6 Common ASRS Misconceptions

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Common misconceptions when considering ASRS

When it comes to upgrading your warehouse from a manual operation to an automated one, there are common misconceptions that might prevent you from making an investment. On the outside, automation appears to be expensive, risky and susceptible to unplanned downtime compared to your existing rack and shelving. However, automated storage and retrieval systems (ASRS) tend to cost justify in roughly 18 months and when properly maintained, downtime is minimal. Let's investigate misconceptions further to help you decide if implementing ASRS is right for your operations.

"ASRS is too expensive."

"I'm worried about unplanned downtime."
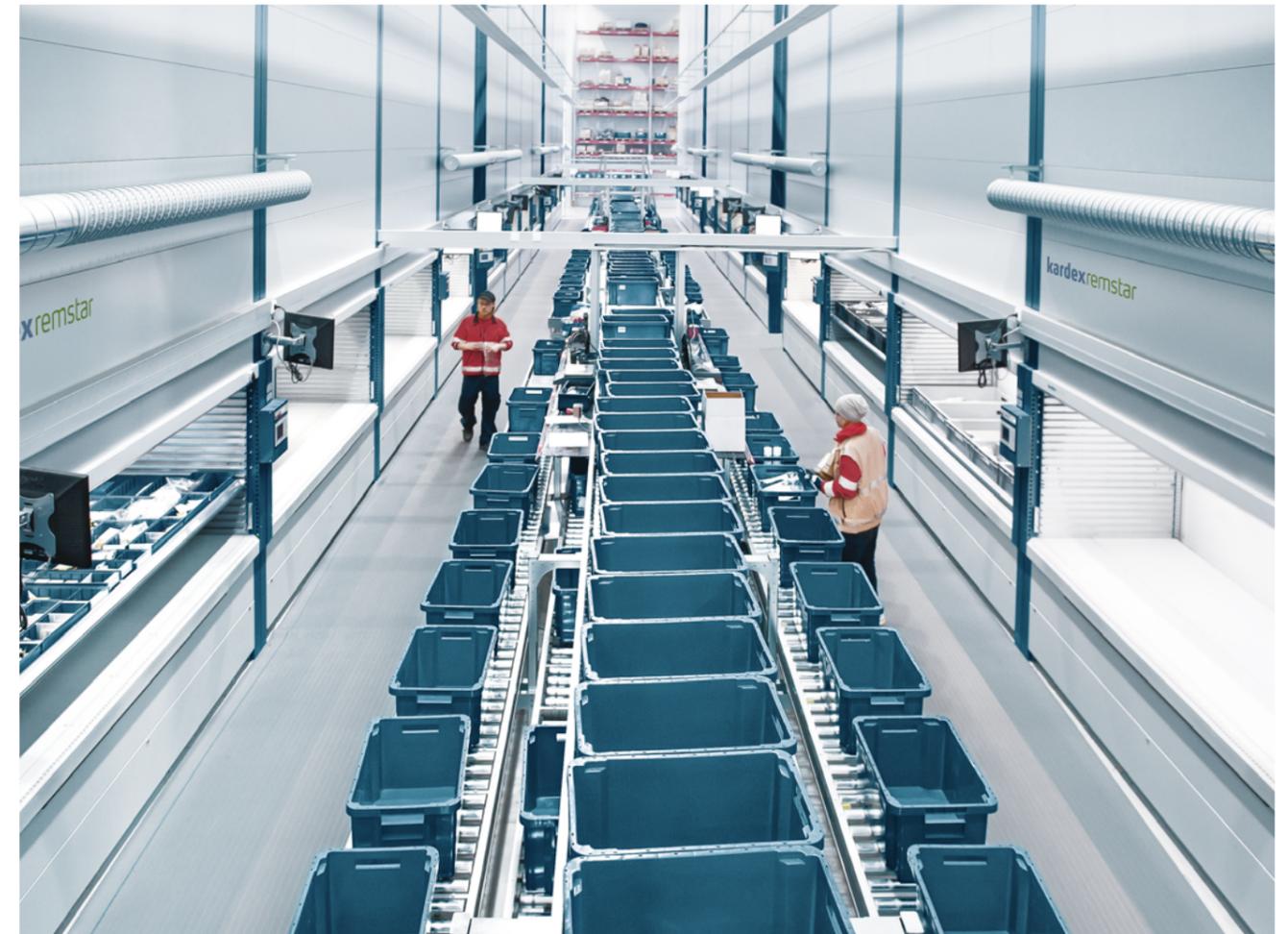
"Our existing software won't integrate."

"Training our staff will be expensive and difficult."

"We're not sophisticated enough for ASRS."

"My throughput isn't high enough for ASRS."

#1 "ASRS is too expensive."

A lot of factors contribute to the cost of ASRS, such as unit size, environment (climate controlled or clean room), stored products and machine controls. Yes, there are some fully integrated ASRS mini-load systems managing 10s of 1,000s of SKUs that will run you upwards of $5M or more.

On the other hand, a standalone vertical carousel to manage your MRO parts inventory is more in the ballpark of about $80,000. Ultimately, the payback of an 18 month ROI comes from the labor, space and accuracy gains automated storage and retrieval systems offer.

ⓘ Click here to calculate your potential savings with ASRS.

#2 "I'm worried about unplanned downtime."

No one likes calling for service or repairs. It means your system is down or something isn't working properly, and it needs to be fixed... now! To avoid unplanned downtime, ASRS manufacturers recommend scheduled preventive maintenance. This usually comes standard during the warranty phase. After the warranty expires, it's up to you to keep the technology maintained.

Keep up with the preventive maintenance and your technology will be operational for years to come. Maintenance of course comes with a cost. However, it will cost you less to regularly maintain your automated system than it will to have a technician come for an unexpected repair.

#3 "Our existing software won't integrate."

Software integration is important. There are a lot of data points and you want to ensure you're getting accurate reporting on all levels. If your needs are simple, most ASRS can provide basic inventory management from the onboard controls.

More advanced inventory management features such as inventory tracking, FIFO/LIFO picking or batch picking require inventory management software. Software is often offered in tiered packages to help you pick and choose what features you need. To top it all off, most inventory management software solutions can interface directly with your existing WMS or ERP system.

#4 "Training our staff will be expensive and difficult."

Training is often included with the purchase of your dynamic storage system and/or software, so getting your team up and running should not be a concern. ASRS solutions are designed with the operator in mind, making them intuitive and easy to navigate.

If your facility has seasonal demand or high turnover, it might be best to "train the trainer". Assigning one or two key users to be trained at an expert level might reduce training costs over time for your beginners. If you have an influx of newer employees, refresher training is always available from the manufacturer.

#5 "We're not sophisticated enough for ASRS."

You don't have to have a massive operation to benefit from automation. ASRS isn't just for big companies. ASRS solutions are scalable and a perfect fit for small- to medium-sized operations. Your needs might be smaller but the ROI works the same. Whether you're looking to save space or increase productivity, ASRS can be scaled down to meet your needs (and then grow to meet increasing demand over time).

ⓘ Learn more about the benefits of automation in our eBook.

#6 "My throughput isn't high enough for ASRS."

While automation can improve throughput, it's only one of the many benefits ASRS can provide. ASRS can save up to 85 % of floor space, which frees up space you can utilize for other revenue generating activities – like expanding production or adding a quality check. So even if you are storing items that are only accessed occasionally, in most cases the space savings would cost justify the ASRS investment.

Further, using goods to person delivery and integrated pick-to-light technology increases operator productivity and pick accuracy resulting in faster picking with fewer errors.

Contradictory to what you might have thought, ASRS is an investment worth exploring. ASRS often cost justifies in roughly 18 months based on space, labor and productivity efficiencies. Further, because ASRS is designed to scale, they can be very effective in both simple storage applications and high throughput order picking operations.

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