



# RMIT Logistics and Supply Chain Research and Innovation Forum

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*How technology is changing the face of logistics  
and supply chain management*

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# Speaker Profile

- ▶ Fifteen years practicing in Logistics and Supply Chain
- ▶ RMIT Graduate in Transport and Logistics and an MBA
- ▶ Experience in:
  - Professional Services with KPMG strategic supply chain review and improvement
  - Transport and supply chain management with Toll Holdings, implemented systems including TMS, Mobility and Business Intelligence platforms
  - Operations Management with NBN Co, speed to market integrated ERP with logistics providers TMS and WMS
  - Solution Design with CEVA Logistics, focus on service, operations and commercial improvements
  - Supply Chain Cover (SCC), supply chain transformation

# The Supply Chain Challenge in Australia

- ▶ Companies need to invest in supply chain technology to stay relevant in today's dynamic global economic landscape
- ▶ Business evolution is driven by:
  - High cost resources by global standards
  - Multi-generational workforce, growing proportion are tech savvy Gen-Y's / Millennials
  - Growing in global trade
- ▶ Determining a 'fit-for-purpose' technology investment path is difficult in the evolving business landscape

# The Supply Chain Challenges in Australia

- ▶ Investing in technology can only be embarked upon when there is a clear and executable supply chain strategy
- ▶ Consideration when investing in technology:
  - Competitive landscape
  - Stakeholder expectation
  - Productivity improvement opportunities
  - Commercial payback

# Supply Chain Technology - Now

- ▶ Supply Chain Visibility
  - Electronic view of order lines, shipping confirmation, estimated time of arrival (ETA)
  - Input into improved customer service
- ▶ Supply Chain Velocity
  - Online shopping eliminates the local distributor or retailer
  - E-Commerce gives consumers greater choice and lower cost
- ▶ Supply Chain Optimisation
  - Lowest cost network based routing, supply and distribution configuration
  - A competitive advantage for big business, as this technology investment has historically been cost prohibitive to SME's

# Supply Chain Technology - Future

## ▶ Supply Chain Visibility

- Real-time information passing up and down stream through integrated platforms to create value
- Replacing estimations and averages with meaningful real data available to end user

## ▶ Supply Chain Velocity

- Global track and trace of freight
- New dynamic of coordinating large volumes of small shipments cross-border directly to consumer, both rapidly and at low cost

## ▶ Supply Chain Optimisation

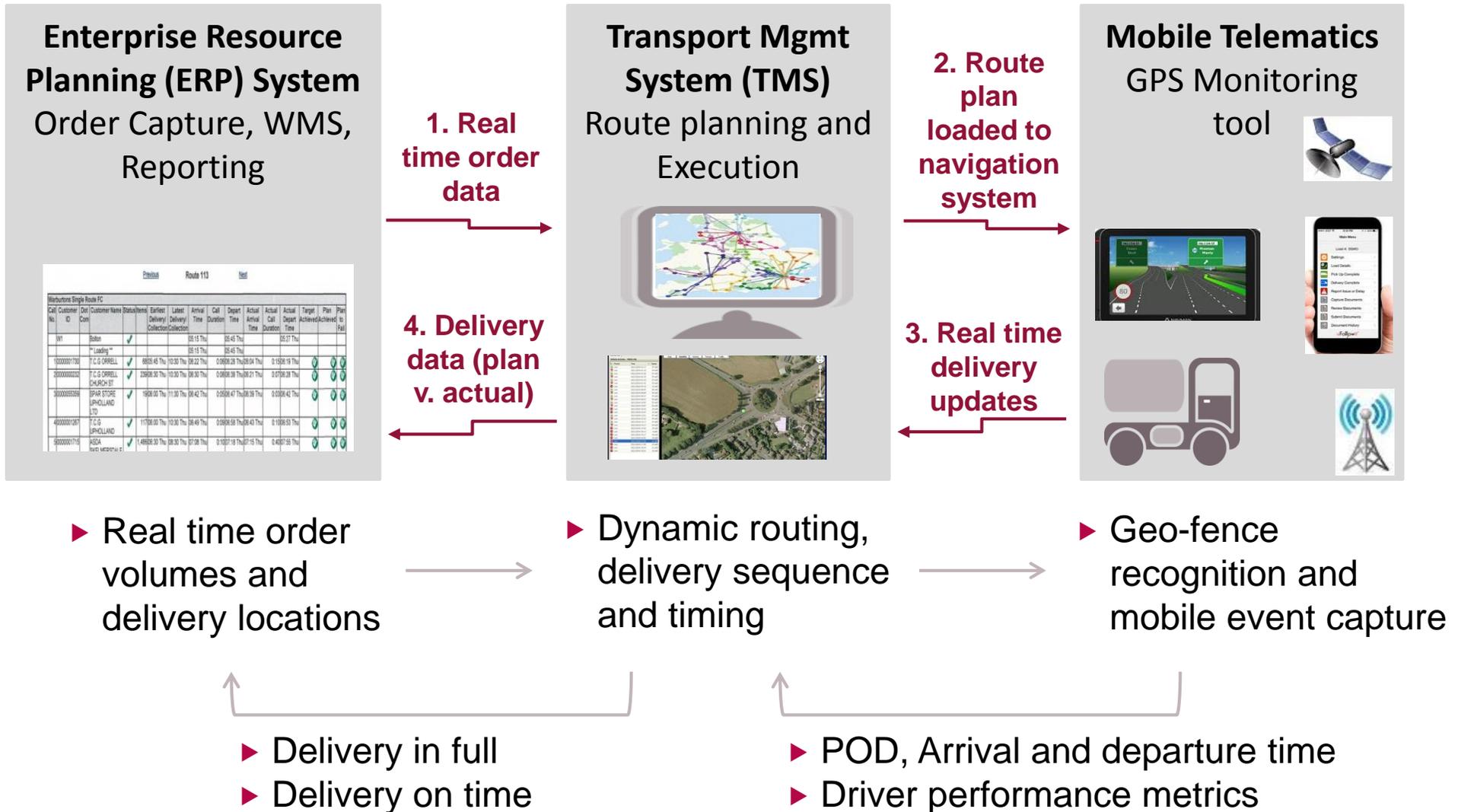
- Downloadable web based optimisation apps available to the wider business community
- Accessibility to optimisation tools to make fact based recommendations on where and how to source, store and distribute goods

# Case Study: Distribution Management - Now

- ▶ Technology use in transport in Australia is limited
- ▶ Data is typically transferred one-way and reporting of data is not real-time



# Case Study: Integrated Distribution Management - Future



# Benefit of Technology in Distribution Management

- ▶ Each components of this solution has existed for over a decade, i.e. ERP, Routing software and GPS devices
- ▶ The difference is the transfer and use of real time information to collectively create value
- ▶ The benefit of this is:
  - Improved safety
  - Reduced carbon emissions and fuel consumption
  - Improved customer service
  - Reduced transport cost

# Benefit of Technology in Distribution Management

Benefit	Detail
Improved Safety	<ul style="list-style-type: none"><li>• Continuous loop of information between the route plan and the vehicle</li><li>• Increased driver awareness of safe driving practices</li><li>• Avoidance of driver fatigue</li></ul>
Reduced carbon emission and fuel consumption	<ul style="list-style-type: none"><li>• Large fleet operators have demonstrated a 15% reduction in fuel consumption</li></ul>
Improved customer service	<ul style="list-style-type: none"><li>• Replacement of planned delivery time with accurate timing</li></ul>
Reduced transport cost	<ul style="list-style-type: none"><li>• Optimised route plan constantly evolving with the business</li><li>• Reduced insurance premiums</li><li>• Increased longevity of the fleet</li><li>• Reduced fuel cost</li></ul>

# Supply Chain Technology Transformation

- ▶ Accessibility and affordability of supply chain technology is transforming the industry
- ▶ When investing resources to develop and implement technology in supply chain, consider
  - The competitive landscape, both local and global
  - Stakeholder expectations, your customer base and workforce is increasingly represented by GenY/Millennials; paper based systems and manual processes are outdated
  - Productivity improvement opportunities, replacing low skill labour intensive activities with integrated technology platforms and driving the right behaviour
  - Commercial payback, technology is increasingly more accessible investment decisions are not as high a burden, in the earlier example the payback for fleet telematics was 3-mths based on fuel reduction
- ▶ The industry will require a high skilled and tech savvy resource skill base to join supply chain to accelerate this transformation

**Thank you**

# Q&A

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