

4. Increase funding for renewal and innovation in the fleet of rolling stock, roadway, construction and improvement of technical and technological level of freight terminals.

5. Increase the efficiency of vehicle use by selecting the correct route and automating the loading and unloading of cargo.

The modern world is moving through informatization and digitalization, proceeding from this, any sphere of human activity should be updated to modern standards, more this applies to the economic activities of modern society. Society wants to receive high-quality products and services, so logistic processes in economic activity must meet modern requirements. This requires addressing industry logistics not only in a differentiated way, but also in a systematic way to achieve more efficient and effective processes. It is therefore important to consider both problems and solutions together, without excluding any link in the chain.

## **LOGISTICS PROBLEMS AND WAYS OF THEIR SOLUTION**

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Warehouse management can be executed in a variety of functional ways, there is no one-size-fits-all solution. Which methods work best depends largely on the nature of the supply chain and of the warehouse itself, along with company culture and staff considerations. However, for as many ways as there are to effectively manage a warehouse, there is also a wide variety of potential issues and common warehouse problems. Following a list of common principles and applying them as a framework for excellent warehouse management can prevent issues that can cause unnecessary costs and other problematic issues. Here, we'll discuss the six most common warehouse mistakes, and ways of their solution.

## 1. Poor or Inadequate Health and Safety Management

*The Solution:* Nothing can create costly problems faster than an illness or injury caused by neglect on the part of warehouse management. Warehouses are inherently dangerous working environments, and vigilance and careful training are key ways to prevent issues. Ensure all employees are made aware of safety practices and processes and report any accidents or near accidents. Take time to analyze the causes and act to eliminate them in order to prevent future issues, and engage with staff routinely to assure you are doing everything necessary to prevent injury or even death.

## 2. Not Measuring Key Performance Indicators

*The Solution:* Tracking and measurement of warehouse performance has become fairly standard practice, but which measurements can tell you the most about what is happening in your warehouse, and where to make modifications for better performance? When the KPI measurements you are tracking are utilized correctly, you can avoid a variety of other issues within your warehouse. Tracking employee performance ensures avoidance of inefficient processes, and lets you know where there are logjams and areas that need attention in order to avoid many common warehouse problems.

## 3. Holding Excess Inventory

*The Solution:* Even though it has been considered common knowledge in supply chain and warehouse business practices that utilizing a system of lean practice and inventory reduction is the smart way to keep costs down and increase efficiency, hanging on to too much inventory remains a widely made mistake. Keeping to reduced inventory levels makes your supply chain leaner and leaves you with less money tied up in stock. Negotiation with suppliers to get large orders delivered in smaller batches, as and when you need them, is one way to ensure you have the products you need while avoiding holding excess inventory. Utilizing data and monitoring with predictive analytics assists in this as well.

## 4. Not Optimizing Picking Paths

*The Solution:* In addition to excess inventory issues, another extremely common mistake is failing to optimize picking paths. Without efficiently planned picking paths

throughout the warehouse, your picking rate will be slowed, and create a chain reaction of inefficiency. Streamlining the process in this area will avoid a negative impact on supply chain cycle times, excess labor costs, and poor productivity issues. Create layouts that allow for warehouse staff to complete a picking run close to the area of dispatch, and plan and monitor for optimal picking routes as needed.

Although this can be difficult to plan, it's important for keeping on top of costs *and* productivity.

#### 5. Not Enough Attention Paid to Housekeeping

*The Solution:* Mess can pile up easily in a warehouse setting. Piles of pallets, broken down boxes, shipping materials, shrink-wrap- it's easy for things to get out of hand as staff focus on processing shipments rather than cleaning up. However, when housekeeping isn't a priority, the mess can slow everyone down. Stay on top of build-up issues by scheduling clean-up as a part of daily tasks. At the end of each shift, a block of time should be reserved for prepping the area for the next shift. This way all staff begins their shift in a clean space, ready to process and begin their work without delays.

#### 6. Neglecting Goods-In Processes

*The Solution:* When operating under deadlines, it's easy for the focus to stay on outbound processing rather than inbound. However, goods-in receiving is critical in an effectively run warehouse, and neglect can create issues. Make sure you have multiple warehouse staff members devoted to this critical area, and that additional staff is thoroughly trained in goods-receiving. Having adequate staff to focus on this specialized process is imperative to avoid back-up, improper processing, and a chain of other problems.

#### *Conclusion*

Being vigilant and staying on top of these six areas of common concern can assure that your warehouse avoids costly errors and slow-downs. If your company's warehouse doesn't currently suffer from any of these problems, staying abreast of areas where common warehouse problems can occur helps to ensure you stay running on a highly optimized level of functioning.