

RESULTFOCUSED

January 2013

dasResultat is a result focused logistics and supply chain management advisory company.

We partner with our clients to identify and unlock practical and sustainable solutions.

das [R]ESULTAT

integrity • independence • results

Welcome to a result focused approach to logistics and supply chain advisory

By Anton Nieuwoudt

Welcome to the inaugural edition of RESULTFOCUSED.

Our primary objective with these monthly publications is to share with you, our partners, some interesting and noteworthy articles, blogs and academic papers. Also look out for updates on our current projects, engagements and credentials.

You will notice that the material we share are not limited to supply chain related content, but also include general business management content to support you on your journey to excellence. All credit goes to the particular author and/or publication.

In this issue you'll see how Unilever is focussing on their end-to-end supply chain through continued value creation. You'll gain

insights into the must-have skills for 2013, e.g. how companies have cut the fat and are now needing to build muscle. We share four basic ways to improve your leadership shared on inc.com. Finally, a brief introduction to dasResultat and what we're all about.

Talking of leadership. Clem Sunter recently shared five leadership lessons for 2013, which I considered worth sharing with you. First, lead by co-orporation - to get things done you need co-orporation from people or parties you don't control. Second, strive to demonstrate problem solving leadership - address the fundamental problems and not simply medicating the symptoms. Thirdly, lead by example - be the change you want to see in your employees and your organisation.

Fourthly, lead with knowledge - knowledge of the game transcends culture and affiliations. Finally, lead by getting-up-and-go - take responsibility and accountability for your thoughts and actions, don't compromise on your integrity and don't except mediocrity by habitually striving for excellence.

Here's wishing you a very blessed year ahead. Enjoy the read.

An investment in knowledge pays the best interest - Benjamin Franklin



Unilever focus on its end-to-end supply chain

By Martijn Lofvers
(Supply Chain Movement, No. 3, Q3 2012)

The Unilever Supply Chain Company (USCC) was established six years ago to increase Unilever's focus on its end-to-end supply chain. Neil Humphrey took over the role of chairman at the beginning of 2011.

What is top of Supply Chain Europe's agenda right now?

"Creating a new strategy, extending the scope of our supply chain and integrating it back into the heart of the business. That's the number one challenge that I have at the moment.

There have been a lot of changes in Unilever over the past few years and the same applies to the Unilever Supply Chain Company.

Since I took on the role, Unilever has communicated some very bold statements about our corporate and supply chain targets. We now face the challenge of delivering them. We have made a strong start and it's now my job to keep everyone focused on our plan and ensure that we have a great team of people to drive us forward.

In order to do this, I need to integrate what we are doing in the supply chain with the rest of the business. We need to bring in marketing to support us on portfolio complexity, bring in sales to support us in improving our Customer Service processes for example, and we need to continue to work closely with our customers and suppliers on issues like waste and sustainable sourcing."

What do you feel you have achieved so far as the SVP for Supply Chain Europe?

"I've overseen a huge amount of change. In fact over the past 18 months about 80% of my leadership team has changed; together we have established a new strategy, new objectives and a new organisation. Now we are moving into delivery and

performance monitoring. A good first year is a promising start but we need to maintain momentum, particularly when you consider the current economic climate in which we operate.

We have taken a firm position with the rest of the business, one which says: "if this is what we as the supply chain deliver, then this is how you need to support us." It's about creating strong partnerships across our end-to-end business, not just the Supply Chain. And in order to achieve this, we have had to take a closer look at the supply chain's role within Unilever: how do we interact with other parts of the organisation, how can we monitor our goals, measure our successes and how can we communicate this back to the rest of the business.

We have narrowed our purpose in the supply chain down to three things: to deliver growth, margin and capital efficiency. These are pure business measures that sit right at the heart of the business, and are terms that we have identified as being understandable to everyone, not just the supply chain professionals.

Now that everyone is speaking the same language, there is a much better understanding of just how important the supply chain is, and why. This has released a considerable amount of energy for us in the supply chain: our colleagues within Unilever understand what we can do for them and they also understand how their actions can influence our performance. This leads to more growth, higher margins and better capital efficiency."

What is the next step?

"What we need to think about now, is how to add even greater value. We are supporting growth through quicker delivery of innovation and improving availability of our products on the shelf. We are looking at how to work differently, more quickly, more integrated and we are learning to challenge marketing and sales decisions in order to find the best outcome for Unilever.

That's a proactive role that we need to play and therein lies the real challenge: switching from reactive to proactive."

How do you hope to do this?

"It starts with setting targets and understanding everybody's objectives. With this new approach, we have committed ourselves to integrating better with the rest of the business and have created a strategy called Connect to Win. We have made the Supply Chain VPs in our country organisations into ESC 'internal salesmen' in their individual markets, in addition to them running their local supply chain operations. They each have the task of understanding what business opportunities marketing and sales struggle with, and

feeding them back into the supply chain.

Then we can create a portfolio at these cost-points that will allow them to succeed. That's point number one, and point number two is ensuring that each country organisation is aware of the others' capabilities. This prevents us from having to reinvent the wheel - we can roll out successful innovations and activities in multiple markets. The teams in the factories, the category VPs, etc., all understand what is happening at the front end of the supply chain. It takes more time, but the benefits are huge.

We have also committed ourselves to improving the links between us in the supply chain and our colleagues in marketing and sales, and of course the most important connection: the external connection with customers and consumers.

So how does complexity fit in here?

"Complexity is always one of the issues when it comes to margins and managing our huge portfolios. One way of bringing cost down is to work on savings projects, and we involve our brand development people in those. However the brand teams also need to generate margin, so it's our role to examine how to build the portfolio and produce what is needed with that in mind.

The key is to work together towards common objectives - margin- but also creating the right range of products at the right cost, for our customers and consumers.

By looking at our portfolios across Europe, we can provide more options in each country with less complexity - ultimately benefiting both the business and the end users. We are also focussing on creating what we call category portfolio blueprints, standard "building blocks" that mean we don't need to start from scratch each time we're creating a new product. It's about trying to take a logical approach to exploiting the benefits that complexity can offer, and about speeding up product development."

Tell us more about the Connect to Win strategy:

"The Connect to Win strategy is built on two pillars. The first one, which we call Win on Shelf, is focused on serving our customers and covers availability and quality, including how the S&OP process works to ensure availability. The second pillar is about winning product portfolios: how does our supply chain deliver the product portfolios that the markets need to win. In other words, products that they can market to consumers or customers at the right price points in order to gain market share.

This second pillar covers cost competitiveness as one of its key

areas – no good supply chain should ever be happy with its cost position – but we have changed our focus here considerably.

Whereas we used to focus on delivering savings year on year, we now talk about cost and competitive cost. That may sound like semantics, but that's a big mind-set change. Why focus just on savings, when what matters to our business is the costs we see in our P&L. Every year we now demonstrate how many base points of cost improvement our colleagues across the business see from the supply chain. We measure the improvement in production costs, in distribution costs and in what we call 'supply chain indirects'. The result is an output focused on cost competitiveness.

We have moved from savings to cost, and moved away from incremental improvements to meeting benchmarks, both internal global benchmarks and those of our competitors. For really challenging benchmarks, we look at what distributors' own brands are doing."

Is it your goal to beat the competition solely on cost?

"No. Our goal isn't necessarily to be cheaper than competition, but we must add more value than they do. Under the winning product portfolio element of the Connect to Win strategy there are a number of important things. One is cost but the other is on-the-shelf quality and our ability to innovate more quickly. We have classified innovations with different lead times so we can respond more quickly depending on the consumer and business needs. We have also looked to other industries for ideas in this area.

We have spent some time looking at the automobile industry, at Fiat, for example, and we are now sponsors of the F1 and have been to visit the Lotus Formula 1 facility. We are starting to share ideas, and the innovations in this field are fascinating – the speed with which the Formula 1 industry can innovate is just unthinkable for us. However, we are developing fast-track processes that will help us speed up innovation, even if they won't enable us to redesign the wing of a car in a weekend like they can in F1. I think we could be even more challenging as a supply chain.

There is a lot of room for growth and we could, or perhaps even should, be more involved in R&D much earlier in the process."

How do you segment markets from a supply chain perspective?

"We have set up what we call a segmented supply chain. We have identified the segmented supply chain for e-retailing, the segmented supply chain for drugstores etc.,

"Complexity is always one of the issues when it comes to margins and managing our huge portfolio. By looking at our portfolios across Europe, we can provide more options in each country with less complexity"

Neil Humphrey

each with a different approach.

As we move further into the area of beauty for example, we are creating different supply chains for more rapid, fashion-type innovations.

This is somewhat different to margarines, therefore we are configuring our organisation differently to enable us to respond more quickly, and to be able to use different asset bases in some segmented supply chains than we would in others."

You mentioned e-retailing. Is this something Unilever is working on?

"Yes, certainly. We've done a lot of work with Waitrose and Tesco Online in the UK, as well as with Ocado. Unlike Waitrose and Tesco, Ocado don't have shops to pick from, rather they have a huge, sophisticated automated warehouse.

We are currently working closely with them to explore how we can improve supply, be more efficient and collaborate better with them on product selection. Thanks to working with Ocado, rather than being under-represented in this channel as we were before, we are now over-represented."

How does Unilever create a shelf-connected supply chain?

"We have Customer Integration and Innovation Centers which started life as a way for sales to work even closer with our customers to see how we could improve service and availability. Over the years, we have developed clear ideas on how best to work with customers and this involves

creating joint business development plans, and these definitely contain a key supply chain element.

We talk to customers about ways of improving the euros per square metre that they are getting out of their stores and about

creating a portfolio that optimises unit margin, rotation, and shelf space. We discuss supply and availability before we look at

new innovations and we also look at the impact packaging has on the shelf.

We have developed something called the 5 Easy's which are our supply chain rules for designing and delivering shelf-ready packaging.

Then there is the marketing aspect: what messaging do you want to include on products in terms of calls for action, how can you best present that to a shopper, and then there is how it travels through the supply chain. We use the Customer Integration and Innovation Centers for everything except the last phase of getting it physically through the supply chain.

We are also working with Red Dot Square Solutions to look more closely at shelf-ready packaging for many of our markets. This is a brilliant virtual-reality environment that you can walk through and see the products on the shelf. It is an exact representation of your design and the store, and is the perfect way of assessing the in-store impact of your product presentations.

Knorr, for example, has a winning share in Germany for the first time in years and it is all down to its new on-shelf presentation method. We were able to see it in the virtual reality store first and then in the actual shops in Germany. It's incredible – the impact is remarkable.

What is your biggest sustainability achievement so far?

"One of the biggest achievements so far has been our sustainably sourced materials.

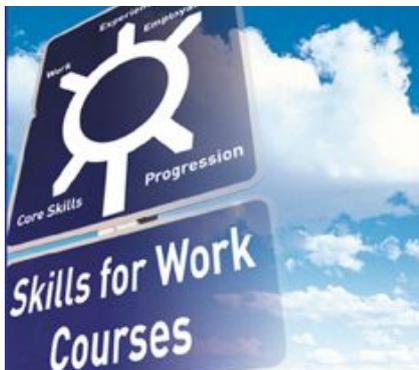
We have made considerable headway in our Partner to Win programme, in which we have invited our key suppliers to talk to us about helping with our innovation processes, with early inputting of ideas and with sustainability.

We are well ahead on some of the big environmental issues like palm oil. In fact, by the end of this year, all of our palm oil will be sustainably sourced, globally.

In addition to this, we have already received the first supply of certified sustainable rape seed oil (announced on the day of the interview). 24% of our agricultural spend is sustainably sourced, so that's well on track and we have recently announced a new ambition to have all our

volumes sourced from traceable certified sources by 2020.

Let's be clear here – sustainability is at the heart of all of our KPIs. We use 100% green energy, have virtually zero hazardous waste going to landfill and, last year, we beat the target on every KPI we set. I know we will do the same this year."



Focus on the must-have job skills for 2013

By Ruth Mantel
(Harvard Business Review Online,
18 November 2012)

Even as employers remain cautious next year about every dollar spent on employees, they'll also want workers to show greater skills and results.

For employees who want to get ahead, basic competency won't be enough.

To win a promotion or land a job next year, experts say there are four must-have job skills:

Clear communications

Whatever their level, communication is key for workers to advance.

"This is really the ability to clearly articulate your point of view and the ability to create a connection through communication," says Holly Paul, U.S. recruiting leader at PricewaterhouseCoopers, the accounting and consulting firm based in New York.

For job seekers in particular, clear communication can provide a snapshot of their work style to employers. "I can walk away from a five-minute conversation and feel their enthusiasm and have a good understanding of what's important to them," Ms. Paul says.

As office conversations increasingly move online, some workers are losing or never developing the ability to give a presentation, for example. Others may be unable to write coherently for longer than, say, 140 characters.

"Technology in some ways has taken away

As economies turn around, companies will have to work harder to retain talented employees....companies have trimmed the fat, and now they have to build the muscle.

our ability to write well. People are in such a hurry that they are multitasking," and they skip basics such as spelling and proofing, says Paul McDonald, senior executive director of Robert Half International, a Menlo Park, Calif., staffing firm.

Personal branding

Human-resources executives scour blogs, Twitter and professional networking sites such as LinkedIn when researching candidates, and it's important that they like what they find.

"That's your brand, that's how you represent yourself," says Peter Handal, CEO of Dale Carnegie Training, a Hauppauge, N.Y., provider of workplace-training services. "If you post something that comes back to haunt you, people will see that.

"Workers also should make sure their personal brand is attractive and reflects well on employers". "More and more employers are looking for employees to tweet on their behalf, to blog on their behalf, to build an audience and write compelling, snappy posts," says Meredith Haberfeld, an executive and career coach in New York.

Ms. Haberfeld has a client whose employee recently posted on her personal Facebook page about eating Chinese food and smoking "reefer."

"I saw it on Facebook. Her supervisors saw it," Ms. Haberfeld says.

Flexibility

The ability to quickly respond to an employer's changing needs will be important next year as organisations try to respond nimbly to customers.

"A lot of companies want us to work with their employees about how to get out of their comfort zone, how to adapt," says Mr. Handal. "Somebody's job today may not be the same as next year."

The ability to learn new skills is of top importance, says George Boué, human-resources vice president for Stiles, a real-estate services company in Fort Lauderdale, Fla. "We want to know that if we roll out a

new program or new tools that the folks we have on board are going to be open to learning," he says.

Productivity improvement

In 2013, workers should find new ways to increase productivity, experts say. Executives are looking for a 20% improvement in employee performance next year from current levels, according to a recent survey by the Corporate Executive Board, an Arlington, Va., business research and advisory firm.

"When you are at your job, do you volunteer for projects? Are you looking for creative ways to help your organisation," Mr. McDonald says. "The way to really differentiate yourself is to be proactive."

Companies that are considering adding workers in coming years want current employees to operate in growth mode now. "My clients are looking for employees that have a great ability to understand what is wanted and needed, rather than needing to be told," Ms. Haberfeld says.

Even hiring managers need to work on certain skills as organisations consider expanding next year. "The ability to spot talent and hire people has fallen out of use over the last several years," says Ben Dattner, an organisational psychologist in New York. "As the economy turns around, companies will have to work harder to retain talented employees. Companies have trimmed the fat, and now they have to build the muscle."

Leadership improvement in four



basic ways

By Les McKeown
(Inc.com, 17 December 2012)

Leaders who build lasting legacies don't do so overnight. For long term impact, a leader must be reflective and thoughtful.

The greatest need we face in business today is leadership that makes real, positive change in the long term.

Because of the financial market's short-term focus on results, the media's need to fill columns with stories linked to current

events, and a culture that fetes celebrity, we reward the new, the counter-intuitive and the loud.

And yet the most important challenges we face are none of these things.

Our greatest challenge is to build companies that grow and are profitable in the long term, which provide valuable and rewarding employment, and which contribute to a just and fair society.

Achieving this requires leaders who are prepared to do more than simply rush to the next opportunity and extract the maximum short-term gain. Leaders who think, act and value the long-term. Leaders who change lives, and who leave a legacy.

I get to spend every day with leaders from businesses of all sizes and types, and over the years I've come to believe that most want to do just this, but find it hard to break free from the insistent demands of the urgent, to focus on the quieter needs of what is important and lasting.

I've also watched as many have achieved true greatness--those who have become leaders who changed industries, cities, lives. Here are the four steps I've seen all of them take, in becoming a leader who makes a difference:

Find a place of solitude

Every great leader needs a place where they can think. Somewhere away from the constant clatter of incoming information, somewhere quiet, somewhere contemplative. A blessed few leaders have the mental strength to achieve this state of abstraction anywhere--in a crowded office, or anytime during the hurly-burly of a busy day.

The rest of us need to work at it. For me, walking my dogs twice a day gives me the time I need to think consciously, unpolluted

“Our greatest challenge is to build companies that grow and are profitable in the long term, which provide valuable and rewarding employment, and which contribute to a just and fair society”

Les McKeown

by the dopamine-inducing ping of incoming email or the lure of conversation (tip: leave the cell phone behind or switch it off). Other leaders I know use a visit to the gym, the act of making a meal, or have a favorite chair in a quiet room.

Where's your place of solitude?

Discover your contemplation trigger

Solitude is a worthwhile state in and of itself, but we're considering it here as a vehicle--a means to think clearly and deeply about matters of importance. But with all the manifold possibilities, with the myriad of issues that press in on us every day, what should we spend time thinking about in more detail?

It's alarmingly easy to emerge from an hour of solitude to discover that our lizard brain has hopped from topic to topic, or dwelt on matters of (merely) tactical importance. Here's what I use as my "contemplation trigger": "What is the single greatest challenge I face today that will profoundly affect the success of my enterprise one year from now?"

The one-year horizon works for me in most cases because of the nature of my business. However, at least once a year, I set aside a week's contemplation to dwell on a three-year horizon. (Your mileage may vary.)

Get beyond instant gratification

We live in a time of instant gratification. Read something semi-interesting? Post it on Twitter. Saw something funny? Share a photo on Instagram. Cute cat trick? Hop on Facebook. Formed an opinion about something? Write a blog post.

Leadership, especially leadership in the long term, requires us to forgo instant gratification. Not simply as a repudiation of a banal, I-share-therefore-I-am zeitgeist, but because reflection and contemplation are the compost of great ideas and the genesis of deep commitment.

Time is the most precious resource you can give to your leadership. The sacrifice of time--choosing to pause, and investing in reflection--is the price we pay to build the depth of leadership that leaves behind a legacy, and not just a fast-vanishing footprint.

I like the "rule of 90": Wait 90 seconds before sharing the brilliant idea that just struck you in mid-discussion; take 90 minutes before sending that email with your no-brainer tactical instruction; allow 90 hours (four days) for strategic thoughts to percolate; give the gift of 90 days for truly game-changing ideas to take root.

Does this mean abandoning your intuition and forgoing on-the-spot improvisation? Of course not, but like any great sports team,

your no-huddle offense will deliver long-term success only with the discipline and solid foundation of well-planned, well-rehearsed, well-executed plays.

Model more than you share

In the over-sharing culture we live in, we're in danger of forgetting that leadership comes through leading, not by telling.

Seeing it isn't doing it. Sharing it isn't doing it. Only doing it is doing it.

“In the over-sharing culture we live in, we're in danger of forgetting that leadership comes through leading, not by telling”

Les McKeown

Try this: Next time you see a leadership need in your organisation - whether it's about how people should be treated (customers, clients or employees); how you communicate internally or externally; or what your long-term mission, vision or values are - try modeling the change you want to see without the use of emails, memos or powerpoint presentations.

See how long it takes your people to recognize and understand what you want from them, without merely telling them. To revitalize a much-cheapened saying: Be the change you desire.

Don't have time to model change? Thinking, "Great idea, but it's easier and quicker to send a memo."? That's fine. No one will die and the sun will come up tomorrow. But remember, you're leaving behind footprints on a beach when you could be changing lives.

Result focused logistics and supply chain advisory services

By Anton Nieuwoudt / Niels Rudolph

dasResultat is a results focused logistics and supply chain management advisory company with greater than 30 years combined experience in various functional areas of logistics and supply chain management across diverse industries.

Our primary objective is to support our clients to reduce operational costs and increase their service offering to their clients through optimising their supply chain, by offering a wide range of services based on our own practical experience.

dasResultat stands under joint leadership of Anton Nieuwoudt and Niels Rudolph.

Leadership

Anton has more than 12 years experience in logistics- and supply chain management across various industries.

Prior to co-founding dasResultat as a boutique logistics and supply chain advisory company, Anton was at Accenture where he was involved in various projects in the Retail, Mining, FMCG and Energy sectors. Here he was able to expand and apply his fulfillment, supply chain management, supplier management, project management and business consulting expertise.

Anton also worked at DB Schenker where he gained experience in integrated logistics management, spare parts logistics as well as inbound- and outbound logistics solution implementation.

Anton holds a Bachelors degree in Marketing and an Honors degree in Logistics Management from the Rand Afrikaans University. He is currently completing his Masters degree in Logistics Management at the University of Johannesburg.

Niels has close to 20 years experience in logistics- and supply chain management mainly within the 3PL industry.

Prior to co-founding dasResultat as a boutique logistics and supply chain advisory company Niels founded ORAscm as a specialised logistics consultancy company. He also worked at DB Schenker and PriceWaterhouseCoopers in Germany as a project consultant.

Niels spent the largest part of his career at DB Schenker in various roles in Germany, Singapore, Malaysia and South Africa.

During his last role at DB Schenker in South Africa, Niels was responsible for logistics development, reporting directly to the CEO. Here he applied and expanded his knowledge to develop logistics solutions across the local automotive, high-tech and retail industries.

Niels holds a Diplom Betriebswirt (BA) from Staatliche Berufsakademie, Mannheim (Germany).

Functional experience

Our functional experience include among others warehouse design & management, transportation management, inventory management, demand planning, supply planning, supply chain planning, supplier relationship management and project management.

Industry exposure

We have had exposure to industries such as retail, automotive, consumer goods and services, petrochemical, mining and defense aerospace.

Core offerings

Through our core offerings we can support our clients to achieve strategic, tactical and operational results. They cover areas such as Supply Chain Management, Business Management, Logistics Management and Project Management.

Credentials

Since founding the company in the fourth quarter of 2012 we've been involved in various projects.

Our primary engagement has been with a leading global third party logistics company. Here we've been tasked to support them in their turn-around of their contract logistics department.

Secondary engagements during our first quarter of operations included a warehouse performance assessment at the Cape Town operations of a global apparel company, supporting a logistics service transition at a German automotive manufacturer and providing warehouse implementation support for an agricultural equipment manufacturer.

dasResultat (Pty) Ltd.

25 Kelly View
11 Kelly Lane
Bedfordview
Gauteng
2007

dasResultat is a result focused logistics and supply chain management advisory company.

We partner with our clients to identify and unlock practical and sustainable solutions.



www.linkedin.com/company/dasresultat

Anton Nieuwoudt
anton.nieuwoudt@dasresultat.com
+27 82 495 3419



za.linkedin.com/in/antonnieuwoudt/

Niels Rudolph
niels.rudolph@dasresultat.com
+27 79 588 8098



<http://www.linkedin.com/pub/niels-rudolph/4/4aa/231>