

Logistics industry turns to innovation to create supply chain sustainability

Bidvest Panalpina Logistics (BLP), in a quest to face down market volatility, skills shortage and crumbling road infrastructure, is increasing its competitive edge by using its business-implementation service offering.



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The business-implementation process involves a basic administrative function of setting up standard operating procedures (SOPs) based on the client's requirements and then making sure that everyone knows what to do. And BPL has added a focus on defining what the main value drivers are for a client: what the most important aspects and the biggest risks are, and how the operation can best be set up for success.

Explaining that there's a difference between "logistics" and "supply chain management" – logistics is the movement, storage and flow of goods and services within the overall supply chain, while supply-chain management is the overarching concept that links all the processes together – Willem Bekker, BLP supply chain solutions manager, points out that the failure in a client's supply chain can lead to major disruption and financial losses.

Navigating SOP success

The implementation process can take between two weeks and six months, depending on clients' needs. Flexibility is key, allowing for the client's concerns to be continually addressed and involving a level of creativity.

"This service offering has worked really well in industries that are typically complex, like automotive OEMs, or original equipment manufacturers," says Bekker. "For one major vehicle-manufacturing client of ours, we were faced with very tight deadlines and a highly complex operation but we met all our obligations on time and within budget."

For a business-implementation process to be successfully rolled out, strong project-management principles have to be applied, along with the flexibility to quickly adapt to any rising needs. Constant and open communication between all stakeholders, regardless of how diverse, is required, ensuring that there's good alignment at all stages of the process.

For supply-chain teams, choice of logistics service provider is often based on cost and available spend, but it can also depend on whether the service provider has the willingness, flexibility and capacity to help grow the client's organisation.

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