

Warehouse Management: A study of Kingdom of Saudi Arabia (KSA)

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Abstract: This paper on Warehouse covers the importance of Warehouse management system in Saudi Arabia. The authors also focus on how structured approach and technology play an important role in the modern world in enhancing the performance and efficiency of warehouse management to manage and handle inventories which lead to proactive management of supply chain management process.

In this research paper, we discuss the basics of warehouse management and its implementation along with failures which are associated with warehouse management system and then we move to study of warehouses to understand the problems they were facing and how they handle those issues using warehouse management system, at the end of paper we conclude us discuss by giving recommendation about proactive management of Warehouse Management systems. Some warehouse management examples of Saudi Arabia are also shared in this paper.

Key words: Ware House, Warehouse Management System (WMS), Technology, SAP

INTRODUCTION

The concept of warehousing came from the evolution of this world and since from its very inception the human beings were used to store food and other raw material for their survival such as storage of grain, vegetables, meat etc. which they needed to store food in case of emergency situations. With the progress in trade all over the world the importance of warehouse has also increased and the storage level of products increased because of the manufacturing and due to the purchasing power of the human beings. The trade from one part of the world to the other increased commercial warehousing and the warehouses were built mostly at ports. The first commercial warehouse was built in Venice. In the Second World War fork lifter and pallets were introduced which increased the efficiency of warehouse functions and operations. This gradual growth in warehouses operations now has led towards the well-equipped and multifunctional warehouses.

WHAT IS WAREHOUSE?

A large building where raw materials or manufactured goods stored before their export or distribution for sale. Warehouse is that part of the firm's logistics system that stores products like raw material, goods in process, finished goods at and between points of origin and point of

consumption.

IMPORTANCE OF WAREHOUSE

It bridges the gap between the production and the consumption of products. It helps the manufactures to produce goods to meet the demand in the future by storing surplus goods. It helps in price stability when it matches between supply and demand by storing the exceeds goods and release them whenever there is an increase in demand.

Warehouses are mostly constructed by manufacturers, traders, exporters and by those who are involved in logistics and supply chain business. They are used to store huge amount of stock of goods. The goods which are required to be exported are stored at seaport and airport warehouses. Mostly these goods are stored in a warehouse till these goods finally reach the consumers. These goods are in bulk quantity so the warehouses are built at such places where supply of goods can be easily carried out to the customers. This efficient supply of goods enables the business to have a competitive edge among the competitors in the industry.

USAGE OF WAREHOUSES

Nowadays, warehouses are not only for storing raw materials and inventories, but also for all kind of merchandise and finished goods, for example, perishables but it has to be temperature controlled warehouse for it to store food, flowers and beverage. It all can be stored until the customer need it.

Technology friendly warehouses can increase a company's ability to be competitive. It will help a lot in improving the productivity of a warehouse, here are some of the tasks that could be done with an advance technology to maximize productivity in order to be more competitive. -using it for communication by emails, instant messages apps, radio or even help in optimizing loading, routing and deliveries, it will help a lot in customer satisfaction because we will know all the information about the shipment when the customer ask about it. Direct contact is more efficient and it will definitely improve productivity and save a lot of time.

WAREHOUSE MANAGEMENT SYSTEM:

Warehouse management system (WMS) is a software application, designed to support warehouse or distribution center management and staff. They facilitate management in their daily planning, organizing, staffing, directing, and controlling the utilization of available resources, to move and store materials into, within, and out of a warehouse, while supporting staff in the performance of material movement and

storage in and around a warehouse.

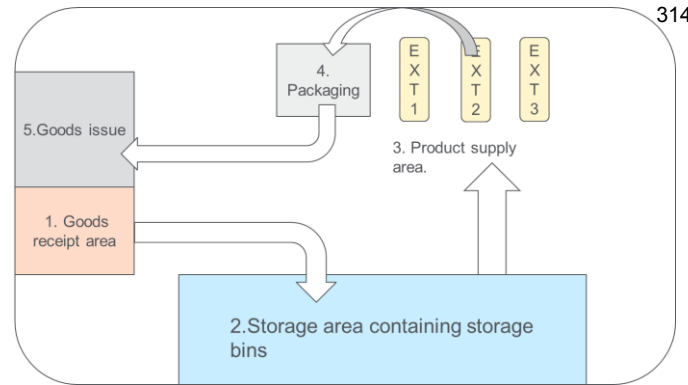
The implementation of Warehouse Management System (WMS) is positive for the business in order to compete in the market and to fully satisfy the customers by the provision of services. WMS uses a database configured to support warehouse operations, containing detail describing a variety of standard warehouse elements including:

1. Individual stock keeping units (SKUs) that are handled and stored, e.g., weight, dimensions, case pack, automatic ID labels (bar codes, etc.), and inventory by location with manufacture date, lot code, etc. SKUs may include basic materials, fabricated parts, assemblies, and industrial and consumer finished goods, etc.;

2. Warehouse storage locations, e.g., individual location number, picking sequence, type of use (picking, reserve storage, etc.), type of storage (each, case, pallet), location size or capacity, storage restriction (flammable, hazardous, high value materials, outdoor, etc.), etc.;

3. Dock doors, e.g., individual number, etc.;

4. Expected labor productivity rates by function or activity, e.g., cases picked per man-hour, etc.



Emergencies

- Evacuation Procedure
- Alarms
- Telephone Numbers

SECURITY

FIRE

AMBULANCE

Facilities

- Comfort facilities
- Refreshment facilities

Timekeeping

- Start and Finish Times
- Lunch and Refreshment breaks

WAREHOUSES IN KINGDOM OF SAUDI ARABIA (KSA):

Saudi Arabia, has been since old times a major trading hub. The rport city of Jeddah, located on the red sea, served as a prominent trading center since hundreds of years. It even finds mention in Cambridge world History by Kedar & Hanks. The book discusses some of the major traders and trade activities present in Saudi Arabia in ancient times, hence the importance of warehouses. Come 21st century and Saudi Arabia has seen a steep rise in manufacturing industry and trading companies. The three major trade cities being Jeddah on the red sea and Dammam & Jubail on the Persian Gulf. The port city of Jubail boasts of the largest industrial complex in the world, which in turn has given rise to large and technically advanced warehouses. For big business houses in Saudi Arabia the ware houses are primarily SAP compliance, all the processes in WM are dealt with SAP. Typical workflow of a Warehouse in KSA.

Fig: Some of the basic facilities available in Saudi Arabia in Ware houses are mentioned above.

CONCLUSION

In conclusion it can be said that warehouses have been an important part of human civilization. Right from the times humans started trading, they came realize the importance of warehouses. Especially in countries that specialized in trading, where there was a need to store goods incoming before being traded off to another location. We have come a long way from manually handled storehouses to the state of the art technology operated warehouses today. A warehouse forms the backbone of any industry, apart from storing goods, they perform a variety of other value added services these days and it will be interesting to see how the warehouse system evolve in the future.

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