

Warehouse Storage Space Optimization

Storage space defining and dimensioning is a real challenge for any type of business.

Storage space defining has to take into consideration the materials that will use the space (type, dimensions, packaging), the types of procurement and deliveries, the type of production and the resources both material and human available.

Storage space dimensioning has to take into consideration the defined type of warehousing (with or without safety stocks), type of production (PUSH or PULL) as well as long and medium-term Forecast and market development (for both raw materials and finished goods).



Optimization of storage space contains measuring operations of volumes and internal (and external) transit times to define the actual picture and definition of actions to obtain the most efficient layout of the warehouse:

- ❖ Measurements, checks and standardization of all warehouse activities times (unloading, stock taking, picking, loading)
- ❖ Measurements and checks of materials replenishment orders and suppliers' service level
- ❖ Volume and safety stocks calculations based on demand forecast and production planning
- ❖ Space allocation calculations for each raw material and finished product
- ❖ Action plan, implementation and control

Storage space optimizing brings direct advantages in terms of space utilisation and warehouse activities improvements, and indirect advantages as well by measurement and control of the stocks level and improvements of operation times and routes in the warehouse. Additional, if needed, FIFO is implemented.

Warehouse optimization can be implemented also for seasonal or cyclical consumption materials by implementing re-allocation plan based on ABC analysis.

