

BUILD UP WAREHOUSE SLOTTING

Warehouse slotting is the process of organizing the inventory in a warehouse or distribution center. The overall goal is to make both picking and replenishment quicker, easier, and more efficient.

A Note on Macro vs. Micro Slotting

Macro slotting refers to optimizing the overall layout of a warehouse.

warehouse layout

Micro slotting refers to the ways in which individual items or pallets are placed in specific locations in the warehouse (from the zone on down to the specific shelf).

slotting

Benefits of Efficient Warehouse Slotting

Increase visibility and reduce error.

Minimize item damage.

Remove bottlenecks and wait time.

Free up space.

Reduce travel time.

"Efficient slotting can save labor costs by up to 20%"

Warehouse Slotting Best Practices

To figure out how to slot your items properly, you'll need to gather data on each of your SKUs. We recommend that you collect the following:

- The level at which the item will be picked (single piece, case, full pallet)
- The storage medium the item will be picked from (pallet rack, shelf, carton)
- Cube size and weight for the item
- The velocity of the items (get the future predicted velocity, if you can)
- Seasonal fluctuations in item velocity
- Special storage requirements
- Product affinity (which items are shipped together most often)

"fast-moving SKUs stay accessible and slow-movers stay out of the way."

Item level and storage medium

Item level and storage dictate what kind of equipment will be needed for picking (forklift, pallet jack, cart, etc.). Your pickers should know which kind of equipment is needed simply by the area in which the items are located.

Cube size and weight

Full-case items and palletized items are generally assigned to selective racks, whereas broken cases will go on shelves. Excessively large or heavy items should be placed more closely, as moving them will be more difficult and time-consuming.

Velocity of items

Item velocity usually dictates where items are stored, relative to the down-forward pick area.

Most warehouse managers will get some idea of item velocity by doing what is called "ABC slotting." This is done by listing all the SKUs that have been fulfilled over a time period—usually 30 days. The list is then sorted by the number of line orders.

Seasonal fluctuations

If you can learn to predict seasonal surges in items, you can plan ahead and start moving those items closer to your forward picking area.

Special storage requirements and product affinity

Finally, items need to be grouped together into zones based on their specific storage requirement. Some examples:

High-security items should be grouped together in a secure (caged) zone. Items with specific temperature requirements will need temperature-controlled, or at least temperature-monitored, areas. Items that are potentially toxic should be stored separately.

A handy tip on shelving

There is a "sweet spot" that is easiest for pickers to see and reach. This area is between the chest and knees of your average person.