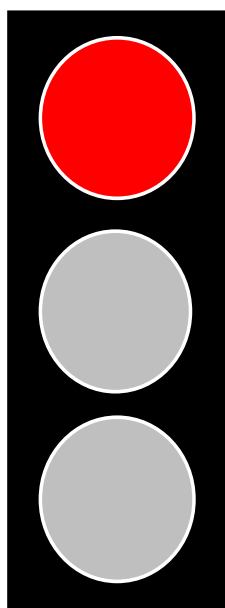


Audit Case Study: Logistics Service Provider

The Challenge

The LSP had been operating Distribution Centers of a Paint Company that had stringent requirement for compliance to the safety and regulatory requirements, apart from the other parameters of quality, service, and inventory.

The LSP had a tough time to enforce the SOPs across DCs and had been receiving debits from the client due to non-conformances. Also, the LSP was concerned about losing the business in the next contract cycle.



- ⊗ Multiple and geographically spread locations, making the governance a big challenge
- ⊗ Frequent adverse observations from the client at the time of visit
- ⊗ Increased risks in safety and regulatory compliances
- ⊗ Debits from the client leading to financial loss
- ⊗ Fear of loss of business in the future



85%
Improvement in
Compliance



70%
Reduction in
Audit Time



100%
Visibility on
Controls



SIMSA Solution

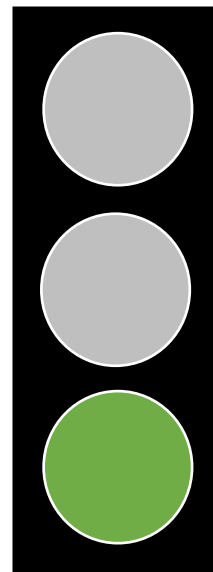
The client implemented SIMSA digital Audit Solution and the Subject Matter Expertise to put in place a robust governance mechanism based on PDCA framework.

The SIMSA team followed following approach:

1. Mapped the processes for the paints DC operations
2. Analysed & classified the key risks as well as the internal controls required to mitigate the risks
3. Converted the required controls into the checklist
4. Implemented the SIMSA Audit Application to manage end to end audit program
5. Assigned responsibilities for conducting the monthly audits – planned & surprises, using SIMSA application
6. Using the analytics and reporting capabilities, the gaps were analysed and prioritized based on levels of risk
7. Corrective actions were driven & tracked using SIMSA application
8. Periodic joint reviews conducted with the client to discuss the results and improvements.

“We were struggling with day-to-day firefighting in warehousing operations. We brought in SIMSA to help us streamline the operations. SIMSA not only provided us 250+ control checkpoints but also a technology solution based on the PDCA framework. It was an eye opener. Having got insights into the gaps, our team prioritized corrective and preventive actions. We haven’t looked back thereafter.”

Key Outcomes



- ✓ Significant reduction in the number of negative observations
- ✓ Reduction in the penalty debits, close to negligible
- ✓ Reduced risk of non-compliance
- ✓ Increased client’s confidence in the capabilities of the LSP

About SIMSA

We are a team of ex-industry professionals with expertise in operational excellence, supply chain, logistics and IT. We are passionate about helping businesses to manage risks and improve governance using technology solutions.



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