

Can You Contain Yourself?

The diversity of skills and knowledge required by operational managers is becoming increasingly complex as they wrestle with the consequences of an ever changing set of operational dynamics. The role carries the need to become increasingly more accurate, time sensitive and adaptive to change.

We look at how operational managers can be supported by enabling systems that measure important KPI's that affect their domain, and be assured that all resources are being optimised in order to maximise gross margins.

The Multifaceted and Broadening Role of Operational Managers

As demands from customers and the need to comply with new regulations and government agendas increase, the role and diversity of skills required by the operational managers has broadened considerably as they wrestle with an ever changing set of operational dynamics.

Their operational processes are driven by the need to reduce costs and meet the customers' aggressive service level and reporting requirements. Subsequently they need to be assured that warehouse resources are optimised throughout, and picking accuracy and traceability of despatched goods is maintained. Also they need to be kept aware of the costs, risks, resources and constraints involved in the management of the transport fleet, and the capability and availability of the drivers and their vehicles, in order to optimise route planning and deliver goods as quickly and as cost effectively as possible.

Trucks too need to be adaptable to carry a variety of loads, whilst transport procedures have to ensure conformity to health and safety and regulatory compliance requirements (e.g. hours of service, service scheduling and fuel use reporting).

On the Road – When is a Lorry not a Lorry?

Once on the road the vehicles become a series of moving warehouses with the capability to offload and on-load goods along their route. Transport systems need to be secure and optimised to carry and deliver a multiplicity of products for different customers, sometimes bound for the same destination, sometimes involving multi-stop points across different geographical boundaries.

The lorry is also a mobile office with the capability to prove delivery accuracy, and remotely initiate an invoicing sequence that triggers a fast cash collection cycle, minimising invoice disputes.

To track delivery times and optimise the use of resources managers look to establish the real-time progress of their vehicles, and enable route planning (avoiding traffic hotspots and gas guzzling terrain) in order to maximise fuel usage for every last mile of travel.

Adaptive to these changes, drivers now need to consider the cost caused by every delivery error, wrong turn, or erratic manoeuvre, and be mindful of health and safety regulations which may cause risk to their employer's reputation and wallet.

Security is a major issue, particularly for vehicles carrying high value or potentially toxic or dangerous loads. Lorries can be fitted with telematics that detect unauthorised use of valves and meters, unscheduled stops, unexplainable changes in axle-weights and remote monitoring systems can remotely record such changes in real time. Cameras can also be fitted to record inside and outside the cab, while inventories can be printed to advise the emergency services conduct an accurate risk assessment in the event of an incident.

The Role of the IT Supplier

IT suppliers need to provide operational managers with the tools to obtain accurate information from a variety of disparate system components that influence decision making and resource allocation and be assured that they are all functioning correctly.

This can be accomplished, for example, by producing a series of dashboards which provide key performance indicators aligned to operational needs, production of SMS alerts, or automated emails to nominated personnel.

The IT provider must be able to fully understand the issues that confront managers, and the workings of all the component parts. They have to design the relevant information requirements, in order to produce a concise and adaptive reporting mechanism. This ensures operational managers are kept up to date and alerted if key thresholds are breached.

Where legacy systems are involved, the provider must have a thorough understanding of their workings, and the ability to negotiate with disparate suppliers in order to deliver a cohesive reporting and control solution. This may involve integrating various complex inputs, which is completely transparent to the user.

Systems can be remotely hosted and supported to relieve the pressure on IT departments, and costs can be profiled within a monthly payment schedule.