

## Warehouse challenges (adapted from Dematic Corporation 2009)

### Challenge

Cost reduction



Achieve the Perfect Order



Shorter order lead times



Sales via multiple channels and increase in smaller orders



Fluctuations in demand



Proliferation of SKU



Labour cost and availability



Increasing cost of energy and environmental challenges



Data accuracy and speed of transfer



### Operational Requirements

Increase productivity, improve utilization of space, staff and equipment

Improve productivity, increase accuracy, improve handling and invest in systems

Improve processes and increase productivity

Improved picking strategies such as bulk picking and greater use of technology

Flexible working hours and improved forecasting

Improved use of equipment such as carousels, A Frames and flow racks

Staff retention through excellent working conditions, flexible hours, training and improved productivity

Manage energy more efficiently, better use of waste

Introduce Warehouse management system and real-time data transfer