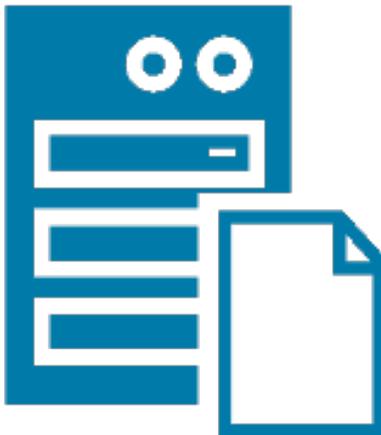


8. Technology Investment & ROI

- Are the monthly and/or yearly service and support and maintenance fees affordable? Do these fees provide you with the most current versions available?
- Are upgrades to the software billed as additional cost? Are professional service fees for the upgrades needed for the upgrades?
- Will any customizations to your software carry through to the latest upgrade or will this require additional cost for development?
- Can this solution provide your business with the expected cost savings and profitability increases?
- How long is the initial ROI expected to take?

9. Database Licenses

- Are you able to add/remove licenses as needed? When adding licenses is the cost of the license reasonable?
- Consider database license type. Is the license Microsoft or Oracle? Have you considered all additional costs for this?
- Are these fees in addition to the cost of the license?



10. Workflow Enabled System

- Is the system built using a workflow based platform?
- Can you easily customize business processes using workflow rather than making changes to software code?
- Is the workflow platform simple enough to be accessed and edited by your staff or is a software developer required?
- Does the workflow reduce labor costs and increase efficiency and accuracy as expected?



11. Technology Platform

- Does the system rely on outdated technology?
- Was this WMS developed “from the ground up” or is it a collection of various software technologies acquired by the vendor and combined into one system?
- Does the system rely on technology that is likely to be discontinued in the next few years?
- Has the software vendor provided a product roadmap to show you future plans for development? Do these plans fit with your company’s operational and technical vision and needs?

The Take Away

There are many warehouse management systems currently on the market today and most include the same basic features. In a WMS, a key consideration is not simply whether the system has the features your business needs, it is HOW the features work.

- Can you operate key features easily without numerous clicks?
- Do you have to perform multiple steps to perform simple tasks?
- Does the system require multiple log-ins and passwords, wasting your valuable time?
- Will the system still require a significant amount of manual data entry?

Using state-of-the-art warehouse management software technology can help to elevate your business. Selecting the right WMS can help make your business more competitive and profitable.

Isn't that what technology is supposed to do?



For a free technology assessment of your business, contact Datex today. Our experts will help you evaluate your current needs and explain how technology can help improve your operations and potential profitability

WMS System Considerations

Omni-Channel, Consumer Expectations and the Role of your WMS

10 Ways Omni-Channel is Transforming the Need for Real Time Inventory Information & Warehouse Management Technology

The world is changing and it is changing FAST. The evolution of mobile technology and digitization has helped retailing evolve to new levels. The consumer shopping experience has evolved from showrooms to real time anywhere anytime using any device.

Consumers can shop and make purchases from their living rooms, on park benches, in cars and on buses and get whatever they want delivered or visit physical stores to retrieve their purchases. This is not yesterday's retail supply chain.

Supply chain businesses need flexible state-of-the-art technology to compete successfully in this dynamic world and the supply chain itself is being transformed to meet these needs.

Order Fulfillment and the Changing Nature of Consumer Expectations

Whether you realize it or not, consumers' "want it today" mentality may be affecting your business.

The need for immediate gratification and lack of tolerance for order fulfillment errors has led to dramatic alterations of yesterday's supply chain processes and technology. No longer can retailers use the distribution model of past decades. Today's consumer wants to have real time accurate information at their fingertips anywhere anytime using any type of device and have their product selections at their door immediately.

Combine this with the ever vocal, ever social new consumer, and customer satisfaction is now at a DEFCON 1 level every day. One unhappy consumer can transmit his or her dissatisfaction across social media channels and have the message amplified across the world in seconds.

Suffering from lack of supply chain visibility and order fulfillment problems, industry leading brands such as [Best Buy](#) have had to cancel orders and [customers reacted online](#). Gone are the days when consumers waited endlessly in checkout lines. Today's consumer is savvy, impatient and ready to publicly chastise all those who fail to meet expectations.

Is your company ready today to satisfy consumer demands for real time information visibility and order fulfillment in today's fast paced world? If not, hold on because more changes are coming.

The world is in the midst of a tremendous revolution, all geared to satisfy consumers' urgent need for immediate gratification and real time information. Companies that ignore this do so at their own peril.

Consumers Want Accurate Real Time Inventory and Product Information

Whether at home or out and about, today's consumers shop using a wide variety of devices and methods and expect accurate real time inventory information. After all, what is more aggravating than placing an order for a specific delivery date only to have your purchase not arrive on time?

Real time inventory information is needed for brick and mortar stores, for webstores and everything in between the two. Whether your business services retailers directly or is an important link in the supply chain, real time inventory visibility is now a business essential.

We live in the age of "now". Consumers want to know when and where products are available, when items are recalled and even every step of the journey of food components from farm to fork. If your company does not utilize [automated data collection](#) methods such as barcodes and RF or RFID solutions with a WMS, your business is not making the most of today's technology. Using these methods can help to provide your company with real time information and the necessary traceability of goods. It can also provide additional benefits such as increased business efficiency and labor productivity.



Omni-Channel and the Consumer Shopping Experience



How are consumers shopping these days? To give you some idea, consider the variety of practices involving online shopping. Omni-channel shoppers are consumers who leverage mobile, store and Internet when shopping. A 2014 survey of US consumers conducted by Deloitte revealed some interesting information. 69% of those who reported owning a tablet and 72% of Smartphone owners planned to use their devices to shop, browse or make a purchase during the 2014 holiday season. In addition, 45% of those surveyed planned to use social media to assist in their holiday shopping. Omni-channel shoppers planned to spend 66%

more than consumers who only planned to do holiday shopping using brick and mortar stores. 45% of shoppers surveyed expected to shop online.

Other trends were noted such that 68% of those surveyed planned to participate in “webrooming”, the process of browsing online then going into a brick and mortar store to make a purchase. 49% of those surveyed reported that they would be likely to participate in “showrooming”, the process online to get a better price.

Facilitating a successful omni-channel retail supply chain necessitates a unique set of requirements for manufacturers and suppliers. Manufacturers and retailers are turning to 3PLs for much needed help. Skilled third party logistics providers can often help with targeted geographic shipping and distribution and can provide a wide variety of product specific value added services to help retailers meet consumer expectations for fast delivery and a seamless brand experience.

Third party logistics providers can also help manufacturers that produce specialty products and customized goods including mass-customized products on demand such as sporting goods, equipment and apparel. In addition to the need for streamlined supply chain operations, primary reasons for outsourcing to 3PLs include customer service and freight costs.

3PLs Need WMS Technology to Meet Omni-Channel Needs

Why does this matter to supply chain businesses? Consumers have shifted their expectations and traditional distribution strategies are being affected. Many retailers have shifted operations to 3PL providers in order to help provide a more consistent shopping experience. Third party logistics providers often have a distinct advantage in that they have the experience, resources, expertise and technology to resolve these tough business challenges. Critical to this effort is the visibility and consolidation of data from different parts of the supply chain.

Savvy retailers are turning to third party logistics providers as they re-strategize a new approach to customer service, distribution, product returns and effective supply chain operations. Direct to consumer retailers continue to rely on 3PLs to provide a consistent brand experience and service their clients.

Retailers need real time inventory visibility across their enterprise in order to be able to provide such options as store pickup and home delivery. With the omni-channel revolution, retailers are struggling to find a balance between distribution centers and stores. In addition, retailers are also utilizing 3PLs in order to provide shipping from store to consumer to save money and to provide a better customer experience. On all fronts, effective inventory management has never been more critical to ensuring customer satisfaction and brand loyalty. To be successful, retailers need to optimize inventory management for multiple channels and utilize real time inventory information at all times to achieve top notch order fulfillment rates.

To provide support for the complex needs of omni-channel businesses, 3PLs need warehouse management software with advanced functionality and incredible flexibility. According to the 19th Annual Third Party Logistics Study released by Capgemini Group,



Penn State University and Korn/Ferry International, 58% of shipper and 3PL survey respondents are investing in warehouse management systems. Of those surveyed 33% of respondents noted that they are not currently prepared to handle omni-channel business needs.

Third party logistics providers need to be able to capture and bill for any kind of value added services, meet a wide variety of delivery requirements, provide an enterprise view of real time inventory information and meet stringent order fulfillment standards. Legacy warehouse management systems were not developed to meet the needs of the complicated multi-channel ecosystem, tight delivery turnaround and volume and variety of returns processes.

10 Ways Replacing Your Current WMS Can Help Meet Omni-Channel Needs

Here are some of the ways replacing your legacy WMS with a state-of-the-art warehouse management system can help to meet today's consumer expectations and make your company more competitive:

1. Using a state-of-the-art warehouse management system with automatic data collection methods can help to provide real time inventory visibility for consumers and supply chain partners

Consumers crave transparency. Today, the tools to ensure information transparency are affordable and essential. Your workforce and customers can have visibility into inventory and order fulfillment processes, shipment statuses and other information vital to your business. Using real time automatic data collection methods and a warehouse management system that can track and trace by a variety of criteria can help with product recalls, detailed order tracking and provide the transparency of goods at all stages.

2. Selecting a warehouse management software solution that can handle omni-channel fulfillment objectives is typically viewed by many retailers and branded manufacturers as a key brand differentiator

If you are a third party logistics provider, this is big news. Using a WMS developed to help meet omni-channel needs can help you increase customer satisfaction, As consumers continue to get hooked on services that fuel their need for immediate gratification such as free expedited delivery and pick up in store, they have come to accept these formerly elevated levels of service as standard in today's changing world.

3. Selecting a WMS that can handle a variety of fulfillment strategies is key and can help your company be more competitive and successful in winning new business

Choose WMS technology that can help your company meet dynamic business requirements for omni-channel logistics. This includes meeting numerous logistical scenarios in addition to standard distribution and replenishment practices such as:

- Online orders fulfilled to consumer homes
- Online orders submitted through online retailers
- In store purchase, delivery to stores or directly to consumer homes
- Online orders sent to retail stores for in store pick up by consumer

4. Optimize your operations by selecting a WMS that can provide top notch flexibility

Using a workflow based WMS, your business can customize operational processes to meet business needs and ensure more accurate operations. Using state-of-the-art technology will help ensure that your business is running at peak efficiency and that your workforce is as productive as possible.

A workflow is an automated sequence of operations broken down into steps and uses rules your company determines along with business logic and decisions.



By using a workflow based WMS, you can help to empower your workforce to be more efficient and productive without needing as much administrative time and oversight to direct work or correct errors.

5. Choose a warehouse management system that is scalable can help ensure that the changing demands of your business can be met

Ideal for seasonal fluctuations and businesses that are expanding, using a modern WMS can help ensure that your operation can mitigate the risk of demand volatility and be ready for anything.

If your business is expanding, selecting a workflow based WMS can enable your company to duplicate business processes when implementing warehouse software for new facilities. This can reduce the time, cost and labor of implementing a warehouse management solution across multiple warehouse facilities.

6. Select a WMS can handle products by “eaches”



Instead of focusing strictly on store replenishment, it is important for your business to have the technology to meet e-commerce D2C needs and have visibility of all warehouse inventory, no matter the channel within one WMS. A state-of-the-art WMS can facilitate the complex warehouse processes that are required to provide higher service levels at a lower cost.

3PLs and other supply chain businesses that rely on legacy WMS are getting left behind. Legacy warehouse management systems were designed around cases and pallets. Today, warehouse management software needs to be able to deal with “eaches” to enable individual orders to be handled and shipped to meet consumer demand.

7. Make sure that your warehouse management system can handle data driven business requirements

It is essential that your warehouse management system can handle critical elements such as custom barcode labels, RFID and vendor compliance requirements to ensure the smooth flow of information across the supply chain.

8. Choose a WMS with Electronic Data Interchange (EDI) Connectivity and that can readily be integrated with other systems

EDI is a business essential. Selecting a WMS that is EDI enabled and that can be integrated with other systems will help ensure the seamless flow of information to trading partners and supply chain businesses. Ensuring the smooth, consistent flow of accurate information between supply chain partners can help improve order fulfillment rates and lead to more satisfied consumers.

Integrating to other systems will enable your business to extend beyond the four walls of the warehouse and benefit from greater information visibility and supply chain efficiency.

9. Choose a WMS that can handle high volume operations

The current trend towards more frequent but higher quantities of orders is critical. Today with more individual orders being processed and order volume increasing, validating a warehouse management system for high volume operations will help to ensure that your company can reap the benefit of your investment in technology for years to come.

10. Select warehouse management software than can handle and track returns

Along with speedy deliveries, consumers have come to expect smooth returns. Ensuring that consumers can return products purchased online via email or drop off at local retail stores helps to ensure higher levels of customer satisfaction and brand loyalty.

3PLs with advanced WMS functionality and the ability to process returns are well positioned to support customers with omni-channel needs.



The Take Away

Selecting a state-of-the-art warehouse management system with the advanced functionality to handle complex omni-channel needs and that is highly flexible can help your company win new business. In addition, your company can benefit from streamlined supply chain operations, increased real time inventory visibility and consistently high levels of order fulfillment. Investing in automated data collection and WMS can have a direct effect on the profitability of your company and enable you to make the transition to the multi-channel ecosystem seamlessly.

The Impact of a User Friendly WMS on Profitability

How the WMS User Experience Can Affect Your Business Performance

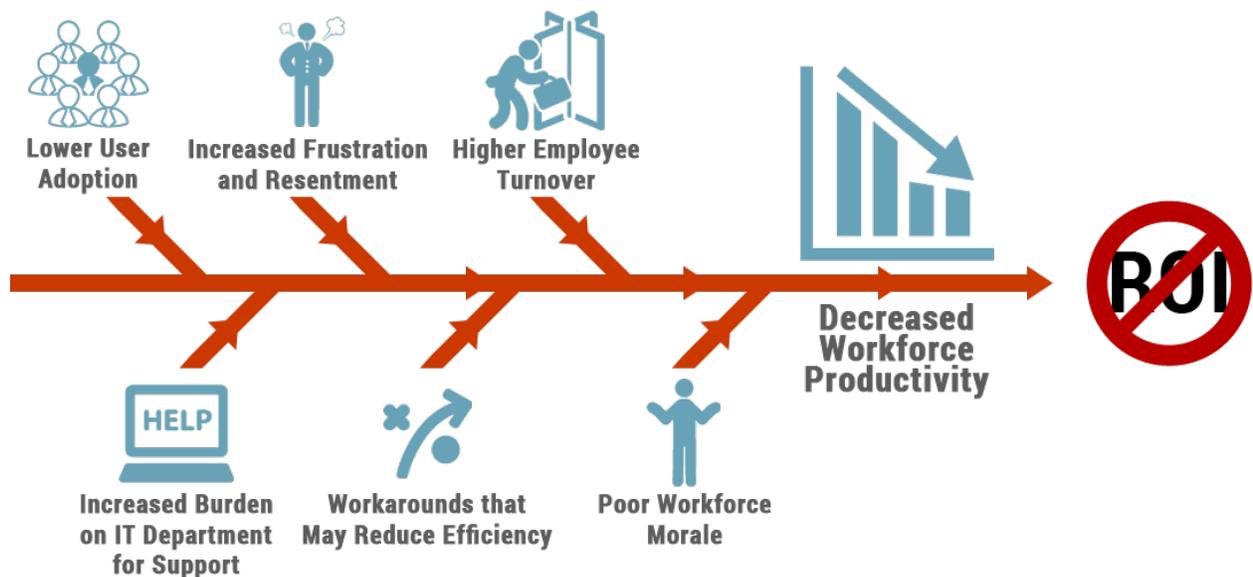
What is the User Experience (UX)? The user experience defines how software users feel when interacting with the system. Factors such as usability, accessibility, navigation, system performance, aesthetics, utility, ergonomics and overall human interaction are key. Having a good user experience helps to drive system user adoption-critical to ROI.

When it comes to enterprise systems like WMS, often application complexity is one of the reasons why businesses sometimes fail to fully realize the ROI they anticipate. Software users who commonly use consumer-based software applications may find enterprise software to be unduly complex and hard to understand. This is often largely due to the extensive functionality that the supply chain software vendor is trying to pack into the application. When software companies acquire other applications, the problem may be multiplied. Systems that were not designed to work together do not “flow”. The graphical user interface (GUI), amount of log-ins and clicks can make this incredibly frustrating for software users.

How the Warehouse Management Software User Experience May Affect Your Business

Implementing a complex system that is not user friendly causes additional problems. In purchasing a new warehouse management system, the company expects users to learn the new system, integrate it into their daily work processes and use it proficiently. Projections are often done on having full workforce adoption.

The picture is actually quite different for warehouse management systems that are not user friendly. In these cases, employees find the new software hard to learn and master and challenging to integrate with other systems, such as other enterprise software products that have already been installed. CTOs and IT Directors frequently report that workforce productivity actually decreases. This is especially typical when common or critical processes take longer with the new software.



Having a WMS that is not user friendly can also result in reduced employee morale, increased turnover as well as frustration and resistance. Typically when businesses mandate use of WMS systems that are not user friendly, the user population becomes more resistant and adoption declines.

In this case, not having a user friendly WMS can create additional problems. In these organizations there tends to be an increased number of support requests. IT departments can become overwhelmed by this. Backlogs in working on these and other projects can occur.

Use of warehouse management systems that are not user friendly often results in users finding workarounds, poorer adoption rates and disappointing ROI. On the flip side, having warehouse management software that is user friendly can help to reduce training costs.

Here are some Critical Factors to Consider When Evaluating Warehouse Management Systems

Intuitiveness of the Warehouse Management Software

- Is the warehouse software organized in a way that makes the users comfortable?
- Use a familiar user interface (UI)?
- Is the warehouse software simple to understand and navigate?
- Does the WMS software require complicated manuals, diagrams and instructions to learn, use and master?
- Will it be difficult to train temporary or seasonal workers to use the software?



Warehouse Management System Interoperability with Other Supply Chain & Operations Systems

- How well does the warehouse management system handle integrations with other systems that were not developed by the same software vendor?
- How well does the WMS handle transactions across applications?
- Is the flow of necessary information seamless across all systems?

Portability and Access to the Warehouse Management System

- Can users access the WMS from other locations?
- Can the warehouse management system be accessed using a variety of different devices?
- Does the WMS help to create more effective channels of communication in the workforce?



The Importance of Getting WMS Software Users' Feedback

Why is getting feedback from software users so critical to enabling a good user experience? Not only does the software vendor hear from people who use the warehousing software day in and day out, but also a greater sense of ownership and community bonding occurs when feedback is sought. Your WMS software vendor should encourage and facilitate feedback from system users-perhaps through webinars, software user conferences and other means.

WMS User Experience from the IT Department Perspective

When evaluating warehouse management systems, companies should also consider the perspective of the IT department. Relying on software that is frustrating to use can cause costly problems for the IT department, resulting in project delays, overtime and additional expenses.

- Is the WMS simple to install?
- How challenging and time consuming is it to update?
- How dependent are you on the software vendor to perform system updates?
- How hard is it for your team to troubleshoot issues with the software before putting in a call to the software vendor's support department?
- How reliable is the software? Do you find that you are having continual complaints from users about screens freezing up, stalled processes, etc.?

How User Friendly is Your WMS?

- Is your user interface densely packed with information?
- Is your system difficult to navigate?
- Does your system require users to navigate through multiple screens to complete transactions?
- Do your users feel that your system is smooth and intuitive?
- Does your software vendor pay attention to the specific requests and feedback of system users?
- Does your warehouse management software require too many clicks? Movement between too many screens?
- Do your users have to enter the same information into multiple screens?

The Take Away

If your business is working with or considering warehouse management software that is not user friendly and think this will not have any impact on your business, think again.

Relying on a WMS that does not provide a good user experience can result in the following problems, all which can have a negative effect on the profitability of your operation:

- Lower system user adoption
- Increased workforce frustration and resentment
- Poor workforce morale
- Higher employee turnover
- Increased burden on IT department for support
- Workarounds that may reduce operational efficiency
- Decreased workforce productivity

Factors in the Decision Making Process

Technology can be complicated. Selecting a WMS for your business does not have to be. If you are prepared before contacting WMS vendors, the search process can be streamlined and frustration and time delays can be reduced.

Before you contact software vendors to explore solutions, look inward at your company's internal IT resources, technology preferences and requirements and gather valuable information so that you can answer questions from WMS software vendors. Because pricing for systems varies widely, vendors will need clear answers to their questions in order to prepare price quotes and estimate implementation timelines.

Some Technology Considerations

Technology Requirements

When beginning a search for a warehouse management system, it is useful to be able to provide some basic information to the WMS software vendors. Having this basic information will help the software vendor so that they can better answer your questions and determine if they can potentially provide a solution that would be helpful to your company.

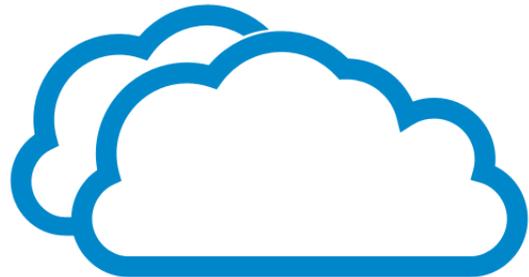
Here is a brief checklist:

- Type of business: 3PL, warehousing/distribution, wholesaler, retailer, manufacturer, etc.
- Number of software users (concurrent or named, depending on Cloud or on premise)
- Number of facilities with square footage
- Are all facilities networked?
- Preferred deployment method: Cloud, on premise, etc.
- Operating system preference: Windows, Linux, UNIX, AS/400 etc.
- Are you currently using RF? Have you already done an RF survey?
- Do you have an IT department? Total number of staff
- Type of products handled (food, pharma, electronics, etc.)
- Any specialized requirements
- Integrations needed including shipping carriers
- Is EDI needed?
- Will hardware such as mobile computers be needed? (Note: not all WMS vendors sell hardware)
- Timeline: anticipated completion date of WMS installation
- Project budget, if known

Cloud vs. On Premise Solutions

The world is changing rapidly and the supply chain is continually evolving to keep pace. These days, more and more supply chain businesses are investigating cloud solutions due to cost, ease of deployment and the lower burden on IT resources.

While Cloud WMS solutions are more readily available now, levels of security, functionality and other factors varies by software vendor. When evaluating, be sure to ask detailed questions and provide software vendors with detailed information about your operation, reasons for interest and budgetary concerns so that they can help you evaluate whether a Cloud solution would be effective for your company.



Cloud	On Premise
ongoing monthly payments; maintenance included	one time payment + maintenance & support
subscription pricing model	upfront license costs
monthly payments	client owns the software
useful for smaller, scaled down operations	tends to be better for complex operations
vendor owns & maintains hardware	client owns & maintains hardware
infrastructure maintained by vendor at remote site	client responsible for infrastructure
software is hosted on the cloud for faster start up	installation requires IT resources
named seat licensing	concurrent seat licensing
vendor handles back ups, upgrades & data security	client handles data security upgrades & back ups
web browser	software installed on every PC
accessible 24/7 on many devices	client determines connectivity to intranet
not a capital expense	this is a depreciable capital expense
lowest initial cost of ownership	lowest total cost of ownership

Database Cost Comparison

A review of the list price of the Oracle database that includes data warehousing and business intelligence tools reveals that it is substantially more expensive than that of its rival SQL Server, [in some instances up to 12 times more expensive](#).

As ongoing administrative costs typically make up approximately 70% of IT budgets, it is important to consider that salaries for IT staff with specialized knowledge of Oracle tend to be higher than those with experience in Microsoft products for similar levels of experience.

An industry report revealed that on average, SQL Server DBAs were able to install and configure new database servers in 1.5 hours as compared to the average of 6 hours for Oracle DBAs. The average number of hours needed for the configuration, security and integration tasks were approximately four times higher for Oracle than for Microsoft SQL Server.

Although SQL Server deployment took nearly twice as much time as that for Oracle, all other tasks involving problems, tuning, schema, upgrades, security, backup, reporting and governance took less time for SQL Server than for Oracle products.

Importance of WMS Software Sustainability

WMS software sustainability is an indication of the long term stability and viability of both the software and the software vendor. Although there are over 200 different WMS softwares, not all software and vendors are equal.

Some software vendors developed their products years ago and have not kept pace with more recent technological advances. In investing in new systems, it is imperative that you have a clear understanding of the software developer's long term development strategy and plan for the future of their product line. Ask for a product roadmap and make sure that key issues will be addressed including:

- New and emerging technologies
- Important industry trends and changes
- New and anticipated regulations

Current WMS Technology

Not all technology is equal. According to industry technology experts, using .NET technology and the C# language is an indication that the software developer places a higher value on leading edge technology and has plans to continue to innovate and evolve its product line to meet the needs of its current and future clients.

Legacy WMS System

What is a legacy system? This is older enterprise software that is no longer being enhanced. Although functionality had been enhanced periodically to meet the needs of existing customers, the software developer did not invest in re-platforming the system using modern technology.

Between the years of 2000 and 2010, numerous WMS software solutions were sold to other software companies. These software companies added the functionality to that of their own solutions but typically did not rewrite the software.

- Legacy warehouse management systems often have challenges with:
- Inventory accuracy; inventory turns
- Performance measurement and KPIs
- Warehouse space utilization
- Stock rotation
- Track and trace of order, lot and serial number
- Crossdocking
- Backorder handling
- Planning and scheduling resources
- Customer service

Moving from a legacy warehouse management system to a best-of-breed solution using the latest technology can help you to:

- Reduce damages and inventory shrinkage
- Reduce time and labor due to lost stock
- Improve inventory accuracy and reduce safety stock
- Improve labor productivity by eliminating deadheading and search times
- Reduce paperwork, handwriting errors and human errors and conserve time and labor
- Minimize equipment, labor and utility costs

When faced with the new demand for quick execution of more complicated orders, a traditional “legacy” WMS system falters due to weaknesses involving its focus on waterfall-style task assignments that are daily or sequential. When warehouse management software was developed ten to twenty years ago, operations focused primarily on handling pallets and cases. Often systems did not include the data necessary to support quantities below case level and the task of engineering to that level of capability was too difficult. One industry expert estimated that 40-50% of legacy systems lack the functionality needed to meet today’s fast paced, complex operational demands.

Key points to consider:

- Many WMS systems are no longer supported by the original developer, are proprietary or were written in an outdated code base that may not have functional problems today but typically are more costly and challenging to support.
- Because earlier generations of warehousing software assign a single pick location per SKU, this can cause major congestion when dealing with fast-moving SKUs in a warehouse.
- Legacy systems often cannot handle integrations with automation subsystems and are unable to work with voice technology solutions. Voice solutions are often used in operations to increase picking
- Legacy systems that are designed to work with daily cycles are often challenged when dealing with the complexity of ecommerce and omni-channel demands and automation.

Microsoft Gold or Silver Partner Designations

Validate that the software developer provides an application that is keeping pace with changing technologies. Having a high level Microsoft partner designation also validates that the software vendor has a closer working relationship with Microsoft. These high level partners obtain access to new Microsoft products before they are accessible by the marketplace. Having early access helps the partners to ensure that the applications support the newer technologies.

To attain the highest levels of partner designations, Microsoft evaluates and validates customer service levels and other criteria for each software vendor. This provides added peace of mind for supply chain businesses when selecting such a highly rated partner as a WMS provider.



Long Term Customer-Focused Support



Although it is one of the most important factors in purchasing a WMS, it is often neglected and not part of the core considerations. Support can often be an element of competitive difference when evaluating customer references and comparing WMS solutions.

While there are a variety of support models, choose the one best suited to your business needs and budget.

- Check out the levels of support and service that the software vendor is willing to provide before, during and immediately after implementation to make sure that you can get the type of support whenever you need it
- Supply chain operations have come to anticipate that annual support and maintenance costs will average between 15 and 20 percent of the system acquisition cost. The quality of support services is critical to the ongoing nature of your business.
- Your warehousing software has a warranty that will last for a specified time period. Paying support fees enables you to have peace of mind that you can get assistance whenever you have problems with the technology.
- Part of what is often included in new software releases is enhanced platform capabilities and optimized business processes. This can help your business to be more scalable to meet company growth objectives.

Some WMS software vendors discontinue support for releases after a few years and require that you keep your software upgraded to maintain support coverage by the software vendor. WMS vendors typically continue to enhance their software over time.

Regulatory and compliance issues can become reasons for upgrades as well as workflow and process changes. Incorporating support and maintenance fees into your software budget should enable you to upgrade your software to newer versions as it is released. This will help to ensure that your technology is up to date and that your business is better prepared to be compliant and competitive.

The Difference between WMS and ERP Software

WMS

- Is primarily used to manage the movement, handling and storage of inventory
- Tracks each inventory item: receiving, putaway, picking, packing, shipping, etc.
- Uses real time data in order to provide intelligence to help optimize inventory
- Can be a standalone system that uses other modules such as CRM, accounting, finance, etc.

ERP

- Automates business processes across an entire company including CRM, accounting and inventory management
- Facilitates the flow of data across all functional units of a business enterprise
- Acts as an integrated “all-in-one” solution
- Has some of the same functionality of WMS such as inventory tracking

Integrations and Interfaces

Integrating with other software and systems enables your company to act in real time, be more flexible and provide the information visibility to operate in the most efficient, accurate and effective manner possible.

Today most companies integrate their warehouse management software with back-office, accounting, ERP systems and other systems.

Why Integrate?

- Enables more effective planning
- Minimizes the labor costs and the errors due to manual data recording and reconciliation
- Enables you to be more responsive to your customers
- Improves reaction time
- Enhances forecast reliability
- Helps you optimize your inventory



Integrating with other systems can help you ensure that you have the right mix and amount of inventory to ensure higher levels of customer satisfaction. Using real time information to properly plan and optimize inventory can aid you to reducing the labor and time involved with counting, storing, handling, moving and reworking inventory as well as in reducing the amount of working capital.

In the interconnected world of today's supply chain, having real time accurate data visibility can also help trading partners to better manage inventory levels and shipments. In order to provide accurate annual financial reports and tax returns, you will need to provide information on inventory value, as recorded in your financial systems and matched to the physical value in your warehouse. By integrating transactions using a warehouse management system with your back office financial and accounting systems, you will be able to corroborate the financial integrity of your operation.

What factors are most important in an integration?

- Real time data flow
- Flexible enough to accommodate adjustments to the integration if needed
- Data visibility to customers and supply chain partners
- Scalability

Integrations vs. Interfaces

Is there a difference between integrations and interfaces? Actually, yes. The development of a proper integration requires adequate consideration of how the data will be used and if it will be useful.

In selecting technology professionals to develop integrations for your business, consider this. An effective integration is based on operational interests. Those who are experienced in working with supply chain companies tend to give special attention to operational concerns to make certain that there will be no negative impact throughout the business. Such an integrator would potentially be better able to understand, foresee potential consequences resulting from decisions made by staff in other functional areas and help mitigate issues before they arise.

Total Cost of Investment

Often companies that begin the search for a WMS do not take into account additional costs that need to be considered when implementing a new technology package.

- Warehouse management software
- Professional services needed for data migration, configuration, training, etc.
- Support and maintenance
- Third party software
- Integration costs
- Project discovery and travel costs
- Servers, network and other technical infrastructure
- Wireless site survey if needed
- Mobile computing devices, tablets, desktops, etc.
- Accessories and additional equipment such as mobile printers, batteries, etc.
- Additional technologies planned for use: RFID, voice, etc.

The Take Away

Before contacting any WMS software vendors, it is imperative that you take the time to gather the basic information that will be needed to answer vendors' questions. This information includes: type of business, preferred deployment model, timeline for implementation, number of facilities and software users, type of products handled and any specialized requirements, integrations needed and more.

To safeguard your technology investment, make sure that you validate the long term stability and viability of both the software product and vendor. Ask for and discuss the product roadmap and consider the vendor's use of new and emerging technologies.

Consider database cost carefully. Not only can it make an impact on your budget up front, but also on long term expenditures for qualified staff based on their type and level of experience needed.

Legacy warehouse management systems are being replaced largely due to weaknesses in original design that now limit their ability to meet today's fast paced complex operational demands.

Microsoft Gold or Silver partners have been certified for their close working relationship with Microsoft, validation for expertise in using leading edge technologies and excellence in customer service.

When evaluating solutions, it is particularly important that you consider service after the sale. Make sure that you have a clear understanding of support and maintenance agreement terms, support procedures, upgrade costs and other factors before selecting a solutions provider.

Finally, when preparing to search for a WMS, make sure you examine the total cost of the technology package including software, hardware, professional services, integrations, site surveys, travel, etc. Discussing this with each software vendor can help to clarify your expectations and plan for a successful implementation.

Making a Decision on a Warehouse Management System for Your Business

Decision Making Score Sheet

Critical Factors to Consider When Deciding on a Warehouse Management System

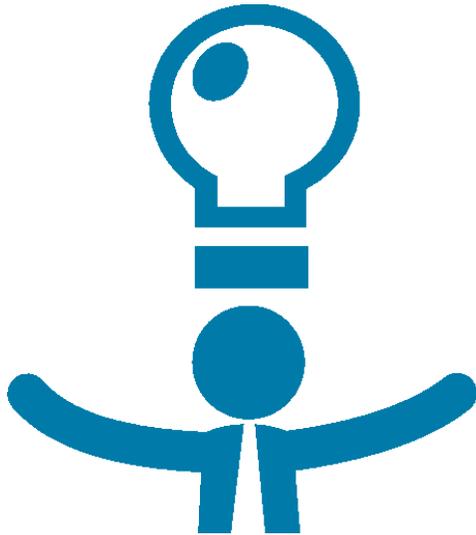
Evaluating warehouse management systems can take a great deal of time and effort. After all the hours your organization has invested, it is time to reach a decision. How do you compare all the information you have accumulated so that you can make a thoughtful, insightful decision for your business?

A warehouse management system is the hub of a supply chain operation and affects all areas of an organization. Involving a team member or team from each department to evaluate, provide feedback and be involved with the decision making process can help to ensure that each department's needs are met.

Here are some factors to consider when conducting your final deliberation on which WMS system to select.



Define your expectations for a new warehouse management system



Determine the objectives of purchasing a new WMS system. What caused your company to start the search? Make a clear, well defined list of what improvements are needed and what you want the new WMS to accomplish then compare this with the WMS software for each vendor.

Benchmark your expectations against your current WMS. If your business has been using warehouse software, consider the list of the functionality and features your organization currently uses and finds beneficial versus those that are cumbersome, lacking capabilities, etc. Compare this list with the warehouse management systems you are evaluating. How do the WMS systems you are

evaluating stack up against your current supply chain software?

Consider your WMS System Needs

Review your functionality requirements for supply chain software. Examine whether one warehouse software package can meet all your needs and expectations. Will you need additional modules, third party applications, etc.? If you need additional functionality such as for a TMS, consider if selecting a best of breed transportation management system or additional software from another vendor rather than looking for an all-in-one solution would be a better option for your business.

Be sure that the warehouse management software can meet your needs today and in the future. Most companies utilize a business plan to provide a roadmap for the future of their organization. Review it carefully to determine which WMS system provides the functionality you will need at a later date. Explore the product roadmap of each warehouse management system. Does this keep pace with industry trends and what you anticipate will be needed to help your business remain competitive in the future?

Does the warehouse management system use the latest technology? WMS systems that rely on outdated technology are problematic. Why pay for yesterday's technology when higher, more flexible reliable technology is available now?

Determine if the warehouse management system has the functionality needed to help you win new business. Review the functionality that potential new clients tend to request. Making sure that the system you select meets that criteria can be critical to growing your business and increasing profitability.

Get feedback on the warehouse management systems on your short list

Talk to others in your organization. Involve members of the cross functional team that viewed software demonstrations, participated in meetings with each software vendor both on site and online. Consultations from various perspectives on the WMS systems, software vendors, support and other factors may prove revealing and insightful. Be sensitive to the fact that there may be individuals within your organization who fear or dread change. This can be an important factor if your company is considering upgrading your current warehouse management software versus purchasing a new system.

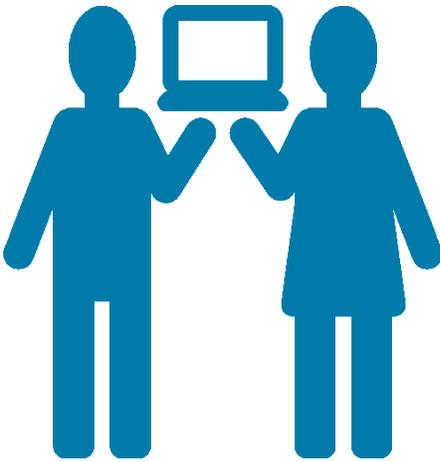


Use a scoresheet to compare WMS systems

Examine the results of scoresheets and any RFI/RFP that your organization issued. If your organization did not utilize an RFP, you can develop a score sheet to help with the evaluation process. Using a scoresheet can aid by providing an objective format from which to compare features and functionality between WMS software solutions.

Consider the value of the WMS software vendor as a partner in your business

Consider your relationship with each software vendor. Evaluating warehouse management systems typically takes months. During this time, you can learn a great deal about each software vendor. A software vendor that is unresponsive or slow to respond, does not answer your questions or address your concerns, provide requested documentation, scripted demonstrations, on site visits, etc. may prove challenging to deal with in a long term relationship. Conversely, you may want to rate higher the software vendors that make an extraordinary effort to respond to your needs and win your business. If a software vendor is uncooperative during the sales process, consider the possibility that this is likely to continue after the sale. Is this the type of partnership on which you should rely to support your operation?



Calculate the value of partnership with an experienced, responsive software vendor.

Most organizations do not change warehouse management systems frequently. Selecting a WMS software vendor that will be willing and able to provide the technology, expertise and support for your business is vital. Some software companies tend to attract larger, enterprise organizations as clients. If your company is not as large, this may be a concern for you. If this is the case, consider if your business will receive adequate attention and focus. Will your company be “more than a number” and get lost in the crowd? Selecting a software developer that is

experienced in dealing with a range of companies, most especially smaller to mid-sized growing companies may be a better fit for your company.

Consider the on site visit by the software vendor. Did the vendor send an experienced professional who could provide you with the added value of insight into improving your supply chain operations or just send a sales consultant? There is a difference between a solutions provider who wants to partner with you to improve your business and one who simply wants to sell you software.



Consider the results of the WMS software vendor's scripted demo

Examine the feedback regarding the scripted demo done by each software vendor. Did you find that there were gaps in the software functionality that your business would find essential? Did the scripted demo reveal that the functionality you need is not user friendly or time consuming to use and access? Are there workarounds required to do what your business needs rather than built-in functionality?

Consider system reliability and capacity

After evaluating your business needs, determine if each warehouse management software solution is suited for the volume and nature of your business. Investing in a low cost software package may seem like a bargain, but if the system cannot handle the volume, complexity and nature of your business it could end up costing you clients and necessitate the purchase of a more robust system.

Consider the flexibility of the warehouse management systems

Selecting a system that your IT resources can adapt rather than relying on the software vendor can generate major savings in both the short and long run. Using a WMS that uses workflows to automate operational processes can save both time and labor. Can the WMS software you are evaluating be configured to meet the needs of your 3PL clients? To customize billing? For different operational processes for each client? A WMS software vendor that can train your IT resources to make these kinds of changes helps to minimize dependence upon its development team and can help reduce professional fees. This can help make your business more agile, responsive and service oriented as well as save you money.

Determine the importance of selecting a user friendly WMS system

Supply chain businesses often have higher turnover and have challenges in recruiting, hiring and retaining workers. In addition, often seasonal workers are used.

Choosing a warehouse management system that is not user friendly can increase the training time and errors. Some warehouse management systems were not developed “from the ground up” but instead have increased functionality by buying the technology of other vendors and adding it to their own software. This can result in systems that require multiple log-ins and clicks.

It can be time consuming and aggravating for system users, especially since the user interface may not be the same throughout the software package. A system that allows users to customize views, filter data, subscribe to reports and receive notifications on tasks, status changes, etc. can help increase workforce productivity, desirable for any operation.



Using the WMS to extend beyond the four walls of the warehouse

An important criteria for most supply chain businesses is the ability to interface with all the systems needed for daily operation. Examine whether each warehouse management solution can integrate with the systems you need such as TMS, accounting and ERP, MRP, material handling systems, shipping carriers, e-commerce and more.

The ability to utilize EDI to communicate with trading partners is typically another mission critical issue. In today's fast paced world, it is important for supply chain businesses to have the capacity to communicate seamlessly. Can the software vendors you are reviewing provide EDI solutions? These added services from a single vendor can help reduce the time, cost and complexity of EDI projects and help to provide better results.

Make sure you evaluate the cost of warehouse management systems equivalently

When evaluating cost of warehouse management software, first make sure you are comparing the cost of the total WMS solution

“apples to apples”. Because software vendors each prepare their proposals in different formats, it can be challenging to evaluate pricing without a little extra effort. A simple spreadsheet to compare the cost of each solution can make this issue easier to review.

Here are some special points to determine:

- What is included in support? Are upgrades and any services associated with upgrades included or extra? How frequently are upgrades provided?
- Are there different tiers of support? Which tier do you need? What is included in each proposal?
- Is there a cap on how many system users for the proposed module or edition you are interested in purchasing? What is the cost for the edition that accommodates more users?
- Does the software vendor offer seasonal software licenses if needed?
- What is the cost for additional software licenses?
- Make sure you include the cost of hardware, mobile hardware device configuration, third party software and integrations in any evaluation. If a software vendor is able to provide a turnkey solution, this may save time and cost and help reduce the complexity of the implementation process.
- Notice in each proposal if there are items that are not included in the quotes by other software vendors. If so, question those costs to see why they were included in one proposal and not in others.



Conclusion

Make sure you are comparing “apples to apples”. Cost is not the only factor to consider when deciding which warehouse management software to purchase. Keep an eye out for hidden, omitted or undisclosed costs.

- Other important considerations for deciding on a WMS system include if:
- The system has the reliability, capacity, security and functionality to meet your needs now and in the future
- The system is scalable and can meet the growth objectives of your organization
- The software vendor has proven during the sales process that it can be a valuable, supportive partner to your business
- The software uses the latest, flexible technology
- The system is user friendly
- You and your team have the confidence that the WMS software will fit the needs and expectations of your operation

Decision Score Sheet

After investing considerable time evaluating warehouse management systems, it is time to make a selection. To make the best decision for your business, it is advisable to consider factors other than merely the cost and functionality of a WMS.

An easy to use score sheet has been provided. Within the score sheet are some issues that may not be on your radar as well as some major issues of which you should not lose sight.

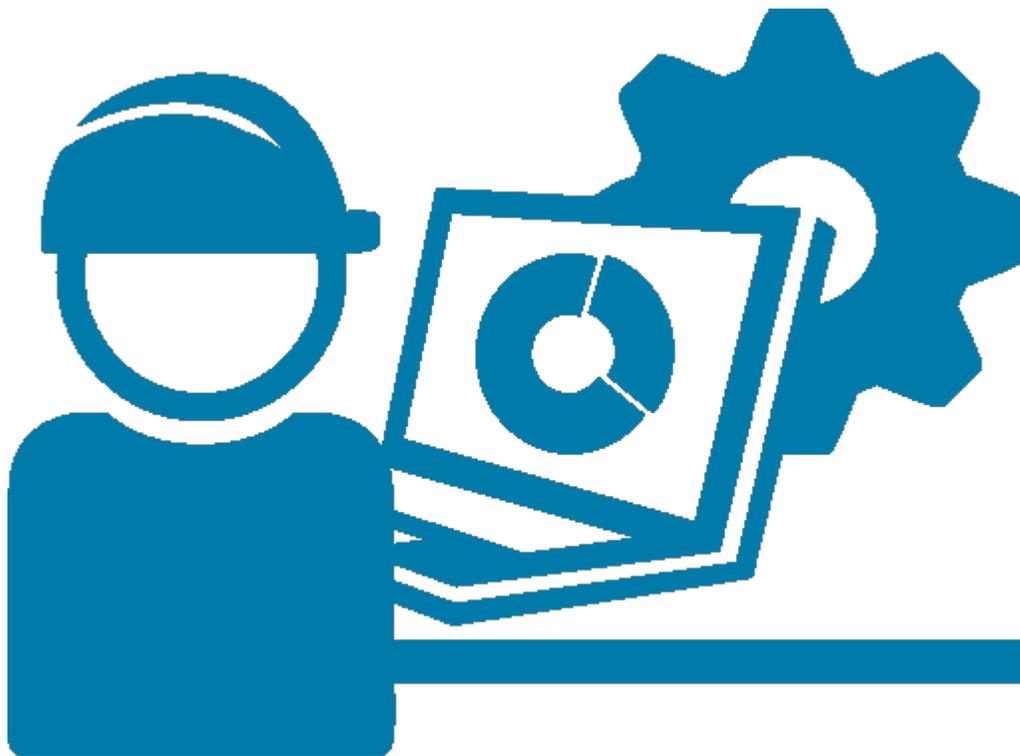
Here is one way to use the score sheet. Because a warehouse management system can affect all areas of an organization, we suggest that you meet with your WMS evaluation team to discuss each question. Rate each vendor based upon the group response.

The score sheet will rate each checked box (a “yes” answer) with a value of 1 point. The total point value will be automatically calculated at the end of the score sheet.



Functionality

Issue	Software Vendor #1	Software Vendor #2	Software Vendor #3
Can operational processes be automated within the WMS system using workflow?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Can you purchase add-on modules for additional functionality?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Does the WMS software work with RF?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Does the warehousing software work with RFID?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Can the WMS system work with voice technology?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Can reporting be customized?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Is the WMS currently used for the type of inventory you handle?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>



User Friendly

Issue	Software Vendor #1	Software Vendor #2	Software Vendor #3
Can users easily sort, filter and view information?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Can the WMS automatically send alerts to users about tasks, status changes, etc.?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Will the WMS software be easy for new users to learn quickly?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Does the WMS system include the ability to subscribe to reports?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Can the user customize views?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Can the user save their preferences if grids or views are rearranged?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Can documents & files of any type be stored within the WMS?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Does the system include the ability to customize fields?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>



Technical

Issue	Software Vendor #1	Software Vendor #2	Software Vendor #3
Does the system include the ability to create or adapt workflows?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Is the system scalable so that it can accommodate the future growth of your business?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Does the system rely on state-of-the-art technology?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Is your company likely to outgrow the warehouse management system within the next 3 years?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Can the warehouse management system be integrated to back office systems?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Does the system use 802.11 communication standard to collect & transfer data?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Can the system meet the maximum capacity of users you would have using it at any given time?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Can you restrict system access for security and other reasons?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Can you restrict the operations that users can perform, even at specified times?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Are upgrades provided 3 or more times a year, not just bug fixes and patches?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Can your IT resources handle upgrades on your own?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Financial

Issue	Software Vendor #1	Software Vendor #2	Software Vendor #3
Is the total cost of ownership within your budget?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Does the projected ROI meet your expectations for this project?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Does the WMS include the cost of upgrades & any required or needed professional services associated with the upgrades?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Vendor

Issue	Software Vendor #1	Software Vendor #2	Software Vendor #3
Has the vendor been in business a minimum of 10 years?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Can the WMS software vendor provide you with mobile hardware solutions if needed?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Can the software vendor provide you with integration services if needed?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Was the WMS software developed “from the ground up” rather than expanded by acquisition of other products?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
During the sales process, did the software vendor work with your team as a partner to uncover challenges they could resolve?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Vendor Cont.

Issue	Software Vendor #1	Software Vendor #2	Software Vendor #3
Did the WMS vendor provide a Business Analyst or supply chain expert during the on site visit to provide insight for your business?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Is the team of the WMS software vendor knowledgeable about industry best practices?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Does the WMS vendor employ staff with real world supply chain & warehousing experience?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
By the end of the sales process, did you feel that the WMS vendor would be a valued partner you could trust?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Did your WMS evaluation team feel comfortable working with this vendor?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Were any questions and concerns resolved completely and quickly?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Were you satisfied with the responsiveness of the software vendor during the sales process?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Will the WMS vendor conduct an analysis to determine gaps before implementation?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Will the software vendor provide online learning tools that can be accessed 24/7?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Is support handled by experts within the WMS vendor's organization?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

For 3PLs

Issue	Software Vendor #1	Software Vendor #2	Software Vendor #3
Does the system include an easy to use 3PL billing system?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Can you customize contracts to meet any requirements for your clients?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Can you capture and bill for any kind of accessorial charge?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Can the WMS bill for any kind of accessorial charge?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Does the WMS include the ability to customizable billing options?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Does the WMS provide an easy to use billing system?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Total Points per Software Vendor

Software Vendor #1	Software Vendor #2	Software Vendor #3

Implementing a Warehouse Management System

Ensuring a Successful Implementation

Tips to Get Ready for the WMS System Implementation Process

As your organization evaluates various warehouse management system options, it is time to start to begin planning for the software implementation process. Implementing a WMS software solution requires input and collaboration from both the software vendor and the client. As a client, you undoubtedly want to ensure that any warehousing software solution you select will provide the best results for your business. Not all businesses of the same type use the same operational processes and have the same needs. For this reason, it is key that you participate in the implementation process, provide the necessary information, decisions and access and collaborate on any customization with the software vendor.



Getting Started on Your WMS Software Implementation Project

Establish your expectations. As you have searched for warehousing management software, you probably have defined your expectations for your WMS system project timeline and budget. In addition, you may have developed a greater understanding of the full range of technology solutions available for managing your supply chain operation. Now knowing the various components such as servers, mobile hardware solutions, printers and labels, EDI solutions, integrations, etc., you should work with the software vendor to clarify the timeline and budget involved with each of these components.

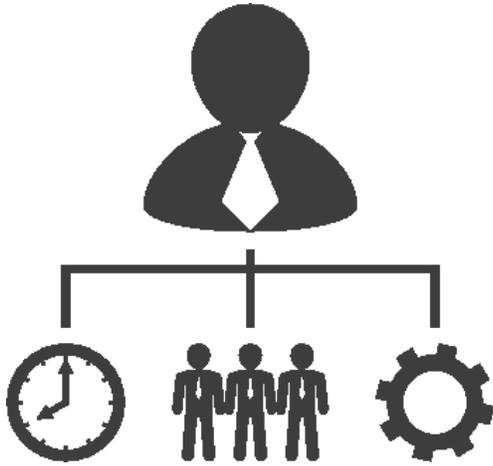
Are third parties delivering part(s) of your technology solution? For example, if the WMS software vendor is not providing all these technology components, it is likely that multiple vendors will be required to participate in the implementation process. If so, you should understand that working with multiple vendors may add complexity, time and cost to your project.

Understand that both the software vendor and the client have responsibilities during the warehouse management software implementation process. Each will have deliverables and the project timeline is based upon each party meeting the established delivery dates. Similarly, if communication is not clear and seamless or if decisions are not provided in a timely manner, this can also have an effect on the project timeline and budget.

Understand the role of the software vendor.

Before making a final decision on a warehouse management system and vendor, discuss the implementation process with each software vendor. Address any questions or concerns you may have regarding the implementation process, resources and methodology. While WMS system vendors are experts in their respective software solutions, a software vendor will need you to teach their representatives about your specific operation and processes.





Know your business. Make sure that your team has a clear understanding of the operational needs and processes of your supply chain business. The team must be able to communicate this information consistently to the software vendor's project implementation team. This includes knowing about your customer's needs, expectations and processes as well. It is also critical to know and be able to communicate information to the software vendor regarding any challenges you want to resolve. Here are some other ways you can help to ensure that the software vendor has mission critical information about your operation:

- Identify problem areas, business challenges and weaknesses in your operation-look for opportunities to improve current operational processes
- Be able to articulate operational processes so that the software vendor can make comparisons with industry best practices
- Clarify issues and processes related to key customer accounts including inventory type, busy seasons, etc.
- Identify interfaces needed with shipping carriers, enterprise systems such as TMS, ERPs, material handling solutions, scales, etc.
- Provide a list of all mobile hardware solutions, RFID, printers and peripherals and other technology solutions to make sure that all technology is compatible with the respective warehouse management system
- Clarify if third party solutions will be needed, such as labels, middleware for RFID, etc.

Embrace a culture of change in your organization. Change can be hard for many people. Often team members can become fearful, anxious and unwilling to learn new technology or operational processes. By communicating with your workforce about the changes that are planned, the anticipated outcome and the many benefits that new warehouse management system technology can bring to your business and to their daily life, you can help to encourage greater adoption of the new technology and ease anxiety. Involving team members from each department for feedback and assistance can also provide encouragement. This will help to reassure your workforce that all voices will be heard and that the work effort from each department is valuable and needed.

Be ready to commit resources. As part of the WMS solutions evaluation process, you may have involved team members from across your operation. If you have done so, you have taken the first step towards facilitating the successful implementation of a warehouse software solution.

First identify someone to act as your internal Project Manager. This person can be an employee or if necessary, an outside resource contracted for the WMS implementation project. Your company's Project Manager needs to have knowledge of your operation, the trust of executives, solid communication and organization skills and be a strong team player. Having an internal Project Manager who knows and understands your business and the key players in your organization is critical to a successful WMS project implementation.

Why is an internal Project Manager needed?

- To act as a single point of contact with the software vendor so that all communication is seamless
- To represent the interest of your organization
- To provide guidance to the software vendor about operational processes, business needs and requirements, etc.
- To ensure that all access, information, data, and deliverables are provided in a timely manner to the software vendor



- To ensure that all deliverables required by your organization are provided in a timely manner
- To help allocate and oversee resources if necessary, such as of cross-functional team members or for training of your workforce
- To participate in meetings such as project status updates

Clarify communication protocols. Having a methodology for communicating is important. Before you get too involved in the software implementation process, think about your organization's need for information about the process. Will you need weekly reports, just basic high level information or detailed communications? Who will need the information and what needs to be included to meet their needs? When will reporting need to be provided?

Although software vendors are experienced in dealing with implementation projects, a vendor typically will collaborate with you on setting up meeting schedules, messaging requirements, reporting formats and deadlines, etc. to make sure that your organization's needs are met.

Start with accurate inventory. Make sure you start the implementation process with the most accurate inventory information possible. Starting the implementation process of a warehouse management solution with inaccurate inventory information can have an impact on your project that multiplies, causes exceptions and results in financial concerns, labor inefficiency and other challenges.



Discuss implementation approaches with the software vendor.

Warehouse management software solutions can be implemented across multiple facilities in numerous ways. Be sure that you have a detailed discussion about various implementation approaches and consider your company's resources before proceeding. Does the software vendor recommend implementing the warehouse management system by facility, process or all at once in all facilities? How will this impact your operations, customers and staff?

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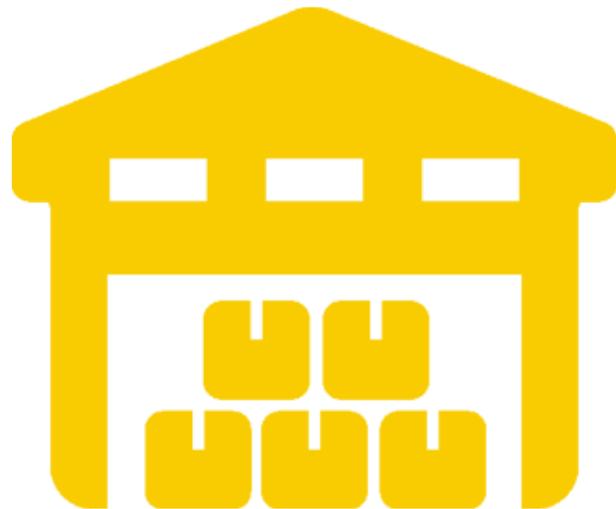
Find out if the software vendor provides any tools for the implementation process. Here are some questions to ask the software vendor regarding tools and resources for the implementation process and software product:

- Does the software vendor provide any type of project management system, portal with access to information regarding the WMS implementation process or other resource?
- Is there a knowledgebase of information available about the product?
- Are there online learning tools or a learning system to help speed up the training process?

Getting Your Organization Ready for a WMS Implementation

Get your facilities ready. Working on the preparation of your facilities now will help to have a positive impact on the implementation and can help reduce stress, frustration and anxiety of the workforce. Here are some areas that may need attention in order to be ready for the implementation process:

- Labeling
- Rack configuration
- Re-warehousing product
- Identify staging areas



- Install workstations
- RF site survey
- Dock preparation
- Know dimensional information
- Mobile hardware solutions: Do they work with the warehouse management system selected? Are all devices currently in working order? Are any accessories or peripherals needed?
- Internet connectivity-If you are purchasing a SaaS or cloud solution, make sure that your organization validates system uptime and resolves any connectivity issues before implementing a warehouse management software solution.



Select Your Project Manager

Here are some of the skills that are necessary for an effective Project Manager for the WMS software implementation process:

- Understanding of your operation, organizational structure and customers
- Trust and support of executives and project sponsors
- Ability to navigate successfully between multiple departments
- Excellent communication, organization and follow up skills
- Leadership skills and the ability to inspire confidence in others
- Ability to work independently as well as part of a team
- Ability to participate in all implementation project meetings held by software vendor. Must be able to convey results, decisions, questions and requests to the project sponsors and company executives as well as to the software vendor
- Should have some familiarity with IT issues, terminology, technology components, etc. if possible

Assemble a cross functional team to aid in the WMS implementation process

Select team members from each department including:

- Warehouse/operations
- Sales
- IT
- Customer service
- Finance
- QA/QC
- Manufacturing

Involve managers/supervisors for each functional area. Before starting the project, communicate to the team that the implementation of a warehouse management system requires, time, teamwork and commitment. Establish communication and clarify what will be expected of each team member. Each team member's input into the operational processes of each department will be invaluable to the success of the project. The team can help to motivate the workforce to accept and adopt the new WMS technology and can help alleviate anxiety related to system and process change.



The Take Away

Before finalizing your decision to purchase a warehouse management system, your organization can take steps to get ready for the implementation process. Here are some tasks on which your organization can begin to work now to help to ensure a successful WMS implementation. Select a project implementation team and internal Project Manager to represent your organization:

- Establish clear expectations for the implementation project
- Understand the role of the software vendor and the client in the implementation process
- Know your business and be able to communicate detailed information about operational processes clearly
- Start to prepare your facilities
- Encourage a culture of change in your organization to help ease the anxiety and stress of navigating to new technology

Taking the time and effort to get ready now before the implementation process starts can help to provide better results for your organization.

Final Advice

Not sure if you need a new warehouse management system?

Using leading edge technology can help smaller supply chain businesses compete much more effectively with larger ones. Today's state-of-the-art technology is much more affordable than ever before and can help companies optimize their workforces and streamline to be more efficient. This can have a measurable impact on profitability.

If your business is using a legacy system, costly to maintain proprietary software or operating manually, consider investigating alternatives. Today, WMS vendors offer more affordable Cloud solutions as well as on premise and hybrid versions.

Consider the fact that your competitors are probably using warehouse management technology to keep their operating costs under control. This can enable them to offer their services at a lower cost, helping them to attract and retain customers.

The initial chapters of this ebook include valuable information you should consider when determining if your business would benefit from a warehouse management system and explain how outdated technology can be reducing your profitability.

Already looking for warehouse management software?

Starting the software evaluation process can seem overwhelming. Whether you have already started talking with software vendors or struggling to figure out how to start the process, taking time to get prepared beforehand can make this much easier for everyone involved.

By first starting out by building a strong business case, gaining the support of stakeholders in your organization and determining a timeline, you will be able to effectively start the search. With a list of requirements and project parameters in hand, you should be able to answer the questions posed by the technology vendors with whom you engage to participate in the evaluation process.

Get prepared. Make sure you can map out operational processes, identify what you like and dislike about your current software and understand your technical limitations. By inviting members of your workforce in a variety of departments, you will be able to obtain feedback across the operational areas of your business. This can be extremely helpful in determining the strengths and weaknesses of the technology.

Make sure that you see real time demonstrations of the WMS software in action, including a scripted demonstration using your data and scenarios typically encountered in your daily operations. Continually ask any and all questions of the software vendors until you have satisfied all your unresolved questions and hold feedback sessions with each vendor.

Chapters 3-8 include tips on how to stage an effective technology evaluation process for your business as well as lists of factors to consider during the evaluation.

Trying to decide on a WMS?

After engaging for some time with technology vendors, it is time to develop a “short list” then decide on a vendor. Getting to this point requires patience and thoughtful attention to detail. Whether you utilize an RFP or just proceed by asking vendors series of questions, engaging with vendors over time can provide you with valuable information that can yield clues to how to make solid decisions.

Consider the timeliness with which vendors respond to your questions, provide demonstrations and engage with your team. Vendors that are uncooperative during the evaluation process may prove to be even more difficult during implementation.

Make sure that the system you select meets your needs and expectations now and for the foreseeable future. Consider the technology product roadmap and the potential value that the vendor can bring to your business as a partner.

Before making a decision, consider the feedback of your cross-functional teams as well as that of existing WMS clients of the vendor. Selecting a user friendly WMS can help to make your workforce more productive and reduce training time and errors.

Although you may consider cost to be the determining factor, speak to the software vendors about your concerns before making any final decisions. Software vendors may be able to help you reduce costs or help you make changes to plans or staging that affect total project cost and return on investment.

Give special consideration to the value of good quality effective support and maintenance as well as project implementation as this can have a measurable difference on ROI as well as the continued success of your project, user adoption and rate of satisfaction.

Chapters 9-11 provide critical information regarding factors to consider when making a decision on WMS selection as well as the importance of support and maintenance and project implementation.

To obtain a free technology assessment of your business, contact Datex today. Datex experts can evaluate your current technology and advise you how to leverage today's innovative technology cost effectively to get the best results for your business.

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