Walmart Warehousing Management

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**Background**

 Walmart evolved from Sam Walton who had a goal for providing great consumer service, and he continued to believe in his leadership by providing adequate services. Sam Walmart joined military in the age of 24, and after his military service ended, he operated his own variety store. In 1950 he opened Walton's 5&10 on the downtown square. After that, first Walmart was opened in 1962 when Sam was himself 44 years old. From the beginning in 1962 in Arkansas, the company has now developed its retail business that is having sound financial strategies in order to achieve global standards and global position.

**Mission**

The mission of Walmart is to save money so that people can live better. In a nutshell, it refers to "give ordinary folk the chance to buy same thing as rich people."

 The slogan of company is a reflection of mission statement, stating, “Save Money. Live Better”.

**Vision Statement**

 The current vision statement of Walmart Corporate is, "Be the destination for customers to save money, no matter how much they want to shop." However, the previous vision statement was, "To be the best retailer in the heart and minds of consumers and employees."

**Functions**

 The function of Walmart Warehouse is to distribute goods and services. The aim of corporation is to provide merchandise that is qualitative in nature and available at an affordable price that seem low to the customers. (Simon, et, al. 2019, pp. 471-511).Walmart has a distribution network that is spread in the United States, with an aim to distribute services at a comparatively low rate. Currently, Walmart is operating about 42 regional merchandise centers that are distributing goods.

**Facility Operations**

As the goal of the company is to distribute goods in the United States, a significant operational feature that is adopted by the corporate is to apply a cross-docking inventory system. Cross Docking is defined as a system or a process in which material is moved from receiving dock to the dock that is supplier for shipping by bypass storage. (Mattingly & Todd D). The corporation uses cross docking because it is a great tool to reduce the inventory carrying cost. Walmart has a self-regulated transportation system that supports the shipping of goods from the warehouse to the store.

**Walmart Operation and Management**

Walmart has always been looking ahead for betterment in operations and maintenance of quality.

**Design of goods and services**

 One of the core decisions in maintaining the operations is characterization of the products, taking into account that decision area covers all the goods and services. Being a retailer company, the organization aims at emphasizing the variables of cost-effectiveness and efficiency. The company is trying to improve efficiency and address unique and innovative designs with minimal costs. (Simon, et, al. 2019, pp. 471-511).

**Quality Management**

 Walmart aims at implementing operation managements that are having quality standards. There are three ties of quality management; lower tie refers to the brands such as Great Value and Sam's Choice, the upper tie refers to the quality management of low-cost retailers while the upper tier reflects the quality levels that are greater than the market averages.

**Location Strategy**

 The area of location strategy refers to the movement of materials and the management of business information within an organization. Walmart aims at offering localities that are either the part or located in urban centers. (Mattingly & Todd D). Side by side, the company aims at maximizing market reach. All the products and services are in coordination with the target customers, taking into account that Walmart uses internet to adhere to the choices of consumers.

**Human Resources and Job Design**

The human resource management of Walmart refers to continuous recruitment. Although the company suffers from a high turnover because of relatively low wages that are related to cost relationships strategy, still there is an equal and rising picture of hiring and recruitment. It is significant to note that the framework of continuous recruitment has paved the way for operation management. (Simon, et, al. 2019, pp. 471-511) .The Company manages and organizes standardized job processes, taking into account that the training procedures of the company have greatly facilitated the services and quality standards in the company.

**Statistics of Walmart**

 According to the BuzzFeed news, Walmart stores operate 24 hours a day that reaches up to $54.3 million in revenue each hour. The net profit of the company was about $ 16 million in the last year. The Walton family members are at fourth number out of 10 American rich families, taking into account that they are more worthy than $30 billion each. According to the Wall Street Journal, Walmart is estimated to bring about 18% of the total United States food stamp outlays. (Simon, et, al. 2019, pp. 471-511).The overall revenue accounted for about $ 13 billion in sales of the year 2018. It is assumed that Walmart facilitates about 44% of the American population. It has been asserted that there are about 4, 233 Walmart stores in the United States that is double of the targets, i.e., there are 379 Whole Foods outlets, 1968 Best Buys and about 420 Apple stores in the country. Walmart is termed as an organization that has the largest private sector employers, employing about 1.4 million United States associates. (Barber & Daniel, 2018, pp. 995-997). However, it is brought into insight that Walmart appoints about 2.2 million people that make up the active Military Army, much close to the Chinese Army (2.29 million). Walmart stores cover locality about 1.1 billion square feet, while it is the biggest United States grocer. The annual shareholder of Walmart hosts about 14,000 employees.

**Internal Affairs**

The corporation aims at regulation of internal affairs such as inventory management, supply chain management and regulation of human resource. There is a relatively high turnover because the company aims at selling products at comparatively low wages. (Simon, et, al. 2019, pp. 471-511). The stance of the firm is to reorganize the standardized job procedure, in the context of positions of stores. The supply chain aspects of corporation are integrated with information technology. Walmart uses the strategy of synchronizing managers and vendors by formulating and designing merchandise that can earn a greater yield to the company.

**Financial Basis**

 Walmart has a debt with an equity ratio of 1.50 in comparison to other competitors. According to the information collected from Morningstar, Walmart owns a bond issuance that is reliable to 4/22/24, taking into account that there is a paying coupon of ratio 3.3% having a current yield of 2.69%. (Simon, et, al. 2019, pp. 471-511).It reflects that Walmart has strong financial grounds, as illustrated by WACC, Weight Average Cost of Capital. An analysis of the most effective tax rate infers that Walmart has a cost of 1.77% after debt.

**Marketing**

Walmart is a powerhouse of business, taking into account that mix marketing is one of the basic strategies of the corporation. There are two options for surviving in the retail market, i.e., large capital or luck. Walmart stores a large variety of products, keeping in interest the desires of customers. The selling and promoting of a product is largely dependent on the variety of innovations that the corporation has used to cater to the needs of its customers. (Simon, et, al. 2019, pp. 471-511).

The company uses a variety of promotion strategies as well. The store make use of slogans such as, save money and live better, lowest price store, "everyday low price" and "worry-free fresh." Side by side the use of a diversified array of using electronic media that ranges from TV ads to social media and billboards along with eCommerce platforms have shifted the company to a higher edge. (Barber & Daniel, 2018, pp. 995-997). It is also significant to note that the company is much focused on the choice of platforms and places, such as advanced platforms and IT-enabled organization with a fleet of delivery vehicles has added to the outline of marketing plan.

**Logistic Facilities**

Logistics refers to the activities that are under improvement by the retailers. In Walmart, logistic framework refers to the requirements and trucks that are made to observe a composite distribution system. It also includes the centralization of warehouse materials. (Barber & Daniel, 2018, pp. 995-997). As logistics refers to the movement and dispersal of materials, it does not refer to the explanation and presentation of current logistics industry. (Mattingly & Todd D). The logistics of Walmart refers to the formulation of strategies that can be effective in the reverse movement of merchandise, services and other information that is related to customer satisfaction.

**Distribution Channel and design**

 It would not be wrong to say that Walmart has a massive distribution framework, taking into account several distribution channels. It involves a series of steps that can act as a trademark of actions and strategies. It is significant that a typical supply chain includes primary and secondary distributions, where primary distribution is meant for adding value for the merchandise accompanied by an inbound flow towards a warehouse manufacturing plant or a distribution center. (Mattingly & Todd D). It also includes a stance of packaging and customer service that can bring in synchronization the customer service and cost saving. Walmart believes in inventory packaging, taking into account that it has a direct impact on the underlying principles of marketing. A briefing on the increasing goods protection has brought into insight that inventory packaging accompanied by good protection will lead to a reduction in the cube utilization. The concept of cube utilization refers to an increase in the size of product dimension. However, increased standardization is heed to reduction in the cost of handling the equipment. (Simon, et, al. 2019, pp. 471-511).

 It would not be wrong to say that the overall stance of warehouse refers to the achievement and adherence to certain facts and principles such as, determination of the objective of facility that is provided to customers. In Walmart, this facility refers to the provision of goods and services at cheap prices. The context of objective infers that warehouse aims at the availability of effective utilization and working environment that can address customers at the first end. (Barber & Daniel, 2018, pp. 995-997). It is also important to address the significance of the stance that can highlight and interfere with the needs of customers, in terms of requirement such as the inclusion of technology and advancement, provision and application of software and other necessary hardware.

**Warehousing**

 Warehousing plays a major role in the identification of services and products that are used by an organization. It acts as a bridge to save the protection cost, empowering efficiencies and to overcome time to reduce the total cost of logistics. There are several other uses of the warehouse such as subdivision of large shipment of goods into smaller shipments to deliver goods and services to various customers. (Mattingly & Todd D). The geographical analysis reveals that Walmart uses the warehouse as a geographical identity of the products and services because warehouse depends on various factors such as capital availability, transportation costs, and product characteristics.

**Warehousing and Walmart**

Walmart is building a high speed and highly efficient grocery warehouse in order to solidify its position as one of the nation’s biggest grocer. Actually, the warehouse is called a storage area where raw goods and material is stored by the suppliers or the exporters. It also comprises of certain tools that are mandatory to facilitate the function that is required of these tools. It is significant to note that packaging is also a major concept in warehousing. (Simon, et, al. 2019, pp. 471-511). The major functions in packaging can have a positive impact on the material that is being packed and transported. From the logistics point of view, it has been inferred that good packaging can influence organization, protection, space management, weights, costs and protection of the services. Walmart focuses on packaging functions in order to address communication. Packaging is also a mode of identification taking into account certain symbols such as packing list and bar codes.

**Real world warehouse layout**

Walmart Inc. Inventory management is termed as one of the major contributors in the retailing business. It has been highlighted that Walmart is achieving wide acclaim in order to master the supply chain and the tribute goes to Walmart data warehouse. It refers to a network in which all the stores are connected with the store inventory. It reflects the stance to provide and facilitate suppliers whenever it is needed. The warehouse layout is followed by Retail strategy that saves money and empowers to provide an efficient living through cost efficiency. Customer loyalty refers to the provision of utilitarian benefits. (Barber & Daniel, 2018, pp. 995-997). It refers to the supercenter stance of the store, adhering to all the necessities at a single place. Customer loyalty is built by making customers minimize the time spent in shopping area, so Walmart has incorporated smart board with quick checkouts to facilitate the customers.

 The operational requirements for warehousing involve, usage of information systems that can allow customers to have innovated and smart shopping. Use of sophisticated software that can help the management of warehouse and plan that are long terms in its goals. In Walmart, the focus of operational requirement refers to the use of technology and centralized system that can adhere to health, safety, security, quality control and reverse logistics that can help to return goods in the context of shutting down or downscaling. (Simon, et, al. 2019, pp. 471-511).

Work Cited

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