



PROCUREMENT BULLETIN

Issue 10, Volume 5

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Are Procurement Initiatives the Key to Closing the Gender Gap?

For years, international organizations such as the World Economic Forum, the World Bank, and the United Nations have advocated for gender equality, using research and annual reports to demonstrate the positive correlation among gender equality, gross domestic product (GDP), and competitiveness. While the gender gap remains large in American supply chains, a new report regarding Women in Supply Chain reveals some positive developments. Find out why procurement could be the key to closing the gender gap and why executive action is necessary for substantial change.

Women Are Slowly Closing the Supply Chain Gender Gap



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One of the most positive takeaways from the [2017 Women in Supply Chain Survey](#) is that overall, supply chains are making progress toward closing the gender gap. The 2017 survey, which research organization Gartner conducted in partnership with AWESOME, a group for female executive leadership, reveals that women make up about 37 percent of the total supply chain workforce, which is up 2 percent from 2016. While the percentage of female directors and vice presidents has decreased slightly over the past year, the percentage of female senior vice presidents has more than doubled.

In 2017, women gained the most ground in the consumer value chain, followed closely by the health care value chain and the service sector value chain. Though women don't yet represent as high a percentage of the total workforce in the industrial value chain, that may soon change. The industrial sector is the only one to report that the majority of supply chains have at least general gender diversity objectives.

Executive Action and Firm-Wide Policies Are Necessary for Change

Another important takeaway from the Women in Supply Chain survey is that gender gaps are unlikely to resolve independently. Instead, executive actions and specific policies are necessary to exact diversity-related changes.

The survey recommends that supply chains find innovative ways to leverage existing networks of both current and aspiring female business leaders. This could involve establishing in-house networking groups for women or offering leadership training to female employees. These initiatives may also involve enhancing pipeline planning to increase the number of female job applicants and improve the quality of candidates. Creating a stronger pipeline can also help firms develop relationships with local colleges and universities as well as establish themselves in communities.

Procurement Could Be the Key to Empowering Female Business Leaders

[The Power of Procurement](#), a recent report from UN Women, echoes the importance of women in the supply chain and offers an innovative solution for closing the gender gap. The publication highlights the fact that just 1 percent of corporate spending goes to women-owned businesses around the world every year, but that integrating these businesses into corporate supply chains can positively impact the global economy and create millions of jobs. Choosing the best value when assessing bidders and streamlining the supplier application process can help organizations improve their rate of sourcing from women-owned businesses.

Women's roles in the supply chain may be expanding, but only through corporate policy changes and executive actions can the gender gap truly be closed. Corporations with an aim to boost their bottom line and increase their ability to compete should consider dedicating resources to making some of these recommended changes.



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[Case Study] 12Send and KLM Partner for Innovative Same-Day Package Delivery

As e-commerce continues to expand its reach across the globe, The Netherlands' flag carrier airline has taken a bold step to position itself as an integral logistics partner. Find out why KLM Royal Dutch Airlines has partnered with e-commerce leader 12Send and learn what each company stands to gain from the partnership.

Situation: 12Send Aims to Provide Same-Day Delivery Across Europe

Understanding the growing need to provide either same-day or 24-hour delivery to customers across Europe, 12Send launched as a logistics solution for e-commerce and consumer-facing retailers. This new company aimed to streamline door-to-door shipping services for intra-Europe deliveries, provided that all duties have been paid and that the contents aren't in a prohibited category, such as live plants or tobacco.

In need of an effective shipping partner, 12Send approached KLM and began testing its same-day delivery services on select routes, including Amsterdam to Barcelona, Madrid, London, and Stockholm. Though the tests proved successful, KLM determined that the airline needed to commit to substantial infrastructure upgrades in order to gain an even greater return on investment (ROI).

Approach: KLM Partners With 12Send and Establishes E-Commerce Hub

KLM has long maintained a hub at Amsterdam Schiphol Airport, where the airline has a major commercial and cargo presence. Though KLM already had a cargo sorting system in place, the airline referenced its test routes with 12Send and data from its partner Air France to determine how best to upgrade this system to improve its e-commerce cargo handling.

The airline [hired Lödige Industries and Vanderlande](#) to design a sorting system that could handle postal mail, express shipments, and pharmaceutical packaging. The system closely echoes the one that partner Air France has deployed in its Paris hub, but KLM's system faced the added challenge of insufficient space.

In July 2017, KLM debuted its new cargo sorting system, which enables the airline to sort 2,000 items per hour heading to over 70 destinations from its Schiphol hub. To make adequate use of limited space, KLM completely rebuilt one of its three cargo warehouses. The airline opted to build vertically, taking care to leave room for growth as the e-commerce market continues to expand.

Impact and Advantage



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Perhaps the biggest impact from KLM's debut of its new cargo sorting system is the airline's clear commitment to e-commerce. As the [executive vice president of KLM Cargo](#), Marcel de Nooijer, states, "E-commerce is a fast-growing branch in the cargo industry ... This system is faster and smarter, allowing us to better serve our customers." Since the airline has left room for expansion in its new cargo sorting facility, it could continue to position itself as the top e-commerce shipping company in Europe.

In the future, this commitment to e-commerce and innovative shipping solutions could also enable KLM-Air France to expand its market share. The airline partnership is already the fifth-largest air cargo carrier in the world, and Schiphol is the continent's third-busiest air cargo hub. By fulfilling a need in the air cargo sector, KLM has demonstrated its commitment to innovation, a forward-thinking move that could provide a significant return.



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University of West Florida Opens Center for Supply Chain Management Excellence

In September 2017, the University of West Florida debuted the new Center for Supply Chain Management Excellence (CSCME), and the center's scholarship and research projects have the potential to make a substantial impact on the procurement and supply chain industry. Learn more about the driving force behind the Center for Supply Chain Management Excellence, its primary focus area, and how the center intends to contribute to the industry.

Who's Behind the Center for Supply Chain Management Excellence



Image via [Flickr](#) by University of Central Arkansas

CSCME originated in the UWF's Next Big Thing program. A need for skilled supply chain managers in West Florida and throughout the country initially prompted UWF to pursue the concept, just two years after the university added a supply chain logistics management bachelor's degree to its academic offerings. With support from university president Martha Saunders, it quickly accelerated from concept in spring 2017 to academic center in fall 2017.

What Drives the Center for Supply Chain Management Excellence

The center is a component of the UWF College of Business, where it will draw on the college's experienced faculty members, engaged students, and key industry partners. Center leadership aims to encourage collaboration between local business leaders and the academic community, forging connections among industry figures, students, and professors.



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Real-world research and applied study will serve as the center's primary focus areas. Both undergraduate and graduate students have already begun to partner with local companies, where students can gain invaluable experience and businesses can benefit from innovative analyses and problem-solving techniques.

As [Dr. Scott Keller](#), center director and UWF professor of logistics, elaborates, “Sometimes, there is a great divide between academic research and company research. To bridge this gap, the center brings together companies, faculty, and students on collaborative research that aims to solve real-world business problems.”

How the Center for Supply Chain Management Excellence Will Make an Impact

CSCME aims to make a substantial impact on the supply chain job market. Upon realizing its projected program enrollment and finalizing important corporate partnerships, the center intends to ensure that before graduation [all of its students receive multiple job offers](#) from industry leaders.

Though corporate partnerships are likely to lead to employment opportunities for many of the program's most skilled graduates, the center has established two additional avenues for ambitious students to pursue. While many of the center's partnerships have a local focus, center leadership plans to continue looking beyond the West Florida area to develop a national internship program that can help students start successful careers.

In addition, the center is home to the Supply Chain Logistics Association. This professional organization provides networking opportunities, offers recruiting connections, and hosts logistics events, creating a valuable resource for students and members.

UWF's Center for Supply Chain Management Excellence has already begun to make a difference in the local and national community with advantageous research projects and alumni placement. As the center grows and continues to forge key partnerships, it has the potential to drive employment and shape the supply chain industry.

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[Case Study] Walmart Tests Delivery Straight to Customers' Refrigerators

In fall 2017, Walmart announced a partnership with Deliv and August Home, which would allow the retailer to bypass the front doorstep and deliver grocery purchases right to customers' refrigerators. Take a closer look at the process and some of its potential privacy concerns and discover how Walmart's latest initiative could impact the e-commerce market.

Situation: Walmart Seeks to Stand Out Among Online Retailers



Image via [Flickr](#) by tychay

As the online retail landscape becomes more competitive than ever before, it's increasingly critical for major retailers like Walmart to stand out and expand their market share through innovative products and exclusive offerings. After competitor Amazon announced its acquisition of grocery retailer Whole Foods, Walmart quickly shared its newest initiative in the grocery delivery sector. Though the offering is still in the testing phase and isn't yet available nationwide, it's already begun to create buzz.

Walmart's service aims to help busy families streamline the grocery shopping process by allowing them to purchase groceries from the Walmart website and schedule deliveries to their refrigerators. Though this initiative has some components that are similar to other online retailers' delivery services, Walmart's offering stands out as the only one that includes refrigerator delivery for perishables.



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Approach: Walmart Partners With Deliv and August Home for Delivery to the Refrigerator

In order to participate in this service, which delivery company Deliv oversees, customers must already have a smart lock system from August Home. To access customers' homes, delivery drivers use a one-time access code generated by the August Home system. While this method certainly raises privacy concerns, Walmart and its partners have taken proactive steps to address potential issues.

Customers receive a [series of notifications](#) pertaining to their Walmart orders, including when to anticipate delivery and when the delivery driver has arrived. Customers can even log in to their home security camera feeds to watch the delivery take place. Since delivery drivers leave an extensive digital trail in their wake, it's easy to trace any security or privacy issues. Drivers also undergo comprehensive background checks and complete routine audits to ensure compliance with company policies.

Impact and Advantage

Though Walmart hasn't yet announced a timeline for rolling out this new delivery service nationwide, it has the potential to change the landscape for the e-commerce industry. As a larger share of the market turns to online retailers and demands increasing levels of convenience, e-commerce companies must innovate to meet these demands.

In fact, shortly after Walmart's announcement, Amazon debuted a home delivery initiative of its own. Rather than partnering with an existing home security company, the [Amazon Key service](#) requires customers to purchase a security system, which they can use to grant delivery personnel access and monitor the delivery process. Amazon Key includes basic package delivery inside the home instead of grocery delivery to the refrigerator, but the initiative could expand in the future.

Though the success of Walmart's delivery initiative remains to be seen, one aspect is certain. The online retailer has already begun to move the industry forward, challenging both competitors and customers to rethink the potential of e-commerce.



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Related Procurement Events

Certified Procurement & Purchasing Specialists (CPPS)

- 2nd April-31st May 2018 - Online Distance Learning
- 2nd July-31st August 2018 - Online Distance Learning
- 8th October-30th November 2018 - Online Distance Learning
- 23-26 October 2018 - London, UK
- 13-16 November 2018 - Hong Kong
- 4-7 December 2018 - Singapore
- 9-12 December 2018 - Dubai, UAE

Download the full details: <https://www.ethanhathaway.com/training/certified-procurement-purchasing-professional-specialist-cpps/>

Certified Master Procurement & Purchasing Specialist (CMPPS)™ [formerly CCPO] Training Course

- 26-28 November 2018 - London, UK

Download the full details: <https://www.ethanhathaway.com/training/certified-chief-procurement-officer-ccpo/>

Certified Supply Chain Management Professional (CSCMP)™ Training Course

- 29-31 October 2018 - London, UK
- 19-21 November 2018 - Hong Kong
- 10-12 December 2018 - Singapore
- 16-18 December 2018 – Dubai, UAE

Download the full details: <https://www.ethanhathaway.com/training/certified-supply-chain-management-professional-cscmp/>

Certified Digital Marketing Specialist (CDMS)™

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