

Warehouse and Inventory Planning

Warehouse Process from Replenishment to Despatch

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Chapter Description

- Expected Outcomes



Objectives/Outcomes:

At the end of this chapter, students should be able to:

1. To explain warehouse process from replenishment to dispatch
2. To discuss what is the activities involve in every warehouse process



Primary Warehouse Activities and Process

All warehouses have 3 basic activities:

Movement

Storage

Information's
Transfer



Primary Warehouse Activities and Process

Movement

- Receiving
- Put-away or transfer
- Order Picking
- Cross Docking
- Shipping

Storage

- Fixed Locations
- Random Locations
- Zoning

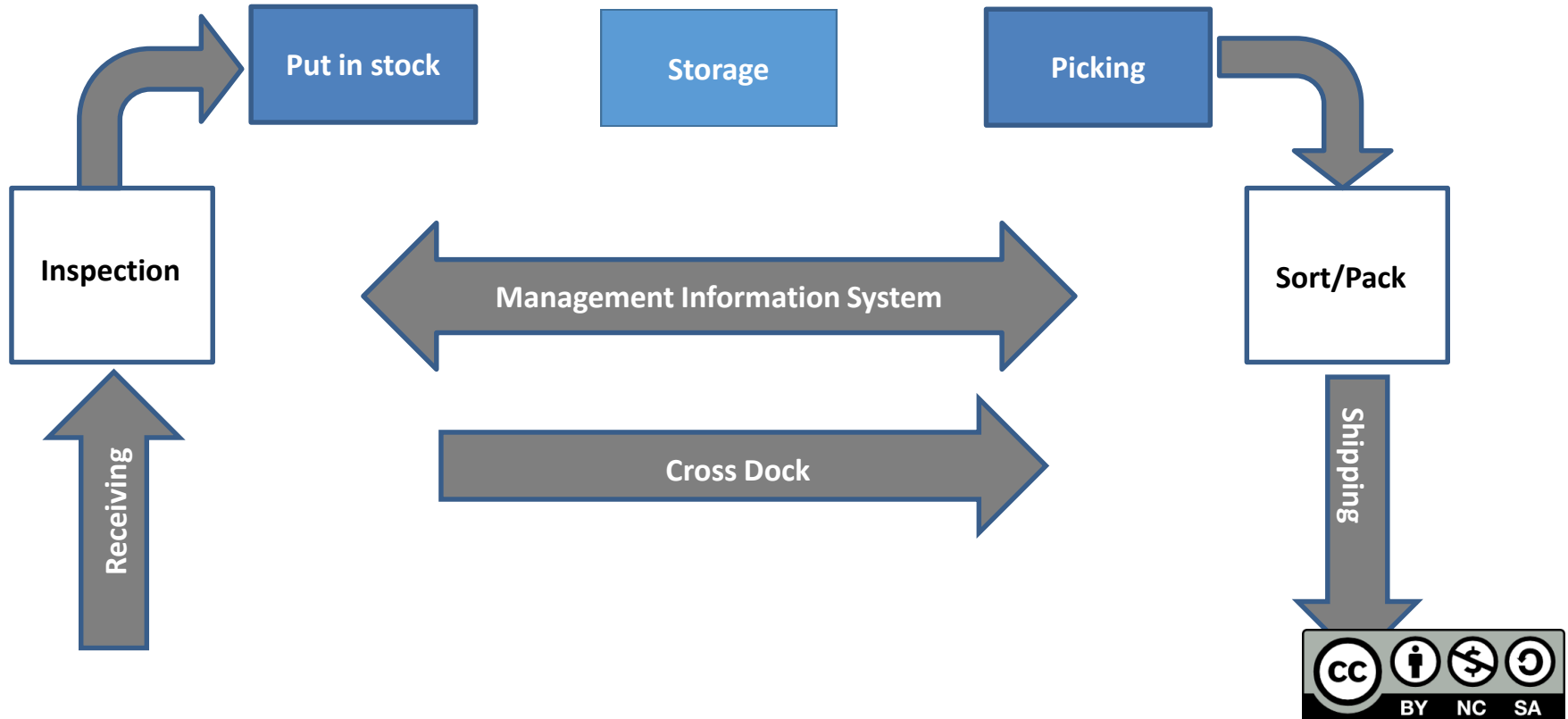
Information Transfer

- In-bound
- Out-bound

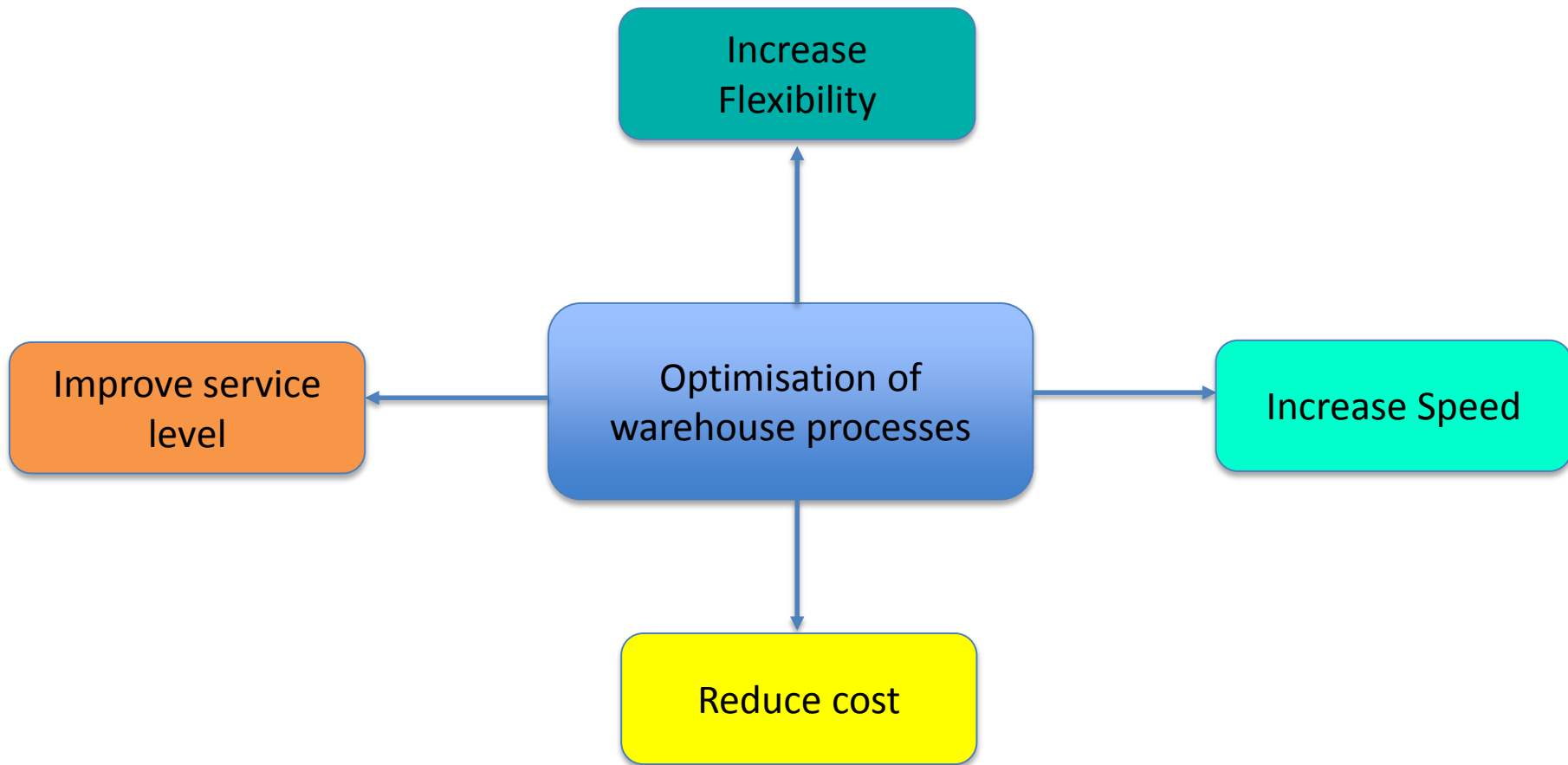
Warehouse Process-Information's Transfer



Example of Warehouse process flow



Optimisation of warehouse processes allows to:



WAREHOUSE ACTIVITIES

Receive goods

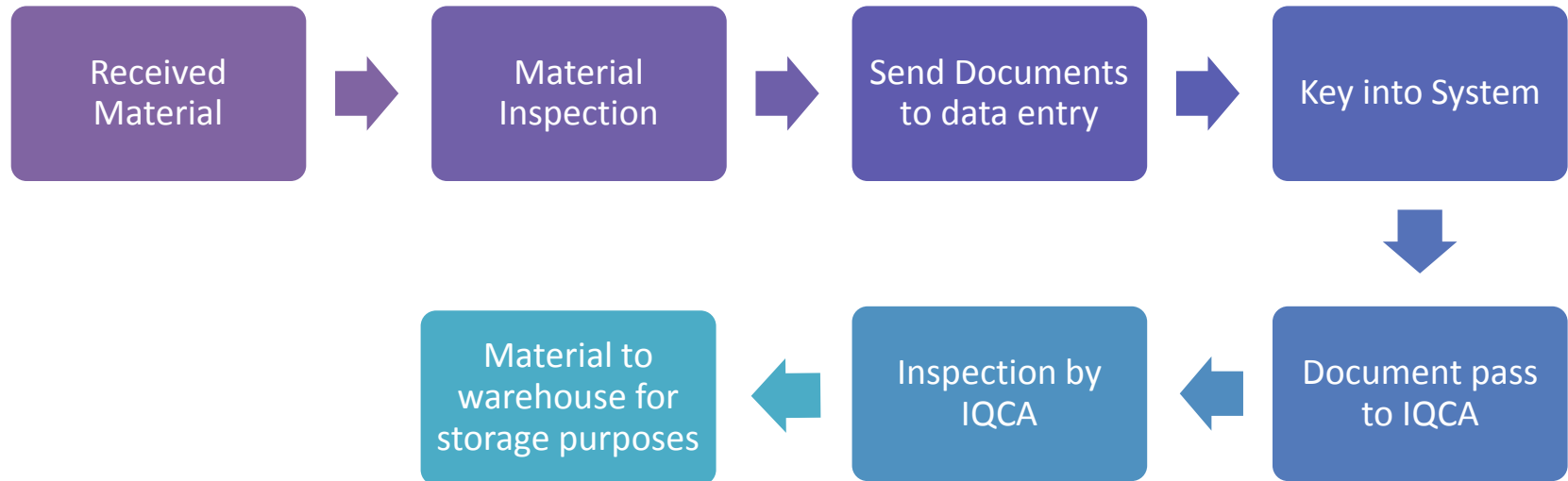


Receive goods

- Accepts goods from
- Check the goods. It must be tally with purchase order and delivery note
- Check the quantities, check for damage
- Inspect goods (external)



Example: Receiving Process



Identify the goods

- Items are identified with the appropriate stock-keeping unit (SKU) number (part number) & the quantity received recorded
- Items received must be tally with documents attached
- Attached together with other related documents such as invoices, delivery note, certificate of conformity (CofC) and etc (such as MSDS- Material Safety Data Sheet)



Dispatch goods to storage

- Goods are sorted according to the group & put away to designated area within warehouse.
- Example: Refrigerated warehouse for material that required special temperature.
- Material being stored or arranged according to the box sizes, types of material and etc.
(depends on the nature of the business itself).



Hold goods

- Goods are kept in special area if found abnormalities of the product received or called quarantine area until further notice.
- Because need further investigation-check with buyer, supplier and etc.
- Normally at receiving area , receiver only look at interior of the packaging.
- Receiving passed to Incoming Quality Check (IQC). Further check up will done by this personnel
- Area that normally they look into:
 - Spec Stated in certificate tally with purchase order (PO)
 - UOM received tally with PO
 - Approved source- for certain materials

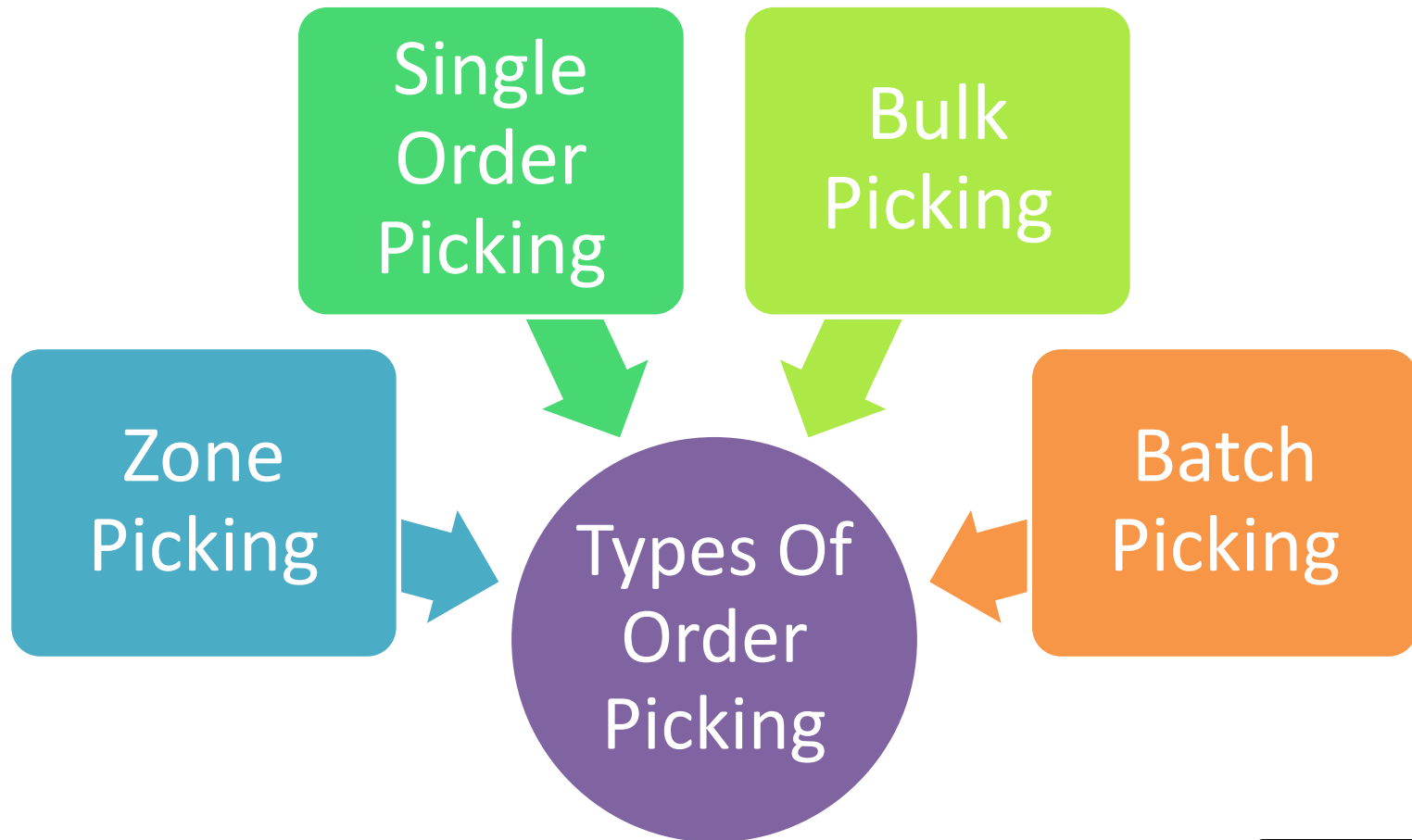


Pick goods

- Items required from stock must be selected from store & taken to a loading bay.
- Special form will be fill in by requestor and passed to warehouse personnel.
- Check with the system- Available quantity, locations, expiry date if any.
- Pick up the goods
- Ready for shipment



Types of Order Picking



Marshal the shipment

- Order are brought together & checked if there is any error such as wrong quantity, wrong part number, Order recorded and updated in the system
- When picked, product must be staged and loaded onto awaiting transport equipment.
- Checking-outbound orders must be checked for accuracy and quality prior to loading.
- Loading- it can be done by truck drivers assist by helpers or lumpers (being hired on a case by case basis) or warehouse personnel itself.



Dispatch the shipment



Orders are
packed

Shipping documents
are prepared

Goods are loaded
on the vehicle



located in loading bay



Stocks update in the system



Information System

Updating stocks in and out are very crucial which may effect to inventory accuracy. Four elements that that system need to capture every time :



Information System



Conclusion of The Chapter

