

COLLABORATION IS THE BIGGEST STRENGTH

Celebrating excellence in supply chain management for the very first time in Bangladesh

**B**ANGLADESH Supply Chain Excellence Awards (BSCEA) 2018, recognises outstanding individual and organisational contribution in advancement of supply chain knowledge and practices across industries in Bangladesh.

The distinguished awardees were selected based on their high impact contributions in 2017 in different dimensions of supply chain management in manufacturing and service organisations.

The event was jointly organised by the Bangladesh Supply Chain Management Society (BSCMS) and IPDC Finance; the International Supply Chain Education Alliance (ISCEA) was the knowledge partner.

The winners were selected from entries of achievement stories in 2017 by supply chain professionals and business organisations.

**Excellence in Supply Chain Relationship Management**

Supply chain collaboration is defined as two or more autonomous firms working jointly to plan and execute supply chain operations. It can deliver substantial benefits and advantages to its partners.

As energy and raw material prices increase, working capital will become harder to procure and supply chain collaboration will suffer in a Darwinian struggle for profitability scraps.

Today, many companies credit their own survival to their working relationships with suppliers and customers, indicating successful supply chain relationships mean much more than cost efficiencies and economic conveniences.

There are two types of supply chain collaboration: vertical and horizontal.

Vertical collaboration is when two or more organisations from different levels or stages in the supply chain share their responsibilities, resources and performance information to serve relatively similar end-customers.

Horizontal collaboration is an inter-organisational relationship between two or more companies in the same level or stage of supply chain for greater ease of work and achieving a common objective.

Individuals and organisations from local and multinational levels were awarded in this category.

**Winner - Individual**

Mushfeq ur Rahim from Nestlé Bangladesh Limited

**Summary of his case**

Rahim has designed a process that provides a mutually beneficial cash flow solution for Nestlé and its suppliers.

It involves Nestlé approving an invoice for payment within the earliest possible timeframe and then enabling the bank to clear the supplier's payment right away in return for a small fee. In so doing, the supplier no longer need to wait for the invoice due date to receive the payment.

This initiative has significantly helped suppliers' cash flow management while substantially improving working capital management for Nestlé.

**Winner - Local Organisation**

BSRM Steel Limited

**Summary of the case**

BSRM has made a deal with one of its supplier M/S SM Block Builder to make paving blocks from slag, a waste product generated during steel production.

This initiative has helped BSRM to save Tk 260 crore in slag storage costs for five years and another Tk 1.83 crore in transportation costs.

It has also helped BSRM to meet its internal requirement of paving blocks at a cost of Tk 3.30 crore.

SM Block Builder is also benefitting from its steady supply of better quality raw materials at a lower cost. A win-win situation for both the parties.

**Winner - MNC**

Nestlé Bangladesh Limited

**Summary of the case**

Create Strong Relationship from Farm to Fork

The supply chain team of Nestlé Bangladesh is continuously taking initiatives to work with local farmers for their raw material sourcing.

Currently, Nestlé is sourcing rice, honey, spices and milk from local suppliers after working with several non-governmental organisations to educate the suppliers about the required quality criteria of the materials.

Nestlé Bangladesh has also taken Customer Facing Supply Chain and Supplier Facing Supply Chain initiatives to enhance customer satisfaction and strengthen vendor relationship.

The initiatives have helped Nestlé Bangladesh to: localise its supply chain, reduce costs and create a shared value with the society, cut down lead time and minimum order quantity, reduce inventory holding and detention charge, respond faster to demand fluctuation, avoid the complex import process, improve traceability, minimise transit damage, attain sustainable supplies and improve working capital.

**Excellence in Manufacturing**

Supply Chain Manufacturing Excellence is a management strategy that helps manufacturers optimise their performance in those areas that really matter, achieve preferred supplier status and survive in extremely competitive markets.

Manufacturing capacity represents a massive investment that is difficult to relocate or sell off, flexibility and the ability to act quickly to market changes that are difficult to cultivate.

Despite the economic volatility of the past decade, leading manufacturers have found consistent success through maintaining better inventory turns, greater operating margins and higher overall shareholder returns than

their rivals.

When downturns hit, they can find the volumes and revenues to support their major assets. When the economy rebounds, they are positioned to take advantage of the opportunity.

Both individual and organisations were awarded in this category.

**Winner - Individual**

Khan Mohd. Ibrahim, American & Efird (Bangladesh)

**Summary of the case**

Hawkeye Programme to further enhance Supply Chain Operations (Khan Md. Ibrahim)

The project had multiple objectives that include: increase efficiency, reduce waste, improve RFT (Right First Time), use alternative materials and increase competitive advantage. The approach was chosen to be project based with core focus on "Lean Six Sigma".

These projects improved efficiency in a lot of the processes, resulting in actual savings of \$327,000 in fiscal 2017-18.

**Winner - (Local organisation/ MNC)**

Tarasima Apparels

**Summary of the case**

Tarasima Apparels is the flagship factory of Bitopi Group. This is a fastest growing gar-

business

**Winner - MNC**

CP Bangladesh

**Summary of the case**

Removing middlemen and collaborating with financing organisation to facilitate small suppliers with low cost financial services

CP firmly believes that the quality of their SCM largely depends on the quality of their suppliers' work, which in turn depends on how CP, as buyer, cooperates with them.

CP opted for financial inclusion by making business collaborations with financial organisations: its suppliers were provided with the Factoring Finance facility by IPDC against their PRS/bills/goods receipt notes based on an irrevocable assignment of payment confirmation issued in favour of IPDC.

By providing suppliers with the benefit, CP created an opportunity for them to run their business with limited capital and more efficiency. In the past, such suppliers used to take financial help from unconventional sources, which cost much higher than conventional loan facilities.

By removing the intermediary parties and directly collaborating with farmers at the micro level, CP has been able to achieve significant

has only individual level cases to assess for excellence.

**Winner**

Sayed Mohammad Moinuddin Morshedul Alam from BSRM Steel

**Summary of the case**

Smarter Way to Manage Inventory: Intelligent Inventory Dashboard

Sayed Mohammad Moinuddin Morshedul Alam has created an 'Intelligent Inventory Dashboard' that has enabled his company BSRM to achieve cooperative management of inventory through joint visibility among sales, production and inventory team, show-case of stockkeeping trend and overall utilisation of warehouse around the country and replenishment of products throughout the supply chain.

Such initiative has helped BSRM to achieve end-to-end monitoring, enhanced expected performance of inventory team, ease in documentation of sales support team, maximum utilisation of warehouse capacity, maximum customer satisfaction through on-time delivery and ease in production planning, shutdown and periodical maintenance planning.

**Special Mention**

Sajib Dutta from BSRM Steel

level, using special transport as per the nature of product to be transported, efficient use of manpower and material handling equipment made significant contribution in taking logistics management of PHP to a different level.

**Special Mention**

BSRM Steel

**Winner - MNC**

Berger Paints Bangladesh

**Summary of the case**

Application of Lean Six Sigma for Warehouse and Distribution Operational Efficiency Improvement

Berger Paints has implemented Lean Six Sigma to tackle its material flow bottleneck in its Dhaka factory's finished goods warehouse and distribution centre.

As part of its action plan it has done: work measurement analysis and balancing bottlenecks, internal movement reduction from production floor to finished goods warehouse, plan and programming of storage space, dispatch scheduling including vehicle sequencing and designing the capability to get optimum service.

This initiative has helped Berger paints to improve delivery per hour by 201 percent of existing input, reduce additional movement which has optimised Tk 16 lakhs per annum, reduce overtime to 6,000 man hour per year from 21,000 man hour per year and achieve 3.6 DPMO dispatch accuracy.

**Special Mention**

British American Tobacco Bangladesh

Special Recognition of Excellence in Logistics Management to Abu Hossain Khan

A person whose name is known as an institution in Bangladesh to many large MNCs and local business groups. He contributed immensely in creating the backbone of many MNCs like BATB, Coats, Syngenta, LG-Butterfly and so on.

His current client list includes companies like Grameenphone, Lafarge, GlaxoSmithKline, bKash, Marico, Linde, Hemas, Berger and many more.

**Supply Chain Professional of the year**

Individuals who have vast experiences in supply chain profession and made significant contribution in the development of supply chain as a function and as a process in any organisation.

He/she must have vast knowledge, skills and highly renowned as a business leader and practitioner in the supply chain arena.

As the name of this category suggests, it has only individual level cases separately from local and multinational organisations.

**Winner - Local Organisation**

Md. Shakhawat Hossain from DBL group

**Summary of the case**

Md. Shakhawat Hossain currently holds the following three critical positions at DBL Group:

- Group Chief Supply Chain and & Operations Officer, DBL Group
- Chief Operating Officer, Neural Semiconductor, a concern of DBL Group
- Chief Operating Officer, Color City, a concern of DBL Group

DBL Group started its journey in 1991 and at present has successfully shaped into a business giant with 22 concerns.

Hossain has an MBA from the University of Dhaka and a BSc in Electrical and Electronic Engineering from BUET.

He started his career in IT at Transcom Electronics, which was followed by stints in Beximco Textiles, Holcim, Coats, IDS Group, American and Efird and Amann Bangladesh.

Hossain has more than 20 years of experience in structuring manufacturing and supply chain operations, business process integration, warehouse management implementation, IT infrastructure and system development, business process engineering, supply chain strategy development, management, sales and operations planning, sourcing and development, contracts and negotiations, customer service management, and cost management.

He is one of the most sought-after mentors among students, young executives and corporate practitioners thanks to his impact on supply chain resource creation and advancing supply chain knowledge and practices in Bangladesh.

**Special Mentions**

Kamrul Islam from Rahimafrooz Bangladesh

Mohammad Imtiaz Uddin Chowdhury from BSRM Steel

**Winner- MNC**

Mahmud Hasan Khan from Avery Dennison Bangladesh

**Summary of the case**

Mahmud Hasan Khan currently holds the position of Regional Director – Operations and Supply Chain at Avery Dennison.

After completing his mechanical engineering education at BUET, he started his career in 1998 at Bata Shoe. He also worked at Unilever Bangladesh, Reckitt Benckiser Sri Lanka, Reckitt Benckiser Bangladesh and was promoted to a regional role at Reckitt as Cluster Supply Director for the Bangladesh-Sri Lanka cluster.

With over 20 years of solid manufacturing and supply chain experience Khan has developed an enviable level of expertise in areas of strategic planning, business development, business finance, project management, factory and industrial management, performance management, negotiation and budgeting/forecasting.

With his extraordinary exposure in supply chain and operations, Khan has been a top contributor in advancing supply chain knowledge and practices in Bangladesh and in the south Asia region.

**Special Mentions**

Raquibul Alam from Berger Paints Bangladesh

Habibur Rahman from Marico Bangladesh



Winners, organisers and jury pose at the gala event of Bangladesh Supply Chain Excellence Awards 2018, at International Convention City Bashundhara in the capital on Saturday.

ment company, with 47 production lines and a workforce of 8,000.

With current annual turnover of Tk 856.7 crore, the company manufactures denim products with a daily capacity of 60,000 units.

Tarasima's products are being exported to 42 countries across the globe. Many of its materials are imported from 22 countries with a supplier base of 120.

**Recognitions received in the recent past:**

- Leadership in Energy and Environmental Design (LEED)
- Gold Supplier award by H&M
- Waste water management award by Decathlon
- Operational Excellence – H&M
- Chemical Management – GiZ and Huntsman
- Certificate of Recognition – NEXT

**Innovation practices:**

Tarasima is a zero-waste discharge factory, which recycles all wastes in the following areas:

- Burn solid waste to produce energy
- Recycle food waste in bio gas plant to produce gas for cooking
- Rain water harvesting for alternate water use and reduce burden on current water supply

It is a fully compliant business organisation with significant contribution to Bangladesh economy.

**Excellence in Supply Chain Finance**

Logistics and Supply Chain Management (SCM) have great potential for improving bottom line results. SCM can not only contribute to improvements in sales, cost of sales, and the invested capital, it also has the potential to improve the capital cost rate as a long-neglected supply chain driver of shareholder value.

Both local and multinational organisations were awarded for their excellence in this field.

**Winner - Local organisation**

Aarong

**Summary of the case**

Supporting Producers by extending financing facilities

In order to streamline operations Aarong has implemented the Enterprise Resource Planning (ERP) system where producers are kept at the centre of attention.

When a producer delivers finished products to the quality control department the data is instantly fed into the ERP. This data is populated in the finance module and the process for payment becomes much swifter and efficient.

In order to extend financing facilities to the producer, Aarong offers loans and product credits. These services are provided in the shortest possible time and without collateral.

In a bid to bring the producers to the formal banking sector Aarong has partnered with IPDC to extend work order financing opportunities. Under this arrangement IPDC shall finance producers against the work orders issued by Aarong.

Such initiative on supply chain finance brought in the following benefits among others:

- A meaningful social service
- Strengthened relationship with the suppliers
- Uninterrupted supply
- Ensured sustainability of the supplier's

level of efficiency in the following areas:

- Reduced cost of production
- Increase production quality
- Better access to information
- Empowering farmers

**Excellence in Supply Chain Talent Development**

The supply chain management profession is facing a talent crisis that threatens organisations' current and future ability to create the value required to satisfy customers.

Companies are responding to these challenges by turning to colleges and universities as a source of new managers. Despite the recent growth in academic supply chain programmes, the demand for supply chain professionals far outstrips the supply of available talent.

Furthermore, the skills required to support world-class supply chains are continually broadening; organisations are therefore seeking a blend of analytical and managerial leadership capabilities that can only be developed through integrated programming such as classroom education, hands-on training and on-the-job experience.

In this category both local and multinational firms were awarded

**Winner - Local organisation/ MNC**

British American Tobacco Bangladesh

**Summary of the case**

BAT Bangladesh has clearly defined a career path matrix that all managers create for themselves as well as a clearly defined career path.

In-house training centre works throughout the year in the frame of 70:20:10 principles to deliver skills requirement.

All development needs are clearly identified on a defined performance cycle. This is created in line with clearly defined qualities for the employees.

Other aspects of BATB's talent development process include:

- Clear communication on the roles and competencies of the operations function with clear opportunities for all managers
- As per the business need, specific skills matrix and step up cards are implemented for factory floor employees
- Regular collaboration for student placement, industrial attachments and internships for key engineering universities in the country.
- Regular mid-year and year-end review on leadership and functional development goals for individuals at the line management, functional leadership and organisational leadership level
- International growth and development opportunity for employees are provided, which includes supporting other operating companies on their business-critical factory floor issues by sharing the knowledge of BATB factory floor employees or managers

**Special Mention**

Nestlé Bangladesh

**Young Supply Chain Talent of the Year**

Individuals who have just started their professional journey in the supply chain field and demonstrated strong leadership skills and capabilities to enhance effectiveness and efficiency of any supply chain process in his/her organisation.

He/she must have huge potential and aspirations to develop themselves as a supply chain professionals in the near future.

As the name of this category suggests, it

**Special Achievement award to PTAK Global Winner**

PTAK Global Winners

**Summary of the case**

After competing at the local level with over 250 teams at ISCEA Ptak Prize Global Case Competition in Supply Chain, a team of four young executives along with seven other top teams from Bangladesh participated at the global level in 2017.

We are extremely delighted to inform you that in 2017 the following four young executives have won the top position at global final of ISCEA Ptak Prize Global Case Competition 2018.

- Shafkat Islam
- Nabila Nazneen
- Delwar Hossian
- Imran Chowdhury

**Excellence in Logistics Management**

Logistics, distribution centres, transports and warehouses are the key for supply chain resources. Optimum use of those resources plays a significant role in managing supply chain cost and increasing bottom line.

Both individual and organisations at the local and multinational level were awarded in this category.

**Winner - Individual**

Abdul Alim from International Beverage Private Limited

**Summary of the case**

Efficient Utilisation of Inbound Logistics

Modified covered van size such that 20 metal bins can be accommodated in a single trip instead of 10 metal bins per trip previously.

While ensuring smooth delivery of input materials by dedicated vehicle assignment, such improvement also reduced dependency on the market for finding vehicles, helped ensure better hygiene, reduced supply chain cost and improve bottom line, reduced carbon dioxide footprint and improve environmental condition.

With this project, the overall transportation cost at International Beverage Private Limited went down 40 percent.

**Winner - Individual**

Tareq Ali Khan from Nestlé Bangladesh

**Summary of the case**

Optimising existing resource utilisation to ensure maximum output

Optimised distribution time and cost by re-thinking process requirements and removing non-value adding steps without any major additional capital expenditure.

Better performance ensured through:

- Direct shipment from factory to distributor, reducing overall shipment time
- Full pallet delivery by eliminating part cases delivery, reducing picking time by 40 percent
- LE (Load Equivalent) standardisation

**Special Mention**

Alina Mazumder from Unilever Bangladesh

**Winner - Local Organisation**

PHP Family

**Summary of the case**

Maintaining great focus in facility management, transportation and inventory management, PHP has moved up several steps in 2017 in terms of its overall logistics performance.

Amongst others, its special achievement in timely delivery, reducing damages to "zero"