

INTRODUCTION

1. Research Rationale

It is evident that enterprises invariably require the optimization of operational processes to attain substantial profitability. Consequently, making the supply chain more effective and efficient is a current trend in the manufacturing industry since it includes all operations from the stage of material extraction to the shipment of finished items (U.S.S. Dharmapriya & A.K.Kulatunga, 2011). A vital component of every supply chain is logistics, which goes a long way toward satisfying consumer demands in the warehousing and distribution sectors (Andiyappillai, 2020).

Warehouses are the profound contributor into any supply chain. The ability of warehouses and fulfillment centers to meet consumer expectations for punctual, complete, and damage-free delivery is becoming increasingly important (Richards, 2018). Especially in the new market context, for the B2C segment, e-commerce,... customer's needs require more detail, customization capabilities, and customize according to needs. Therefore, the need for logistics service and warehouse management also increases significantly in the period (2023).

Around 151,000 warehouses operated globally in 2020, spending a combined €300 billion annually, or almost half of the entire supply chain expenditures. Competitive benefits might come from efficient warehouse management in terms of both costs and customer service (Falkenberg, 2023). Thus, warehouse operations must be shaped by developing a tendency toward an optimized and effective.

Moreover, recent data from the Viet Nam Logistics Business Association indicates that over 3,000 local businesses are actively engaged in the logistics industry. Roughly 80% of Vietnamese businesses engaged in the logistics industry are legally capitalized between VND 1.5 and 2 billion. Centered in the Ho Chi Minh City region, which accounts for more than 70% of all imports and exports in the nation. Such planning SMEs are generally involved in certain supply chain segments related to logistics, such as specialized value-added services including

customized storage, freight forwarding, and freight transit packing, loading, and unloading (OECD, 2021). With high growth, however, the companies are facing issues such as operation management, optimized processes, and lack of budget for facilities... because of the field's recentness.

Accordingly, to deal with the problem of optimizing efficiency in the operation of the DKSH warehouse, the focal point of this thesis solely revolves around the management of warehouse operations.

With rapid growth, companies like DKSH face challenges such as operational management, process optimization, and limited budget allocation for facilities due to the newness of the field.

To address the issue of optimizing efficiency in DKSH's warehouse operations, the thesis exclusively focuses on warehouse operation management.

By concentrating efforts on warehouse operation management, DKSH can streamline processes, improve inventory management, and enhance overall operational efficiency. This may involve implementing advanced inventory tracking systems, optimizing layout and storage solutions, adopting automation technologies, and establishing robust quality control procedures.

The thesis aims to investigate industry best practices and benchmarks to identify areas for enhancing warehouse operations.

While challenges related to budget constraints and facility limitations may exist, the thesis recognizes that optimizing warehouse operations is a crucial step toward improving overall efficiency. By addressing these specific challenges, DKSH can lay a solid foundation for future growth and establish itself as an industry leader.

2. Research Objectives

The purpose of this thesis is to include two main aims as following below:

Firstly, providing the warehouse operation processes of DKSH to clear the activities from that point and analyze the processes in detail.

Secondly, by analyzing the information provided above, the thesis will identify the underlying issues within DKSH's warehouse processes. Subsequently, the thesis will provide recommendations to optimize these processes.

3. Research Question

Overall, the research questions that this thesis will attempt to tackle are:

- What are the gaps in the warehouse operation processes of DKSH daily?
- Which technologies should be solutions to optimize the operations of warehouses?

4. Scope of the Research

The primary goal of this study is to analyze the warehouse's main processes of DKSH warehouse and offer suggestions for optimizing those operations.

The timing for this research is 2 months (starting at 16/10/2023 and ending at 16/12/2023)

5. Research Methodology

To accomplish this research, the following methodologies were employed:

- Secondary data: Based on the timing of discovering the DKSH warehouse in DKSH Vietnam Co., Ltd and collecting information and data as well as opinions of the employees of the company.
- Desk-research: Firstly, data synthesis was conducted, followed by analysis based on information gathered during an actual field trip to the DKSH warehouse. This enabled the identification and examination of factors influencing warehouse operations. Additionally, a comprehensive literature review of previous studies was conducted to enhance the theoretical foundation of the research.

Data source: To ensure impartial evaluations and provide solutions for the current challenges faced by the company, this research relied on secondary data provided by the firm from July 2023 to September 2023 as the primary source for analysis. By utilizing this data, the research aims to make unbiased assessments and offer valuable insights and recommendations.

6. Structure of the Research

Introduction

Purpose and scope of the report, and the context of the study.

Chapter 1: Literature Review

Chapter 2: Overview of the company

Analysis of DKSH's actual warehouse processes.

Chapter 3: Findings and Recommendation

- SWOT analysis to identify weaknesses in warehouse operations.
- Proposed solutions tailored to DKSH's needs.