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COMMAND CENTER THE THIRD EYE OF THE LOGISTICS WORLD

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The supply chain industry is facing possibly the most complex and volatile business environment ever witnessed in history. Disruptive innovations and trends are constantly remodeling the landscape, with behaviors of and expectations from every stakeholder changing proportionally.

Consequently, the supply chain is under immense pressure to improve its speed, responsiveness, and decision-making abilities. The only solution that can help every supply chain stakeholder tide through these tough waters smoothly is to have complete visibility of the entire landscape.

The need of the hour is hence a centralized, efficient data management system that reins in data to derive significant, real-time insights and visibility across the supply chain. What if this centralized business interaction network was the cerebral cortex of the supply chain landscape. It could scan the entire network to accumulate data, process it, derive insights, and provide complete visibility of the entire supply chain, predicting immediate and distant possibilities, listing implications, and providing effective solutions. Is that even possible?

Of course it is; Welcome to the world of the Command Center the third eye of the logistics world!

The need for visibility:

Visibility remains a key need, both upstream for suppliers and downstream for customers. With absolutely no knowledge of the status of production, warehousing capability, transportation challenges, transit status, the supply chain industry is blinded by either complete lack of information or excessive confusing data from all directions but providing no insights.

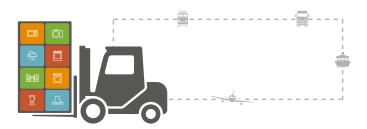
Increased outsourcing of supplychain functions

is a reality today. Globally, less than 5% of organizations currently hold all their operations in-house. While outsourcing helps get work done efficiently by splitting up responsibilities, the key for success with outsourcing lies in all the partner organizations providing the same level of visibility that the parent organization had prior to outsourcing. Unfortunately, this is rarely the case. As a result, supply chain disruptions often come as unexpected "surprises."



Alignment with third-party service providers

is becoming an increasing necessity as very few shippers want to own logistics assets. Consequently, most companies use a wide array of third-party logistics providers — from warehouse owners and operators to transportation coordinators and carriers. A smooth alignment between all these players in the extended supply chain is critical — both for the shipper and for the transportation/logistics company since the third-party logistics providers are often direct intermediaries between the organization and its customers.





is one of the most challenging pain points that every stakeholder struggles managing. Shippers, as well as their outsourcing partners, operate in an environment where increasing legislation and damaging product recalls challenge the demand-supply balance. For example, the 2011 FDA Food Safety Modernization Act in the United States placed immense importance on gathering traceability data on backward and forward lot.

From a demands perspective, traceability is essential for shippers to manage regulatory requirements regarding the information required on product labels - the actual formulation of or components in a product.

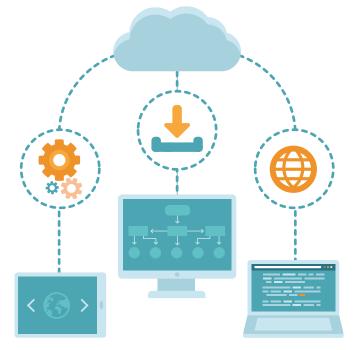
From a supply perspective, traceability involves ensuring a flawless quality assurance process at the supplier's end - i.e., establishing service agreements and implementing means of capturing and tracking supplier compliance.

From a logistics perspective, downstream traceability is essential for efficient transport and outbound logistics - for example, unique identifier tags providing information about delivery status and driver. Growing demand for instant response to delays and disruptions is challenging supply chain responsiveness.

Supply chain responsiveness

Shippers and their outsourcing partners are looking for ways to be instantly responsive to changes in demand or supply requirements in their business landscape. Over the past couple of years, forecasting and responsiveness have been fighting an interesting battle of importance. While honing a network's forecasting capability is crucial for identification of roadblocks well ahead, responding in real time to avert the hurdle or overcome it smoothly is equally important.

With most supply chains initially focusing on sharpening their forecasting abilities, it is now time to invest on delivering "rapid responses", since this approach has been found to deliver greater business returns. Many studies indicate that "responding immediately to supply or demand changes" is currently the second highest supply chain priority, lagging only "reducing overall costs." Although demand forecasting still remains important, clearly companies have begun to recognize the importance of balance between the forecast and the ability to respond, both of which intensely rely on having an end-to-end visibility of the supply chain landscape.





Seamless inter-organizational integration

The links of the supply chain network are fast extending as more third-partly suppliers, vendors, and other outsourced partners become members of this landscape. This approach is increasingly being seen as the ideal approach to leverage overall expertise and drive cost efficiency. "Brand owners" now rely on a range of business partners across the supply chain to complete the entire process from sourcing and design collaboration to logistics, distribution networks, and delivery.

The ability to work effectively with supply chain partners depends on how transparent the overall landscape is and how seamless the operational transition is as the supply chain progresses across every member of the landscape. Having visibility across this extended supply chain and the ability to query and positively influence status at every stage with minimal lead time is hence crucial for the success of the entire supply chain.

So what is the perfect solution that provides this intelligent visibility?

Having established visibility the single, powerful solution to most of the current supply chain pain points, the landscape now needs to develop a quintessential standard approach to leverage its benefits. While many tools enabling visibility promise to magically solve all the supply chain problems overnight, many do not offer a pragmatic, practical approach to solving the problem.

The entire supply chain landscape must become transparent - this requires a common business interaction network that monitors every business interaction — emails, messages, files, services, status, transactions, and events.

Although every supply chain partner strives to simplify individual business infrastructures and application portfolios, in

this process, the overall supply chain is left with managing a bewildering array of systems and IT tools generating colossal data and noise confusing all business decision-makers. The business interaction network approach eliminates this problem by holistically addressing the entire supply chain landscape.

How does the business interaction network function?

The business interaction network makes all the information available at one convenient place - the command center of the supply chain landscape. The same version of information is available to the entire network and is visible to and accessibly by all the supply chain partners. The approach follows the principle of having the right information at the right time at the right place to prompt the right decisions.

Characteristics of the ideal solution

For this approach to function effectively the command center should



These pointers appear to be a dream wish list, but every point in here can be easily managed at the command center. When all stakeholders of the supply chain have visibility of the entire network, with meaningful data insights that back up their observations, list possible implications of current and future actions all that is left to do is to make well-informed decisions. With every relevant stakeholder of the supply chain having identical visibility of the landscape, the effectiveness of the decisions taken will be exponential.

Given the increasing demand for real-time experiences, businesses can no longer afford to spend 75% of their time

unearthing data in an opaque landscape. The business interaction network with its command center provides the visibility and all relevant data at everyone's fingertips in real time. Now, we all know the direction in which the wind is blowing, its velocity, the forecast on how worse it is going to get, and its implications on our journey in the hours to come. We will also be receiving clear options on the alternate route to take, how we could adjust our sails, and what precautions we should be taking. All we need to do now is to decide which option is the best and follow instructions - we'll definitely reach our destination safely as per schedule!

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