

# WMS SELECTION CHECKLIST

A step by step guide to finding the right WMS for your organization

## GUIDE HIGHLIGHTS



Over 100 actionable steps to WMS selection success



Checklist format to help keep on top of completed tasks



Covers entire selection process until contract signing



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*[Download this guide as an interactive template here](#)*



## CREATE YOUR WMS SELECTION TEAM

You'll need to build a WMS selection team that can highlight business needs and challenges from the entirety of your organization. As well as ensuring stakeholder needs are met, including representatives from all key user groups is will ensure user buy-in early on in the selection process

### RECRUIT YOUR WMS SELECTION TEAM

- Map out key WMS stakeholders
  - Senior management
  - Warehouse leaders and managers
  - IT staff
  - Customer service teams
  - Accounts department
  - Warehouse staff
  - Shop floor staff
  - Supply chain workers - e.g HGV drivers
- Recruit your team, ensuring that each stakeholder group is represented
- Decide on a WMS selection project managers
- Decide whether you need a WMS consultant
  - Define scope and timeline for external consultancy resources
  - Get budgetary sign off
  - Create consultant shortlist and gather references for each
  - Interview shortlisted candidates
  - Hire chosen software consultant and begin onboarding procedures
- Identify C-level executive sponsor for your project
  - Request C-Level sponsor support for when you present to senior management
  - Define management roles and responsibilities in the selection team



## GATHER YOUR WMS REQUIREMENTS

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Before researching vendors and listing which features you want, it's essential to understand which business challenges you want new WMS software to solve. Remember to forecast for future needs too. Your business isn't static, so your WMS should be able to grow with you

### ✓ CREATE A REQUIREMENTS GATHERING PROCESS

- Create a map of current business processes to identify areas in which efficiency could be improved
- Identify why your current WMS (if you have one) is no longer fit for purpose
- Identify future business goals you want your WMS to help achieve
- Consult each department on their current challenges
- Consult each department on their desired features for a new WMS
- Create a WMS requirements list for the new system and assign priority values to each
- Adjust final WMS requirements list after receiving feedback from user-groups

### ✓ MAP OUT YOUR FEATURE REQUIREMENTS

- Identify receiving requirements (e.g cross-docking, directed putaway)
- Identify inventory management requirements (e.g replenishment, cycle counting)
- Identify fulfillment requirements (e.g work-in-progress materials tracking, assembly)
- Identify shipping requirements (e.g wave management, pack lists, invoice management)
- Identify transport management requirements (e.g freight payment, route optimization)

### ✓ MAP OUT YOUR SYSTEM REQUIREMENTS

- Identify total number of users who will require system access
- Decide on delivery method (cloud vs on-premise)
- Identify requirements for mobile access (web-app, native iOS, native Android etc)
- Identify need for mobile device compatibility (e.g hand-held scanners)
- Define offline system access requirements

- Define offline system access requirements
- Identify language and currency requirements
- Identify requirements for integration with existing systems

**MAP OUT YOUR SUPPORT AND SERVICE REQUIREMENTS**

- Decide on desired support scope and delivery method (phone support, online support etc.)
- Document training requirements (classroom training, on-site training)
- Document requirements for implementation consultancy
- Document requirements for external project management
- Identify data protection and security compliance requirements
- Identify critical data sets in your legacy systems
- Document data migration requirements for these critical data sets
- Identify external requirements for system and network maintenance



## CREATE A WMS BUDGET AND FORECAST YOUR ROI

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A good ROI forecast for your WMS investment is essential in getting senior management to back your project. To do this, you'll need to compile an accurate and workable software budget, taking into account hidden costs like vendor implementation fees and support packages.

### CREATE A SOFTWARE BUDGET

- Forecast out-of-box price of system
- Forecast cost of hardware upgrades (if selecting an on-premise solution)
- Forecast implementation costs
  - Consultancy fees
  - Staff overtime
  - Temporary staff during implementation
  - Vendor implementation services (training, customization, consultancy etc)
  - Temporary staff during implementation
- Forecast costs of vendor support packages and upgrades
- Add 10% 'buffer' to budget in case of unforeseen issues or project overrun

### FORECAST EXPECTED ROI OF NEW WMS SOFTWARE

- Set a timeframe for TCO and return calculations
- Forecast the value of each system requirement within the specified timeframe
- Develop a change management plan including efficiency loss during implementation
- Forecast costs for the new system within the specified timeframe
- Work with analysts and finance to produce final ROI forecast figures
- Compare ROI forecasts for the new WMS with those of other prospective points of investment
- Report on ROI forecasts to senior management
- Receive sign-off on your projected budget



## CREATE A VENDOR SHORTLIST AND COMPILE AN RFP

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Now that you've gathered your requirements and you know what you're looking for in new WMS software, you're in a position to start shopping around for vendors. Whilst vendor websites are a good place to start, you'll get a more balanced idea of which systems are a good fit by looking elsewhere. The steps below are a good place to start.

### RESEARCH AND SHORTLIST VENDORS

- Research WMS employed by similar companies in your industry
- Ask for WMS recommendations and references from your network
- Use online resources to get idea of negatives of WMS vendors
  - LinkedIn
  - Quora
  - User groups
  - Software review sites
- Identify WMS solutions specific to your industry
- Identify market-leading WMS solutions which offer some support in your industry
- Create a vendor shortlist
- Identify competitors of your shortlisted vendors and add these to your initial shortlist
- Produce an RFI document and send to shortlisted vendors
- Narrow shortlist based on RFI responses

### COMPILE REQUIREMENTS AND BUSINESS PROCESSES IN RFP DOCUMENT

- State why you are selecting a new WMS
- State your project's scope - including locations and a loose budget
- Outline a complete timeline for your project, from the RFP phase all the way through to go-live

- Outline all identified WMS requirements and their priority, and ask vendors to explain how they will meet them
- Requests for at least two references from companies similar to your own
- Requests for information on vendor's implementation personnel and their skills/experience
- A deadline for RFP responses and information on when you'll be in contact

**EVALUATE RFP RESPONSES TO PRODUCE FINAL SHORTLIST**

- Agree on criteria and scale for RFP evaluation
- Disregard any late or incomplete proposals
- Get each member of your selection team to use scale to rank vendor proposals
- Average out selection teams' responses to proposals
- Discuss scores in selection team meeting; invite 3-5 best proposals to demo their product





## ARRANGE DEMOS FOR SHORTLISTED WMS VENDORS

Inviting WMS vendors to demo their product is a great opportunity to see your shortlisted systems in action. Ensure you make the most of this opportunity by following the steps below:

### PLAN YOUR VENDOR DEMOS

- Build selection teams to attend software demo including user group members
  - Senior management
  - Warehouse leaders and managers
  - IT staff
  - Customer service teams
  - Accounts department
  - Warehouse staff
  - Shop floor staff
  - Supply chain workers
- Book demonstrations with each vendor on your final shortlist
  - Identify how many people will be attending demos
  - Book suitably sized rooms
  - Book suitable number of refreshments
  - Ask vendor representative for technical requirements (e.g projector) and ensure their needs are met
  - Seek at least two to three references from each prospective vendor
  - Create script for vendor demo and send it to shortlisted vendors
  - Identify hypothetical real-life scenarios for vendor rep to follow at demo

### CONDUCT AND EVALUATE VENDOR DEMONSTRATIONS

- Agree on scale and criteria to score vendor demos
- Create scorecard and hand to demo attendees before each demo
- Ensure attendees complete scorecard during demos or immediately after the demo ends
- Average out responses to get idea of the system that will suit your needs best



## MAKE YOUR FINAL WMS SELECTION DECISION

Congratulations - you've nearly completed your WMS selection process. Don't take your foot off the gas though, as you've got the most important stage of all coming up. Making a good decision and ensuring you aren't being stung in the contract are essential in the long-term success of your project - during the implementation phase and beyond.

### PLAN YOUR VENDOR DEMOS

- Produce RFQ document and send to all vendors that were demoed
- Assemble selection committee to review all RFQ responses
- Make final selection decision and proceed to contract negotiations
- Agree on second choice in case contract negotiations with preferred vendor fall through
- Agree terms of purchase and implementation with your chosen vendor, including:
  - Pricing and payment plans
  - Implementation fees
  - Number of users
  - Locations
  - Billing specifications
- Consult legal team for suggested revisions before signing contract
- Sign contract
- Deliver documentation including vendor commitments and contacts to implementation team

This guide was written by Kathryn Beeson, Explore WMS Editor

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