WAREHOUSE CAPACITY

✓ **COST**

✓ **PRODUCTIVITY**

✓ **ACCURACY**

✓ **TIME**

IT'S NOT ONLY ABOUT SPACE!

Knowing your warehouse process KPIs will identify where operations perform well and where there is room for improvement.
By assessing all your warehouse processes, you will be able to identify if you have a genuine capacity problem or a capacity improvement opportunity.

RECEIVING

- Costs
- Labour productivity
- Efficiency
- Dock Utilisation
- Accuracy
- Cycle Time

– Total cost / Line items
– Volume / employee / hour
– Inventory received /hour

– Time for Delivery/Total deliveries

STORAGE

- Costs
  – As index of Service costs, Damage costs, Obsolescence costs
- Carrying Costs
- Productivity
  – Volume of inventory per m^2
- Space Utilisation
  – Occupied & Available
- Inventory Accuracy
  – According to records / physical
- Inventory Turnover

PUT-AWAY

- Costs
- Productivity
- Space Utilisation
- Accuracy
- Cycle Time

– Total cost / Line items
– Stock / employee / hour
– Equipment & Space Utilisation
– Inventory correctly packed

IMPLEMENTING CHANGE

With an understanding of your warehouse productivity and performance, you can avoid implementing tech to solve a problem too early, and only implement new tech in areas that are as optimised as possible.
More supply chains are adding robots and other smart equipment to their warehouses. However, 43% of companies admit to not having a strategy for implementing AI in their supply chains.

PICK & PACK

- Costs
- Cost of Returns
- Productivity
- Packaging Materials
- Equipment Utilisation
- Accuracy
- Cycle Time

– Order lines per hour

– Returns due to wrong item
– Travel time for pickers

SHIPPING

- Costs per line
- Backorder Rate
- Dock Accuracy
- Shipping Accuracy
- Cycle Time

– Orders unfulfilled

– Perfect delivery rate
– Order Lead time

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Return to the article on Improving Warehouse Storage Capacity