

"Moving from data Excel to collaborative data centralisation cannot be improvised", J. BOUR,
DDS

Interview with Jérôme BOUR, CEO of DDS.

Carried out on Wednesday 18 January 2023 by Frédéric LEGRAS, Director of the Portail FAQ Logistique as part of the dossier: "Supply Chain: How to make the most of your data".

What are the challenges associated with data management in the supply chain?

There are five main issues.

The first two correspond to short-term horizons:

- Process automation. In order to take full advantage of the benefits of automation (quality, speed, cost, etc.), it is crucial to have reliable and up-to-date data, as well as effective management tools and rules.
- Identification of incidents. The analysis of the data enables anomalies to be detected (stock shortages, transport incidents, etc.) and corrective measures to be put in place to remedy them.

The other three issues are positioned on more tactical or strategic horizons:

- Collaboration. By definition, the supply chain involves many internal and external stakeholders. external to the company. Effective collaboration allows the monitoring and improvement of each other's performance. It involves sharing data with these different actors. It is also important to note that a lot of key information is usually located outside one's own organisation. For example, detailed product descriptions, different packaging or customs options are information held by suppliers, but needed by distributors or importers.
- Identification of areas for improvement. Having access to a large mass of aggregated data and being able to manipulate it on different media allows you to precisely analyse your activity. Let's take CO2 emissions. By studying them at sufficiently fine levels of granularity (by mode of transport, by customer, by geographical area, etc.), it is possible to prioritise the work to be done. For example, if a company's data reveals that 90% of its emissions come from air transport, it would be irrelevant for it to focus on delivering to city centres by bicycle.
- Artificial Intelligence. It is now accepted that AI will have an increasing impact on the way businesses operate. To take full advantage of its potential, it is essential to ensure that it is provided with reliable data. This is a prerequisite for its "good education".

Should all these issues be tackled head on?

Although companies may have access to large amounts of data from their ERP or supply chain systems, it can be difficult to use this data effectively as it is not always usable in its current state.

The classic case is address data. If they are not regularly updated and not standardised (several ways of entering the same customer, addresses spelled differently, etc.), the supply chain cannot do anything with them.

Understanding the level of usability of one's data assets is in fact complicated. Tackling all subjects at once may therefore require too much effort. By proceeding step by step, you can ensure that you start by collecting, normalising and cleaning the most relevant data.

More generally, we recommend that :

- Start with the operational. Operational data is usually up to date. It is also relatively simple to have them checked as they come in by employees, who need them to be correct anyway so that they can be used in their daily tasks. The implementation of controls therefore makes it possible to ensure that its data assets are standardised, enriched and fully exploitable.
- Get closer to your partners. It is interesting to benefit from the experience and expertise of other actors to improve one's own data management processes, to learn from their know-how and experience. This is often mistakenly seen as something very complicated. Today there are a number of technological tools that make it easy to bring on board your ecosystem of suppliers, service providers or customers. I also think that it can be interesting to compare oneself with one's partners, or even with one's competitors in a benchmark type approach. Organisations such as France Supply Chain encourage the identification of best practices and exchanges between peers without revealing any competitive secrets.

What is the best approach: starting from available data or from identified needs?

It seems to me that it is best to start by clearly defining your objectives (e.g. improving the service rate) and the expected benefits (loyalty, reducing returns and penalties, etc.). It is from there that that it will be possible to identify the data needed to achieve the objectives.

It may be useful to draw on the agile method used in IT development, by carrying out successive iterations and adapting to the data available in order to achieve the first levels of gains. At the same time, missing information from a business perspective can be identified.

For those that are exogenous, it is in the company's interest to turn to specialised partners.

What are the points of vigilance of a data project in Supply Chain?

Moving from Excel processing in silo mode to data centralisation in collaborative mode cannot be improvised. There is a real need to think about workflows to ensure that the right data is positioned in the right solution with the right person.

Secondly, while it is true that these projects have a strong technological component and that the IT Department must therefore naturally be involved, the lead must remain with the Supply Chain, at the risk of only achieving a purely technical result and not a business one.

Finally, as with any project, it is important to ensure that stakeholders (customer service, business, etc.) are on board and that there is a high-level sponsor who can provide the necessary support.

How do DDS solutions leverage supply chain data?

We have been supporting our customers for twenty years in the digitalisation of their extended supply chain and in the mastery of data. We have a wide catalogue depth with multiple connectors allowing us to centralise data from wherever it comes from, to simplify its use and to ensure performance analysis through simple and efficient KPIs and dashboards.

We mainly help companies to manipulate data on three fundamental aspects of their supply chain, each time in a very collaborative way:

- product flow management
- visibility of stocks
- the associated financial flows.

Our solutions enable the organisation to collaborate with its ecosystem of suppliers, carriers and customers by sharing information between the different parties, automating processes and identifying risks through an alert system.

The issues we need to address also include the management of the relationship between shippers and service providers. To this end, it is important to define shared performance indicators, such as OTIF, in order to establish a common method for evaluating the results of each party. The objective is to ensure alignment and transparency in the management of these relationships.

In addition to the financial and service rate benefits I have just mentioned, through the data collected and made reliable by our solutions, our customers can better understand their activity and are able to identify the strategic or tactical issues on which they can act. This is a point that our customer Nexans, for example, pointed out to us after implementing our TMS. The same type of induced benefits can be found when implementing our sourcing and procurement solutions. A company wishing to relocate its production activity or review its logistics master plan needs to base its choices on precise and reliable knowledge of its activity. This is information that our solutions are able to provide. I am thinking, for example, of the aggregate view of the service rate of its warehouses or its stock levels.

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Jérôme BOUR took over the management of DDS in 2000. He previously held the positions of IT Director of the DAHER Group, Head of Organisation and Operational Systems at DHL and Consultant at Ernst & Young.

DDS Logistics website: <https://www.ddslogistics.com/>