

## Abstract

Speed, accuracy and efficiency define successful warehouse and fulfillment operations. Warehouse execution system drives real-time efficiency and responsiveness, utilizing adaptive, task-driven workflows and constant analysis of order priority, inventory, labor, process and equipment information and make decisions at the speed of automation. Learn what defines a WMS and WCS versus a warehouse execution system and the top KPIs measured by fulfillment operations.

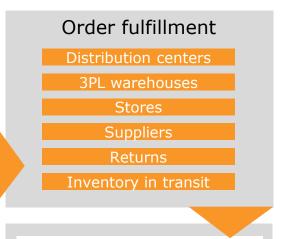
**Key takeaway**: Combining warehouse execution system with material handling automation provides a unique, single-source solution for maximum throughput speed and greater operational service levels.



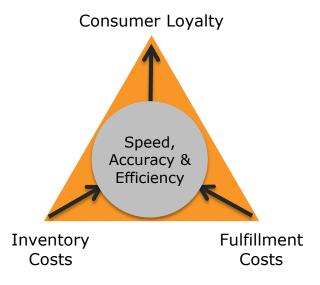
# State of the industry: omnichannel

- Service levels drive dynamic order wells
- Inventory leverage requires flexible fulfillment
- Labor efficiency requires adaptive and directed work flows
- **Goal** Order speed/accuracy with lower shipping costs





Right item, right price, when and how the consumer wants it







## State of the industry: labor trends

- Requires intelligent directed workflows
  - The Boomerang more retiring workers, fewer new workers
  - Millennial's labor participation at historic lows
  - 15% of workforce are supervisors and managers, 25% are 55+
  - 270,000 new jobs are expected in industry by 2018
- **Goal** reducing labor costs





## State of the industry: automation

- Increasing capacity, speed and efficiency
  - Labor-only operations peak at 2,000–3,000 orders per day
  - Requires decisions at the speed of automation with operational information
  - Drive throughput to outbound in best trailer load sequence for store and directto-consumer deliveries
- **Goal** maximizing automation throughput





# State of the industry: software

- WCS expansion into traditional WMS territory
- Intensified demand for visibility and efficient coordination with conveyables, non-conveyables, plus "islands" of automation synchronization
- WCS increased role in the operations of an automated intensive Fulfillment Center and evolving into an "execution" system
- Goal one software execution system to provide maximum throughput speed enabling greater operational service levels

#### "islands" of more automation















## Warehouse software evolution

- Traditional warehouse management systems
  - Originally designed for manual processes
    - Inventory, purchasing and outbound order management
    - Cycles of planning, executing, monitoring and adjusting
    - Focused on sequence and exception handling
  - "Manual real-time" and design of planning and execution cycles limit ability to optimize work
  - Requires supplemental order fulfillment, labor management, slotting and warehouse control software
- Next generation: warehouse execution system
  - Traditional separate WMS, WCS and order fulfillment packages not enough to meet today's requirements
  - Warehouse execution system to change the game within the four walls and beyond
    - Unprecedented efficiency and accuracy
    - Higher throughput at lower costs
    - Maximize automation speed and investment





## Warehouse execution system





50,000 - 150,000 orders per day Tilt-Tray / Cross-Belt Fulfillment & Returns Sortation

10,000 - 50,000 orders per day Zone Routing Pick-and-Pass & Sortation

10,000 - 50,000 orders per day Smart GoKarts, Sortation & Goods-to-Person Put Wall

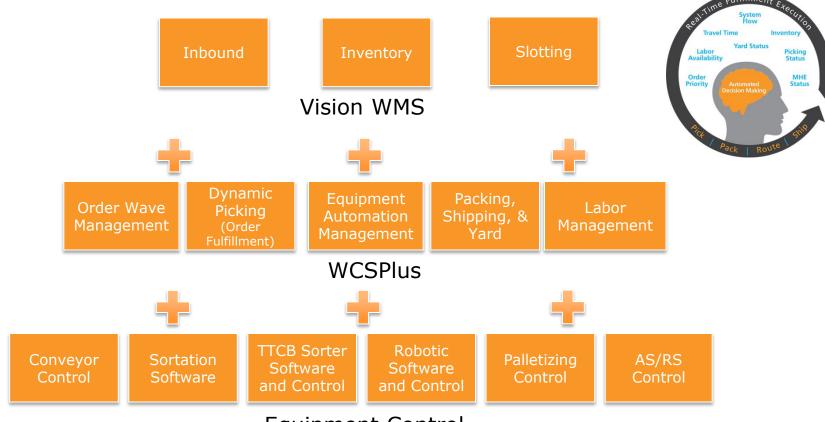
10,000 - 30,000 orders per day Smart GoKarts to Put Wall

Up to 10,000 orders per day Smart GoKarts (Paper, RF, Voice or Lights)

Up to 5,000 orders per day Voice Order Picking



## WMS + WCS + Automation = Warehouse execution









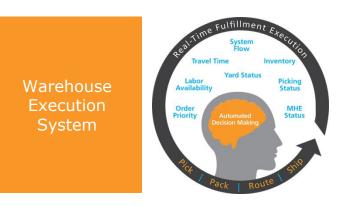
# ERP/WMS/WCS evolving landscape







## **Speed and Accuracy**



#### **Warehouse Execution Systems**

how much labor + how much automation + real-time execution software = the highest ROI





# Warehouse execution system vs. traditional WMS

Function/Capability	Traditional WMS	Warehouse Execution System
Retail & E-Commerce Functionality	•	•
Overall Performance		•
Architecture	•	•
Fulfillment Center Intelligence	•	•
Real-time Visibility & Response Time	•	•
Process Handling	•	•
Slotting	•	•
Inventory Management	•	•
Labor Management	•	•
Order Fulfillment Technology	0	•
Equipment Integration		•
Yard Management	•	•
Graphical Automation and Work Process Views		•
Business Intelligence Tools		•

#### Warehouse Execution System

- Proactive system using information from all sources in milliseconds to actively control and adapt
- Architected from machine controls view out
- View and control over automation and labor
- Execution system tying together all work areas
- Oversees operations, adapting automation and labor to accomplish workload
- Ideal for high-throughput, automated facilities
- One inventory to satisfy all distribution channels
- Dynamic and intelligent slotting with labor planning and standards increases space and decreases labor
- Full visibility of inbound, outbound, automation flow, inventory and yard





# Key takeaway: when evaluating warehouse execution systems, look for:

- Proactive system using information from all sources in milliseconds to actively control and adapt
- One single physical inventory to satisfy all channels
- Real-time optimization based on order priority, labor, equipment
- Labor management / performance incentive
- Maximizing the speed of automated material handling equipment
- Goal one hybrid WMS/WCS plus execution system to drive and manage the operations – minimizing both integration and support costs and risk



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