



Why Choose a WMS Over a WMS Module for an ERP?



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In conversations with our leads, people often ask us why they should choose a separate WMS – after all, their ERP system “already has a WMS module.” It’s a justified question. A WMS module will be suitable for some warehouses, whereas others often do need something more, but having just the module saves financial outlay. In this piece, we’ll explain why a WMS module can be very different from a WMS system.

You should ask yourself the following two questions before reaching your decision:

- What are your business’ long-term goals and what are its functional requirements?
- How do the costs of implementation and integration compare with the set goals?

How Much Flexibility Do You Need?

You should reach your final decision based on the added value the warehouse system offers. Sticking to the module in the ERP system can be a short-term solution, but what about value as your business grows? It’s vital to consider this tricky question in your ROI analysis: How much do you stand to lose or gain by not investing or investing in a best-of-breed WMS solution?

Many people think it costs nothing to implement a WMS module in the ERP. However, what happens if you’re performing tasks and notice you’re missing

functionalities? What if it happens to be more challenging than you expected to link your WMS module to, for example, a material handling system? You’d have to apply workarounds that don’t support your business process as you had hoped and which also do nothing to benefit your end customers. Customization is often still an option, but this can very quickly drive up costs.

ERP systems are best suited to more administrative and logistic environments that are characterized by operations in a fixed order, with few exceptions. This will certainly do the job in some warehouse situations. In addition, an ERP system simply thinks in terms of the “money” factor, while a WMS is based off of logistics movements. Of course, the bottom line of a WMS is also cost-based, as it wants to optimize the efficiency of logistics movements in a warehouse. However, an ERP will never be able to achieve the highest level of



warehouse intelligence with Artificial Intelligence and Big Data – but a WMS can.

In the end, you want to know how often your order picker goes somewhere, how far they go, and how long the journey takes. If they have to walk all the way to the back of the warehouse very often, these journeys cost a lot of money. A WMS measures that and makes it easier to save costs according to units of measurement that an ERP doesn't even know exist.

A Fixed Procedure or Frequent Changes to Priorities?

If your warehouse is characterized by a high level of service, speed, and maneuverability, then a best-of-breed WMS that focuses on real-time activities would be a better choice. It could accommodate customers who change their mind at the last minute, or an important customer who places a rush order. Another example is extensive product traceability, often a must in the food sector and one of the functionalities that a WMS can handle much better.

Another important question is whether you can offer your own end customers the service they want. Do they want extensive reports? Do they want to have real-time insight into their flow of goods and orders (which indirectly protects your own internal organization)? Does a WMS module in the ERP offer these services? Do the research before making a decision.

Maybe add something about the different stock statuses. Which has an ERP and which doesn't? Consultant verification is required. In any case, WMS knows a LOT more!

SaaS WMS – 100% Cloud

We know we're blowing our own trumpet, but we're absolutely sold on many benefits offered by a SaaS WMS. If you're looking for flexibility, growth opportunities, low start-up costs, and fast implementation, and you always want to have the latest software version available, then find out more about CORAX WMS. Our consultants are here for you. In a one-hour consultation call, we'll go through your own warehouse situation and give you honest advice.

Want to find out more? www.coraxsaaswms.com
Schedule an appointment!



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