Manufacturing case study

New warehouse management system cuts costs for manufacturer

A new warehouse management system serves 270+ users across six US-based warehouses, cuts costs, boosts service quality and delivers better functional synergies across operations.

The challenge

An American manufacturer and marketer of paper and packaging products wanted to cut costs, boost its service quality and instill better functional synergies across operations. The company also wanted to book a net savings on its total yearly spend by consolidating three towers, dedicated to application management system support and maintenance, under one vendor.

Consolidating systems to save time

The consolidation would entail outsourcing ongoing app support, monitoring and releasing patches, and handling bug-fixes and minor enhancements—all to give the company back more time and resources.

The new vendor would oversee the Blue Yonder warehouse management and Oracle Transportation Management (OTM) systems. These systems handle real-time warehouse and distribution center management, keep the business prepped for real-world disruptions and drive improved performance and competitive edge.

At a glance

Industry
Manufacturing

Location
United States

Challenge
Cut costs, boost service quality and reach better functional synergies across operations

Products and Services
Cognizant consulting services, Blue Yonder warehouse management system

Success highlights

- Provided support and maintenance for 270+ platform users
- Reduced incidents by 32.5% via SOPs, automation and proactive alerts
- 100% SLA adherence
- 24/7 support coverage

cognizant®

Simpler operations and better compliance

To improve service quality, SLAs/KPIs and frequent problem management processes were needed to drive continuous improvement and automation wherever possible. Overall, the plan was designed to simplify day-to-day warehouse operations.

The need for the new changes became more evident as the company experienced noncompliance in inventory management and enterprise procedures. Users were spending more time on receiving and put-away which included receiving goods from vendors and inspecting and putting them on the prescribed shelf to ensure effective picking and shipping.

Another factor that increased the urgency of the project was the increase in demand for carton boxes that arose during COVID with the rise in retail consumer orders.

The manufacturer selected Cognizant for the transformation for several reasons: our synergy with Blue Yonder and our demonstrated ability to focus on service quality improvement and customer success. We delivered a cost-effective proposal that built upon our previous engagement. Our keen understanding of the clients' organization and IT landscape, and ability to offer a customized solution that brought all stakeholders together, also drove the decision to choose us.

The approach

We identified current issues, market trends and factors impacting the business and set out to improve compliance with inbound and outbound activities in the warehouses and enterprise procedures. We established processes to provide better insight into warehouse management and inventory management and delivered a scalable platform that works with the manufacturer's supply chain.

Our team coordinated with the client's middleware team to consolidate the multiple enterprise resource planning (ERP) systems that were acquired through numerous mergers and acquisitions over the years. Consolidating three pillars of support increased synergies between the currently siloed teams and offered greater efficiency.

We assessed and updated older applications that were vulnerable to security risks—an issue made clear after a ransomware attack that happened in the previous year.

Extended technical support on all the interfaces was provided over weekends and extended hours when critical incidents arose, and we made enhancements to remedy business gaps in warehouse management.

Cleaner data environments improved efficiencies and operations management.

Business outcomes

The new solution, powered by the Blue Yonder warehouse management system, serves 270+ users across six warehouses based out of the US.

The new implementation supports comprehensive governance with oversight and enables a predictable cost structure in an optimized maturity model. A culture of continuous improvement is in place via monthly connects with the client's leadership to review team performance, incident resolution trends and SLAs/KPIs, and to report deliverables.

The project was supported with onshore/offshore co-ordination and meetings to gain leadership support and involvement during challenges. By upskilling teams, staff can reach their goals in professional work.

Continuous Improvements and Innovation

Mechanisms that proactively monitor and report integration issues offers early detection and quick fixes to ensure minimal downtime. And a ticket management process within Service Now provides better reporting and transparency.

A root cause analysis and segregation of tickets defines tickets at the L2 level, highlights issues caused by user error and reveals which business process issues are due to errors during the deployment phase. This led to a 60% reduction of L2 tickets and enabled the client to identify proper resources to implement permanent fixes.

The project delivered several proven, measurable and verifiable business outcomes:

- Support and maintenance of 270+ platform users

- A 32.5% reduction in incidents via SOPs, automation and proactive alerts

- 100% SLA adherence

- 24/7 support coverage

The warehouse management system transformation proceeded with no cost deviations to the client, and we delivered the critical data-driven application maintenance to web screens migration on time and on budget. Cognizant received numerous accolades from the client leadership on the success of the implementation.