

World view



Manufacturers can gain control of their global logistics through better pipeline visibility.
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Globalisation has arrived centre stage – an unavoidable fact for manufacturers. Low cost is the attraction but with the shift of manufacturing to the other side of the world come long supply chains and customers who want products yesterday.

Just in time manufacturing, just in time logistics and just in time delivery is a potentially volatile mix, especially where the delivery pipeline spans two or three continents and the value of the product is high. It's a mix that must work in synchronisation if the performance of the delivery pipeline is not to be compromised.

Throw in the fact that the business processes behind manufacturing are mature to the point of being ruthlessly effective, while those in logistics and delivery are typically immature, leading to a significant lack of effectiveness in the delivery pipeline and you can see how serious performance imbalances can arise. Visibility in the delivery pipeline is what high value manufacturers are beginning to seek because that is the only way they can begin to make sense of what is going on.

Manufactures who use a 3PL provider will give it a hard time if deliveries are not where they should be on time.. Both manufacturers and 3PLs will benefit from having better information coming in from the delivery pipeline.

Better visibility comes not only by doing the right things in the pipeline, but by implementing processes that ensure the right things are done – which is where improving process maturity comes in.

You should undertake the following actions: Make your processes more mature. Without that effort and the discipline it introduces, other actions will be less effective; ensure each shipment is bar coded and scanned in at every stage of the pipeline – bar coding is still infinitely cheaper than RFID; ensure data is processed and delivered in real time to the organisation or organisations responsible for the data monitoring and for delivery; ensure the data is monitored; and ensure action is taken if the data shows something is wrong.

Increased visibility in the delivery pipeline gives control back to manufacturers, enabling them to generate financial savings, improve business performance and deliver better customer service.