



## ■ Critical Issues

- **The distribution management work has become concentrated in a few people, and there is no know-how transfer**
  - When the manager changes, the management system also changes.
  - If we make improvements, the situation soon returns to what it was before.
- **The management items and indexes relating to distribution management are not unified throughout the company**
  - Every time a problem occurs, the monitoring items increase
  - The persons making the report give lists of reasons why it cannot be done
- **Although we are conducting productivity management for work and transportation, it is only used for management purposes and is not linked with the business results.**
  - Internally oriented management taking too much care of superiors.

## ■ JMAC Concept

- **JMAC designs the management system based on distribution improvement know-how**

JMAC has practical experience in implementing many improvements targeting distribution-related sites. The basis for improvement is to “continuously conduct activities”, and it is possible to link with management results only when continuity is maintained. In order for the improvement activities to become adopted, the PDCA improvement cycle is important, and this mechanism is at the heart of the management system.
- **JMAC understands the maturity model concept, and recommends organizational development towards becoming an autonomous management type organization.**

The concept of the degree of maturity model is a guideline for evaluating the management level in five stages, and has been established as a project management method. Based on this concept, JMAC has built up its own unique guidelines as a distribution management method.
- **JMAC sets the management items according to each company's situation, such as the type of employment and work characteristics, and sets the management indexes.**

In distribution business and work, depending on the characteristics of the shipper and the characteristics of the goods, a wide variety of management is required. For example, temperature control is required for perishable foods, while legal control is applied to hazardous substances. Further, the required management level of the delivery service differs depending upon consumable goods or industrial goods. Based on consulting experience in matching management items and indexes with business types and business conditions, JMAC has standard models of management items and indexes.

# Distribution Management System-building based on Business Maturity Model

GL-SC007

Building of a distribution management system based on business maturity



## JMAC Features

### Framework of the distribution management maturity model

Level Increase		Event Management				Transportation		
Level	Level Increase	Storage	Handling	Order Acceptance	Resource Management	Contract	Investment	....
1	Optimization							
2	Innovation and Improvement Activity Adoption	Business Developments						
3	Result Realization through Outstanding Activities	Profit Management				Partnerships	Equipment Investment Management	
4	Management by Defined Knowledge and Experience	Vehicle Allocation	Layout	Work & Workforce	Tracking	Assessment	Operation Rate	
5	Customarily Repeated Activities	Carriage & Schedule	Location	Presence /Absence	Billing	Contracts and Memorandums Payment	Maintenance	
6	Uncertain, Trial and Error							

Example of Management Items and Indexes of Work

Example of Management Items and Indexes of Layout

Example of Management Items and Indexes of Vehicle

## Results

### Management Foundation Maintenance

- Distribution management table design
  - Operation system design, operation manual production
- ⇒ Distribution management system adoption, management human resource education

### As preparations for distribution cost reductions:

- Outsourcing to low-cost personnel based on clear role allocations
  - Occurrence of improvement results due to improving the administration levels in distribution divisions, subsidiaries and outsourcing businesses
- ⇒ Distribution business productivity increase: 10 to 30% up (Actual results)

