

# OPTIMISING WAREHOUSE OPERATIONS

#### UNVEILING HIDDEN COSTS IN SUPPLY CHAIN

How can warehouse slot booking and order monitoring become as a key driver for unveiling hidden costs and the imperative of collaboration in modern supply chains?

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## **Abstract**

The supply chain landscape has undergone a profound digital transformation in recent years, yet hidden costs persist in the process starting from the moment goods are ordered until they arrive at the warehouse, affecting the financial performance of organizations.

Experiences have shown that the process from goods ordered until arrived at the warehouse incurs a cost of 33€ per order.

Streamliner can assist in reducing these hidden costs by 8€, presenting significant savings

These concealed expenses demand a closer look.

ERP, WMS and TMS excel in managing the processes within the 4 walls a company. However, they lack the critical capability to collaborate digitally with external supply chain partners, driving the need for alternative solutions.

The missing capabilities are on the one hand technical. The links between data objects such as orders and shipments are lost, as they move true the supply chain and are processed by different stakeholders in different systems. This leads to manual interventions, errors and lost visibility, all hidden costs in your supply chain.

And there is the human element, in the form of stakeholder collaboration, which today is largely a parallel activity - email, telephone, document exchange, not linked in real-time to your digital supply chain.

In the following white paper, we are focusing on the hidden costs in your supply chain linked to the fact that the interface between you and your external supply chain stakeholders (suppliers, carriers, customers) is today not or only partially digitalized.

The critical areas include inbound visibility, the administrative overhead linked to order monitoring, warehouse resource planning, truck waiting times, carrier and supplier management, claims and issue handling.



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In supply chain, ensuring customer satisfaction is of utmost importance.

Just as you are dedicated to delivering excellence to your customers, we are equally committed to providing excellence to you. We are proud to offer solutions that are not just meeting, but exceeding your expectations.

We present you our solution, which is recognized as one of if not the most comprehensive slot booking and inbound monitoring solution on the market. This is for a big part thanks to our customers' and users' input, which drives our agile development strategy. If you have any questions, please feel free to reach out. We are excited to collaborate and contribute to your success.



Kris Van Ransbeek co-founder Streamliner



## **Hidden Costs Unveiled**

The landscape of supply chains has witnessed a profound transformation over the last decade, with extensive digitisation and optimisation. However, an in-depth analysis reveals that hidden costs continue to influence the supply chain's financial performance significantly. These concealed expenses demand meticulous attention and consideration due to their potential to impact an organisation's bottom line.

#### Resource Allocation

The reception of goods at a warehouse is a critical operation, requiring dedicated personnel and resources. Unfortunately, it often experiences imbalances, with surges in incoming trucks leading to chaotic workloads, followed by periods of inactivity. This imbalance affects productivity and profitability, but also the potential repercussions of delivery delays, impacting supply chain schedules, customer satisfaction necessitating immediate attention.

#### Truck Waiting

Costs associated with trucks waiting at docks are substantial. They encompass driver idle time expenses and the warehouse and carrier's reputation. In some instances, fines or penalties may be levied for missed delivery schedules.

#### Issue Handling

Errors during production, order picking, packing and shipment are inevitable, resulting in issues during goods reception.

Nevertheless, the process of addressing and resolving these issues, including claim filing, remains predominantly manual and costly. This manual approach often occurs postfactum, carrying the risk of customer dissatisfaction and overlooked fines.

#### Inbound Visibility

In many cases, there is a lack of visibility in the supply chain, from the moment an order is issued until the goods arrive in the warehouse. This lack of transparency makes it challenging to accurately track order status, location, and condition. The resultant uncertainties and operational inefficiencies affect the overall cost-efficiency.

# Shipping documentation

Shipping goods across borders still requires a lot of paperwork, next to quality, certificates of origin etc... might be required. The exchange of these document can be ether a separate flow via email or the driver can bring them with the goods, resulting in an internal flow to get the documents to the right people within the organization. This can result in delays and acceptance or payments of the goods.

#### Administrative Overhead

Undoubtedly, the factors mentioned above contribute to concealed administrative burdens, necessitating numerous manual interventions.



# **Existing Systems in Supply Chain: Limitations and Promises**

In recent decades, Enterprise Resource Planning (ERP) systems have played a pivotal role in digitally transforming supply chains, automating various internal processes, and improving operational efficiency. Nevertheless, ERP systems primarily focus on internal processes and do not address the complexities of inbound monitoring and managing the process between order issuance and goods delivery.

Efforts to link ERP systems via Electronic Data Interchange (EDI) to streamline supply chain operations have faced practical challenges related to complexity, standardization, security, and technological disparities. Achieving ERP integration via EDI often proves more complex and costly than initially anticipated, prompting organizations to seek alternative data integration solutions. In conclusion, while ERP systems excel at managing internal processes and enhancing operational efficiency, they are not a panacea for addressing the intricacies of the process between order and delivery.

TMS and WMS systems have similar limitations. They typically focus on one aspect of the supply chain, f.e. managing the warehouse or buying and planning the transport.

They will only connect with those stakeholders involved on that part of the chain. As a result, different stakeholders in the supply chain have a view over their part, but nobody has an end-to-end view, all along the life cycle of an order.





# The Crucial Link between Orders and Shipments

When examining the hidden costs, it becomes evident that all stakeholders involved in the executing of an order must be connected:

- · The suppliers
- · His carriers
- · The warehouse of the receiver
- · The buyer or supply chain planners
- · Accounting department of both sides

These different stakeholders are all responsible at different stages in the life cycle of the order. However, they are no speaking the same language. Buyers and planners are speaking of orders, suppliers pass instructions to their carriers via transport orders. The warehouse see truck arriving with shipments on board. All different objects with different numbers, known only to the concerned actors. And each of these parties are communicating on a point-to-point basis, using EDI, email of telephone.

Critical information is scattered across different systems.

The lack of a link between orders and shipments is a core issue that contributes to these concealed expenses. Orders are often linked to multiple shipments due to various reasons, such as containing multiple items, backorders, split shipments, or shipments from different suppliers. This absence of a direct one-to-one connection is beyond the reach of the receiver's ERP system, necessitating manual efforts to reconcile orders and shipments.

This missing link plays a pivotal role in contributing to hidden costs:

#### **Assets and Staff Allocation**

Slot booking systems, although enabling carriers to secure a slot for their trucks, typically do not require information about the goods or the associated orders. This absence of shipment content poses a challenge in optimally allocating personnel and resources. Some shipments may necessitate minimal time, while others might require considerably more. The absence of this critical link makes rectifying warehouse usage imbalances, as discussed earlier, a complex undertaking.

#### **Inbound Visibility**

Achieving comprehensive visibility in the supply chain requires an accurate view of both the order and shipment lifecycles, a crucial perspective for effective supply chain management.

#### **Exception Handling**

The absence of a clear link between shipments and their corresponding orders complicates issue resolution, making it time-consuming and complex.

#### **Efficiency**

The absence of a clear link between a shipment and its corresponding order substantially extends the time required to identify the relevant contact person. This is particularly evident when reporting an issue with a shipment to the supplier or when attempting to reach the carrier for a specific order.



# The Human Factor: Collaboration

The relationship between orders and shipments is essential, yet it constitutes just one component within a more extensive, multi-stakeholder process. Given the inherent challenges of systems across various stakeholders, human collaboration in inbound monitoring, slot booking, reception, and issue handling is crucial for several significant reasons:

# Administrative Cost Reduction

Collaboration simplifies contact between stakeholders, facilitating immediate communication without the need for extensive searches or calls. All information exchange becomes digital, accessible to all concerned parties.

#### **Real-time Updates**

Dynamic inbound processes require real-time notifications, enabling stakeholders to adapt promptly to changes and make informed decisions.

# **Communication** and **Coordination**

Effective collaboration ensures that all stakeholders in the inbound process are well-informed and aligned. This fosters smoother operations and cost reduction, allowing stakeholders to share essential information about order status, shipment schedules, available slots, and potential delays or issues.

# **Customer Satisfaction**

Collaboration enhances customer satisfaction by improving visibility, leading to accurate delivery estimates and timely updates, fostering customer trust.

# Problem Resolution

Collaboration expedites the identification and resolution of issues during inbound processes, minimizing disruptions and their impact on operations.

#### Continuous Improvement

Collaboration and data sharing enable ongoing improvements, optimizing supply chain operations, reducing costs, and enhancing competitiveness.

In summary, collaboration among stakeholders in inbound logistics is pivotal, improving communication, problem-solving, resource allocation, efficiency, cost reduction, risk mitigation, and fostering continuous improvement in supply chain operations.



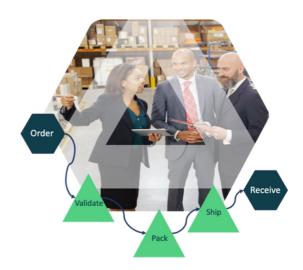
# Introducing: Streamliner Platform

Streamliner, a cloud-based platform designed to address these challenges, offers a comprehensive array of features. At its core, Streamliner serves as a collaboration platform, connecting stakeholders within the supply chain. By creating communities, individuals from different locations and companies collaborate and share data seamlessly.

To establish the crucial link between shipments and orders, Streamliner integrates with the ERP system of the warehouse. Real-time information on outgoing orders becomes available as soon as an order is issued. Suppliers can indicate information such as partial deliveries, out-of-stock items, and estimated shipment dates.

When an order is ready for shipment, suppliers invite their carriers via the platform to pick up the order or orders. Carriers can book a slot at the warehouse for the given shipment. Streamliner's knowledge of the orders behind the shipment enables optimal slot allocation. The platform adapts to the warehouse's configuration and organizational structure.

Streamliner splits warehouses into different zones, each designated for specific types of goods or activities. The warehouse manager can dynamically manage loading and unloading capacity by type of goods and operation, even within a day.



The reception desk staff can confirm shipment delivery and report any issues with the shipment. All stakeholders, including carriers and suppliers, receive immediate notifications. Data is presented through user-friendly dashboards, offering a visual representation of resource allocations and usage patterns. Stakeholders can make informed decisions and optimize resource allocations based on data, not emotions.

Streamliner provides operational efficiencies that current systems do not offer. The platform can assist in reducing the hidden costs linked to the order and delivery process by 8€, with minimal investment, enhancing supply chain operations and improving competitiveness.



#### **About Streamliner**

Streamside is a company established by professionals in the fields of supply chain, SaaS, and social technology, with the objective of digitalising the manual inbound and outbound monitoring processes that are presently not integrated into your IT system.

Streamliner offers an intuitive SaaS platform that can be effortlessly implemented across your team as well as your internal and external stakeholders including suppliers, carriers, customers, and principals. This implementation enhances quality standards and promotes better collaboration.

### **Supply made Social**

Streamliner's collaboration feature facilitates seamless communication and coordination among internal and external stakeholders involved in your supply chain processes. This can include suppliers, carriers, warehouse staff, and more. By providing a platform for effective collaboration, Streamliner helps in minimising the administrative workload, resolving issues, sharing important information, and ensuring that everyone is on the same page, contributing to improved overall efficiency and fewer disruptions.

Streamliner brings forth unparalleled operational efficiencies that current systems do not provide, resulting in substantial savings with minimal investment.

#### **The Facts**

Connecting

+3,000

**COMPANIES ON THE PLATFORM** 

Used by

+6.000

**INDIVIDUAL USERS** 

Presence in

+35

**COUNTRIES** 

#### **Features**

- Streamliner's **Slot Booking and Yard Access** functionality empowers you to efficiently schedule and manage the allocation of time slots for a loading or unloading operation at any location in your network (a factory, warehouse, cross-dock center of store), and track in a real-time and collaborative way the execution of the operation.
- Inbound Monitoring is the functional block through which Streamliner keeps a
  watchful eye on the orders from the moment the order is sent until the arrival of goods
  and materials at your warehouses, factories or stores. With this information, you can
  enhance the efficiency of your order monitoring process and improve exception
  management.