CORNERSTONE EDGE

WHITE PAPER

WMS IMPLEMENTATION

How to ensure a successful go-live

INTRODUCTION

If you're reading this White Paper, chances are you've just successfully selected a WMS that's right for your business needs. Congratulations! While it may seem like your work is done, it isn't. The next step, WMS implementation, is where the work actually begins. A WMS is a large investment, which is why its implementation must be taken seriously, and with just as much rigor as the selection process. With proper planning and execution, it can be done effectively, ensuring the future success of your operation.

Like most large-scale initiatives, there are a variety of phases to complete. In this White Paper, we'll go over the many steps needed to ensure your implementation process is a smooth one. With over 30 years of experience in the industry, Cornerstone Edge has a methodology that has served us well that we will outline in this paper.

IMPLEMENTATION

As part of your WMS selection process, you determined your business requirements to ensure you had the right fit. Now, it's important to understand what implementation components you need to ensure a smooth WMS implementation. A phased approach is almost always the way to go.

Implementation Approach

Deciding on your implementation approach is an excellent way to get organized and solidify a plan of action. The approach you take will vary based on the type and size of the operation you run. Different approaches include:

- By Facility - This is the most common approach
- Big Bang
  - All product lines
  - All facilities
- By Process
  - Receiving
  - Inventory Control
  - Shipping
  - Assembly
- By Item Grouping
  - Individual products
  - Product lines

TEAMWORK

Before the implementation begins, you want to have the right resources in place to ensure nothing falls through the cracks. This comes down to many directives, but a big one is teamwork, and selecting the right members for the job is critical.

Team Building

Identify key stakeholders from different departments, like warehouse/operations, IT, and management, to start. You'll then want to establish roles and responsibilities for each team member to ensure a smooth process. We recommend a team consisting of a few key roles:

- Project manager: they will lead the entire effort and ensure all milestones are accounted for. They will have a birdseye view of the process and be instrumental in any necessary problem-solving.
- Warehouse manager: they will help you understand budget limitations and any process requirements.
- Database administrator: they will be in charge of any data needs, including the data migration process.
- On-staff technical resource: this IT (or operations) team member will monitor any technology needs and perform any QA testing while others may help with customization efforts.
- Operations resource/engineer: this resource will be focused on physical aspects such as conveyor processes, racking changes/labeling, physical equipment, and other key needs. They may also be involved in labor standards preparation.
- Process owners: Individuals responsible for each specific area such as receiving, inventory, picking, or shipping.
- WMS expert/trainer: the person who will be using the WMS the most should be tasked with this role. They must be fully trained on the WMS and understand the practical day-to-day operations that will influence WMS use.

TEAMWORK

What's important here is to make sure every team member knows what needs to be done and what is expected of them. With a team in place, you can start the process knowing everybody has each other's back, so there's a line of defense your team members can fall back on.

CONSIDER AN OUTSIDE RESOURCE

This is also an opportunity to hire a WMS consultant or integration specialist, this is especially useful if you're integrating an ERP, e-commerce platform, order software, or other enterprise software that handles data. They can be focused on making sure all data integration is completed accurately between all platforms. Consultants, like Cornerstone Edge, review your planning and implementation process, identify potential problem areas, and troubleshoot issues they've seen before. They will also have expertise in helping with any potential secondary implementation issues, such as recommendations for future WMS training courses.

BUDGETING AND FORECASTING

There are a variety of factors that will impact WMS implementation cost, like if it's cloud-based or on-premise. But there are a few other costs you want to keep an eye out for.

- Maintenance: Some WMS vendors may base their maintenance costs on installation and implementation, which could add somewhere between 10% to 25% to your purchase price depending on licensing and subscription agreements.
- WMS training: On-site versus virtual training sessions will impact the cost of training.
- Overtime: Implementations are a big undertaking, so budgeting extra for overtime during training and go-live is a good strategy.
- Storage: A WMS will require ample data storage, so you'll want to consider the costs of having enough storage space to handle your needs. It may also be important to understand data retention for appropriate labor reporting.

More importantly, you want to give yourself room to grow. The main reason to implement a WMS is to improve efficiency, and with that improvement, most operations tend to grow. Set yourself up for success by budgeting for future growth so you're not inadvertently stunted.

SYSTEM DESIGN

With a WMS selected and a team allocated for the WMS implementation process, you can then discuss the specifics of the system design, and how it can be customized to suit your business requirements and operational needs. We typically divide these into two major categories.

- Operational Flow
  - Clear Process Flow
  - System (e.g. screen) Flow
  - Product Flow, including Material Handling
  - Process Exceptions
- Information Flow
  - System Setup
  - Integration to Enterprise Systems
  - Integration to other (e.g. TMS, Event) Systems
  - Material Handling Data Flow

You'll want to discuss customization requirements with your vendor and ensure seamless integration with any existing systems you may have, like an ERP or CRM. With all that taken care of, you're ready for one of the most critical phases in a WMS implementation - training.

TRAINING AND COMMUNICATION

Arming your employees with the proper training isn't just vital for WMS implementation but for your operation's future day-to-day efficiency. Training the implementation team is an excellent way to get yourself a small group of dedicated and experienced users who can serve as subject-matter experts down the line. They'll do more than lead the implementation, they will also train other employees as needed so that adoption is smooth and pain-free.

We recommend hands-on training and workshops to help your employees feel confident. This training ensures that all users are comfortable with the system and can perform their tasks efficiently. On-site training is valuable as it's easier for teachers to craft custom lessons to your particular operation's needs.

You'll also want to communicate often and clearly with your team. Establish an implementation timeline and make sure all team members are aware of milestones and important dates. More importantly, communicate any updates or changes proactively. There's nothing more counterproductive than having team members working toward a goal that's been changed or eliminated. With all this in place, testing can begin.

TESTING

Implement the WMS in a small portion of the warehouse and conduct pilot testing. This is how you can ensure the system is working, the integrations are fully functional, and perform any exception testing to identify and address anomalies or irregularities in the system's operation. This testing may involve end-to-end scenarios, stress testing, and user acceptance testing to identify and resolve any last-minute issues. This is critical as it will allow you to catch any inconsistencies or undesirables before the entire operation can be affected. This is also an opportunity to gather feedback from trained employees in charge of implementation.

Your implementation team members will be using the system the most, so their insight is vital in ensuring nothing is implemented that will backfire down the line. Use employee feedback to make any necessary changes and fine-tune the system. You can then go through another round of testing until all issues have been addressed and the WMS is working to everyone’s satisfaction.

GO-LIVE PLANNING

Setting up a plan of action for the big day is vital so that no steps are missed. Once a specific go-live date is selected, a detailed plan is created to guide the deployment process. This plan includes tasks, timelines, responsibilities, and contingency measures to address potential issues during the go-live period. This may also include scheduling additional staff to help with the launch.

As part of your go-live planning, before you take that final step to launch, take inventory of your entire plan to make sure you're not making any of the following common implementation mistakes. Use the list on the next page as a checklist to ensure you're not inadvertently missing a big step that could lead to problems down the line.

GO-LIVE PLANNING
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- Poor Planning
  - Facility Planning
    - Improper labeling
    - Dock isn't prepared
    - Material handling unaccounted for
  - Measurable Objectives
    - Lack of clarity on operational objectives
    - Inaccurate inventory measurements
  - Team Dynamics
    - Not enough coverage for the entire process
    - No dedicated personnel with project goals in mind
- Improper Training
  - Operational Training
    - Exceptions weren't accounted for
    - Improper training of all personnel
  - IT Training/Troubleshooting
    - No data integrity validation performed
    - Missing/malfunctioning equipment for setup (e.g. printers, RF devices)
  - Exception Processing
    - Over-receiving
    - Order cancellations
    - Missing inventory
  - Reporting Techniques
    - Inaccurate validation of setup information
    - Reporting of old, unfinished transactions
    - Flawed Integration Reports (order status, inventory, etc.)
- Inaccurate Item Analysis
- Poorly Chosen Technology

BLAST OFF

With all those phases taken care of, it's finally time to launch. At the planned date and time, initiate the system, and then, wait and see. At this point, you want to monitor the entire operation and review how order handoffs are working and how teams are handling the new system with updated equipment and picking instructions. This is a good time to have your IT team check data quality regularly to make sure any new orders are making it all the way through the WMS. You'll also want your warehouse leads to monitor staff and keep an eye out for any sticking points or areas of confusion. You want to keep the system running so that you can troubleshoot any issues in real-time.

With the system up and running, you want to set up a process for continuous support from your WMS vendor. This will vary depending on your system, but establish a schedule for ongoing maintenance and updates that you're certain will keep up with your business needs and requirements. Once everything is in working order you want to schedule a time for a post-implementation assessment. It's important to strike a balance for when to perform the assessment. You want it to be early enough, so the implementation is fresh in everybody's mind, but you want to ensure there is enough time after so that you have actual data to measure.

But also, don't forget to celebrate your win. Implementing a WMS is no easy feat, and all the team members who worked on the project deserve recognition for all the hard work they've put in. Take time to relish in your achievements, while taking stock of any shortcomings. This is a good opportunity to identify any lessons you may have learned that can be applied to any future projects.

CONCLUSION

There you have it, the steps we recommend you follow when implementing a WMS. Remember, every operation is different, but we believe these steps can serve as a worthy roadmap to ensure you don't miss any big steps that could hinder your operation down the line. If you're in the process of planning for a WMS implementation and you feel you need guidance, we can help. With decades of experience vetting, implementing, and assessing WMS functionality, we have the know-how needed to help you implement your WMS without a hitch.

Are you ready to get started? We are! Let's talk.