



WMS

FUNDAMENTALS GUIDE

Core Concepts and Operational Foundations

A reference guide for warehouse, supply chain, and operations teams

About This Guide

Warehouse Management Systems (WMS) are a foundational component of modern supply chains. As order volumes grow and customer expectations increase, warehouses require structured systems to manage inventory, labor, and daily operations effectively.

This WMS Fundamentals Guide explains the essential concepts, terminology, and functional building blocks of a Warehouse Management System.

It is designed to provide a clear understanding of what a WMS is, why it matters, and how it supports warehouse operations, without focusing on advanced features or complex customization.

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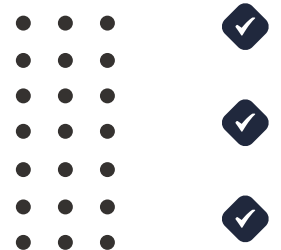
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What is a Warehouse Management System (WMS)?

A Warehouse Management System (WMS) is software designed to manage and control day-to-day warehouse operations. It provides visibility into inventory and supports activities such as receiving, put-away, storage, picking, and shipping.

At a fundamental level, a WMS ensures that inventory data remains accurate while guiding warehouse processes in a consistent and repeatable way.

Why WMS Is a Fundamental Warehouse System

As warehouses grow in volume and complexity, manual processes and spreadsheets become difficult to control. These methods often result in inventory errors, delayed orders, and limited operational visibility.

A WMS forms the operational backbone of the warehouse by standardizing workflows, improving accuracy, and enabling warehouses to meet service expectations while supporting long-term growth.

Core Functions of a WMS

Inventory Management

- Real-time inventory tracking
- Lot, batch, and serial number control
- Cycle counting support

Order & Fulfillment Management

- Order prioritization
- Standard picking methodologies such as FIFO and batch picking

Warehouse Operations

- Receiving and put-away guidance
- Space utilization and location management

Labor & Reporting

- Task assignment and workload distribution
- Basic operational and performance reporting



Key Benefits of a WMS

- Improved inventory and order accuracy
- Faster and more consistent warehouse operations
- Better utilization of labor and storage space
- Reduced operational costs
- Improved customer service and satisfaction



Common WMS Terminology

Terms	Meaning
WMS (Warehouse Management System)	Software used to manage daily warehouse operations
Inventory	Products stored in the warehouse
SKU	Unique identifier for each product
Receiving	Process of accepting inbound goods
Put-Away	Movement of received goods to storage locations
Storage Location	Defined place where inventory is stored
Picking	Collecting items to fulfill an order
Shipping	Sending completed orders to customers
Order Fulfillment	End-to-end process of picking, packing, and shipping
Inventory Accuracy	Match between system inventory and physical stock
Cycle Counting	Ongoing inventory checks to maintain accuracy
Barcode / RF Scanning	Capturing inventory movements using scanners

Types of Warehouse Management Systems

Standalone WMS

Focused exclusively on warehouse operations

On-Premise WMS

Installed and maintained internally

Cloud-Based WMS

Hosted online with quick deployment and scalability

ERP-Integrated WMS

Part of a broader ERP system for unified data flow

Warehouse Readiness for WMS Fundamentals

A WMS delivers value when basic warehouse processes are clearly defined and followed. The system supports discipline but does not replace it.



Operational Readiness

Warehouses experiencing increased order volume, SKU growth, or operational complexity often reach a point where manual coordination is no longer effective.



Fulfillment Performance

Late shipments, picking errors, or unclear order priorities highlight gaps that a WMS is designed to address.



Inventory & Accuracy

Recurring inventory discrepancies, stockouts, or heavy spreadsheet reliance indicate a need for system-driven control.



Technology & People

Barcode scanning, system integration, and standardized workflows are core WMS foundations. Training and user adoption are critical to success.

Quick Check:

If three or more of these challenges exist, the warehouse is ready for a fundamental WMS.

Selecting a WMS Based on Core Needs

When evaluating a WMS from a fundamentals perspective, consider:

- ✓ Warehouse size and operational complexity
- ✓ Scalability as volumes increase
- ✓ Integration with ERP or business systems
- ✓ Ease of use for warehouse staff
- ✓ Vendor support and reliability
- ✓ Cost structure and licensing model



Overview of WMS Implementation Basics

A fundamental WMS implementation typically includes:

- ✓ Requirement definition and planning
- ✓ System configuration
- ✓ Data preparation and validation
- ✓ User training and go-live
- ✓ Post-go-live stabilization and improvement
- ✓ A phased rollout approach helps reduce risk and encourages adoption.

Common Foundational Mistakes

- ✓ Poor data preparation before implementation
- ✓ Insufficient training for warehouse users
- ✓ Ignoring change management and process adoption
- ✓ Over-customizing early instead of stabilizing basics
- ✓ Treating WMS as an IT-only initiative rather than an operational system



Fundamental WMS KPIs

For a basic or first-time WMS, focus on a small, meaningful KPI set:

- ✓ Inventory Accuracy (%)
- ✓ Order Fulfillment Rate (%)
- ✓ Picking Accuracy (%)
- ✓ Order Turnaround Time
- ✓ Dock-to-Stock Time
- ✓ Basic Labor Productivity

These KPIs provide operational visibility without unnecessary complexity.

Final Thoughts

A Warehouse Management System is a foundational tool that brings structure, visibility, and consistency to warehouse operations.

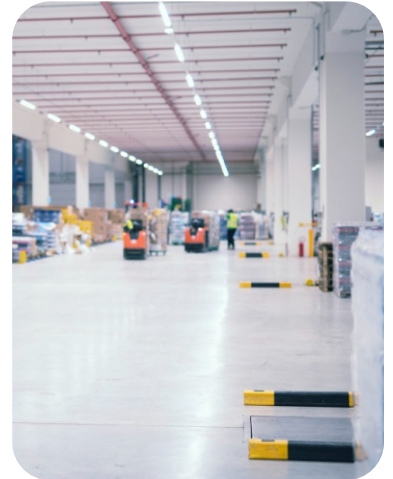
By focusing on core functionality, clear processes, and fundamental performance metrics, organizations can establish a strong WMS foundation that supports long-term operational success.



About Tejas Software

Tejas Software provides smart [Warehouse Management System \(TWMS\)](#) solutions that help businesses improve inventory accuracy, streamline operations, and boost order fulfillment. Our user-friendly platform supports warehouses of all sizes with real-time tracking, reporting, and process automation.

Trusted by supply chain and operations teams, Tejas Software makes warehouse management simple and efficient.



Get In Touch



(+1) 303 557 0177



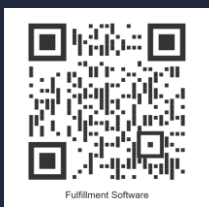
sales@tejassoftware.com



www.tejassoftware.com



9250 E Costilla Ave, Suite 110,
Greenwood Village, CO 80112



Fulfillment Software

Tejas Software Inc,
USA | UK | MEXICO | INDIA

