12 Steps to Setting Up a Great E-Commerce Warehouse



01.

Determine the warehouse space needed

Consider that you will need to have adequate space for each of these stages:



- **Receiving**
- **Storage**
- **Forward staging**
- **Shipping**
- **Extra area for returns and "dead" stock**
- **Depending on size, additional areas for wholesale staging, value-added processes, and so on**

02.

Choose the layout that works for your facility and use that as a guide through the setup process

Small warehouse layout (~10.000 sqft.)

Medium warehouse layout (~50.000 to 100.000 sqft.)

Large warehouse layout (~100.000+ sqft.)



03.

Create a labeling system



Paying a little attention to proper rack labeling and addressing will lead to big payoffs in picking time and overall warehouse efficiency.

04.

Create a list of essential equipment

List the equipment you anticipate needing in each category and then, add to your layout where these pieces of equipment will be placed, used, and/or stored.



Storage Equipment
Material Handling Equipment

Packing and Shipping Equipment

Barcoding Equipment/ Inventory Management Software

05.

Find ways to automate repetitive processes



The best automation centers around small investments in single-task machines, like Bar-code scanners, conveyor belts, laser DIM-weight scanners.

06.

Optimize pick paths

If your employees are frequently crossing paths, you've done something wrong.

Good warehouse management software is best at picking optimized pick paths for a warehouse (because of math).



07.

Establish Guidelines



It's time to start drawing up policies for quality control and order accuracy. These guidelines will form the core of your employee training.

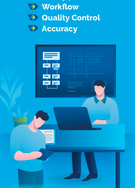
- **Safety procedures**
- **Workflow**
- **Quality Control**
- **Accuracy**

08.

Train your staff

Give your employees key skills they will need to work quickly and efficiently.

Resources spent on training will pay for themselves over time in speed, efficiency, fewer mistakes, and a safer work environment.



09.

Get the right warehouse management software



There's no excuse for not having a modern warehouse management system when it comes to setting up a new warehouse.

10.

Integrate your systems

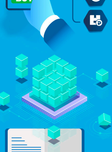


Consider integrating your WMS with

- Channel software/ shopping cart software/POS
- Shipping scheduling software
- Accounting systems
- Ordering systems
- Existing ERP solutions

11.

Define KPIs and set up data collection



- Inventory turnover.
- Order lead time
- Rate of return(s)
- Transportation cost per package

12.

Learn from Mistakes—Yours and Others

Almost every successful business person has said that one of the keys to his or her success was "failing fast" and learning from those mistakes. But you can do better. You can learn from the wisdom of others.



infoplus