

Maritime Integration Project

Supply Chain Mapping Project
Feedback
Southampton
14th June 2011

Outline

- Review of Solent Supply Chain Mapping Project Results
- Discussion of possible improvement projects and actions
- Identification of issues
- Suggested support programme to be run by the School and SCMG



Solent - Maritime Integration Project

Welcome to the Solent Maritime Integration Project Survey

Introduction and Background

Recent research has shown that the maritime industries contribute more than 25% of Southampton City's GDP. When we ask "What is the maritime industry?" most people will have some idea, especially so if they work within the industry. However, very few of us will have a comprehensive insight into the multifaceted businesses and their function within this truly global industry, or the important role that the Solent Maritime region.

If we are to recognise the opportunities when they arise or if we are to detect warning signs of any threats to the maritime industry, then the industry as a whole ought to know that there is a comprehensive database and supply chain map that clearly defines what the totality of the maritime industry is within the Solent region.



Collaborate to Compete?

- Many industry and sectoral initiatives now recognise the issue of collaboration as a key factor in terms of improving competitiveness,
- In many cases the benefits of collaboration are not achieved for a variety of reasons including both hard (technical) issues and soft (organisational) issues,
- There are many challenges for supply side businesses in collaborating when the prerogative to collaborate is still seen as the customers,
- Collaboration can take many forms and can be with customers and suppliers and with other partners,
- It is widely accepted that competitiveness is a function of overall supply chain performance and very few businesses or organisations can operate independently,
- The key questions for customers and suppliers is why we should collaborate, with whom and how can we think and manage across the supply chain.

Supply Chain Mapping: Executive Summary

- The Solent Maritime cluster is a significant driver of economic activity,
- The Solent Maritime region represents significant economic activity in terms of sales and purchases to/from and in/out of the Solent,
- The Participating companies employ significant numbers of people within the Solent region,
- There are significant opportunities to increase the potential for local sourcing within the Solent,
- The Solent should be seen in the context of its contribution to the UK wide economy and significance in terms of buying from and selling to,
- There are only a small number of common customers and suppliers between all participants suggesting individual supply chains are not integrated,
- Participants who have HQs outside the Solent buy more from the Solent than Solent based companies and organisations,
- Traditional Maritime “verticals” sell to and procure from non Maritime verticals,
- There are a number of World leading businesses and organisations in the Solent who could be engaged to champion local issues and provide access to other markets for local suppliers.

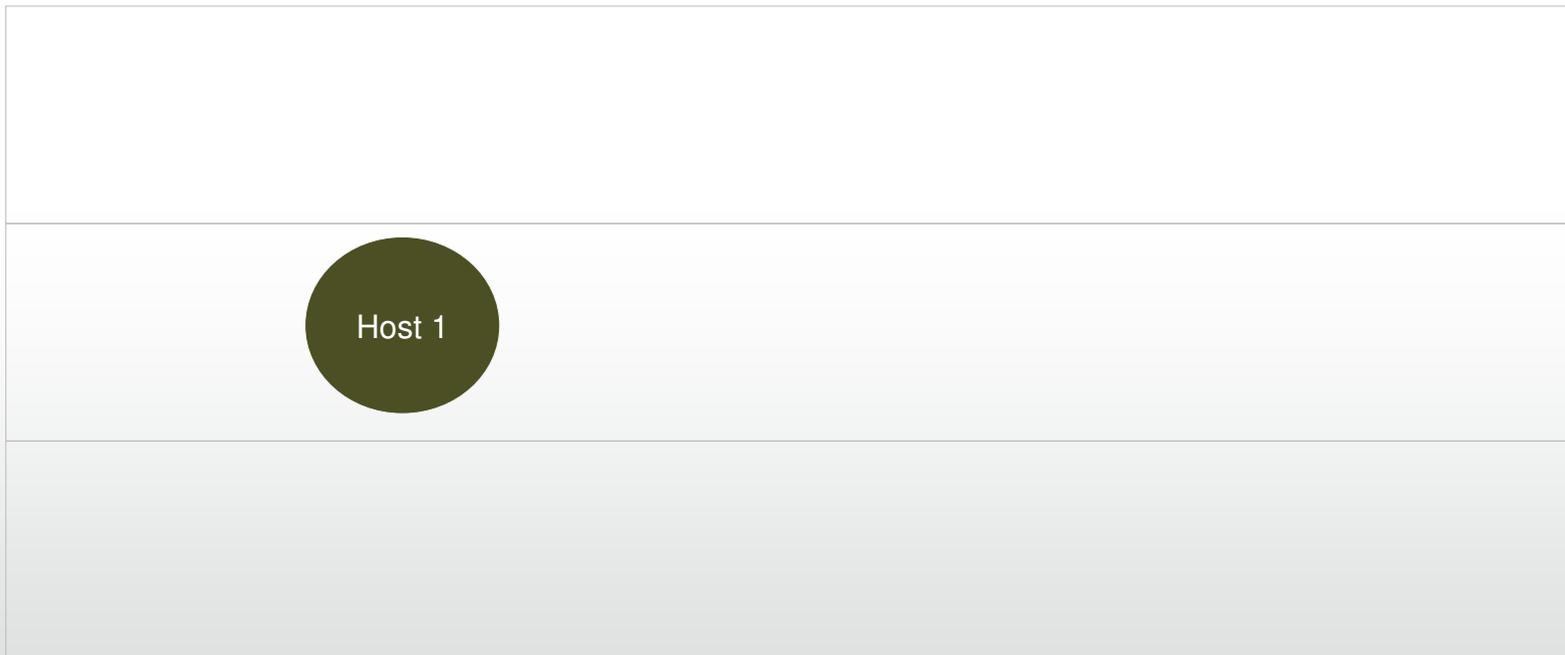
What does the map do?

1. The Solent Maritime Integration Project map is designed to provide a focal point and help prioritise Solent opportunities and issues,
2. The map provides macro and micro levels of detail about the Solent Maritime cluster, the different identified Verticals and individual Participants' businesses and organisation,
3. The map is designed to present a platform for future continuous improvement activity at the Solent, Vertical and individual company level.

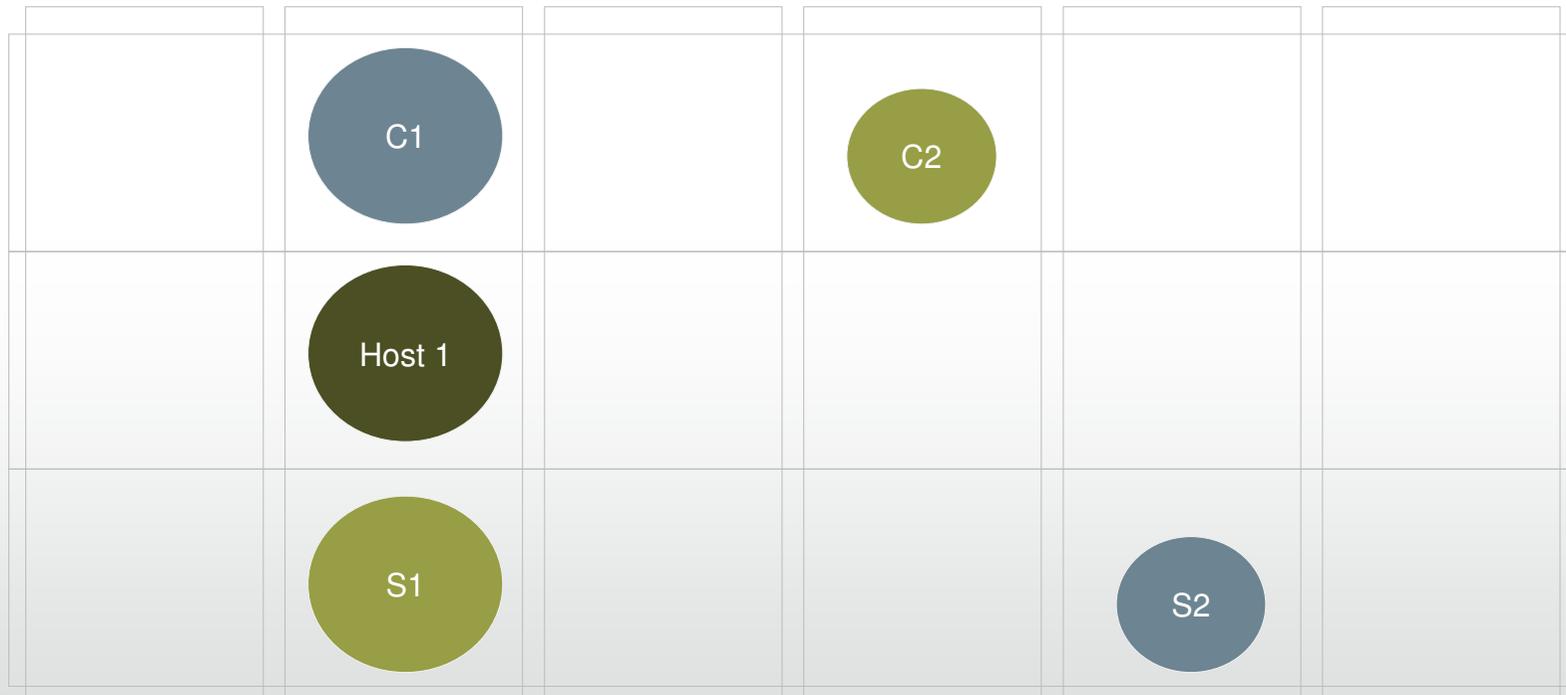
Supply Chain Map

- By considering each business / organisation individually we can create an individual and aggregate picture of what happens within the Port and Harbour cluster
- Each business / organisation is a node within the cluster (or network)
- We can collect a lot of information about each node
- We can also collect data and information about how each business is linked to its top customers and suppliers (within and outside) the cluster – the links across each chain and within the cluster

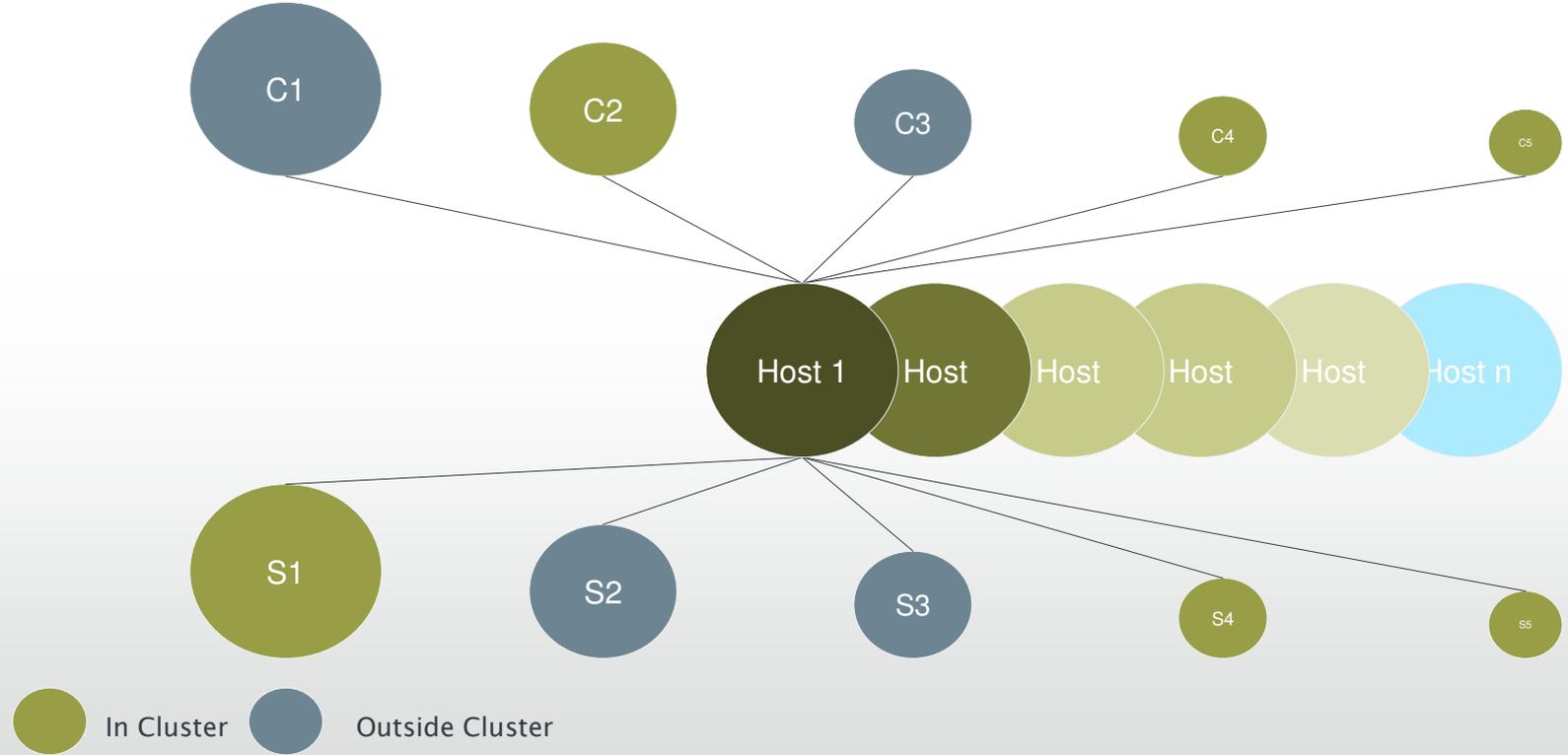
Supply Chain Tier – each company operates in a tier



Port and Harbour businesses defined by a “Vertical”



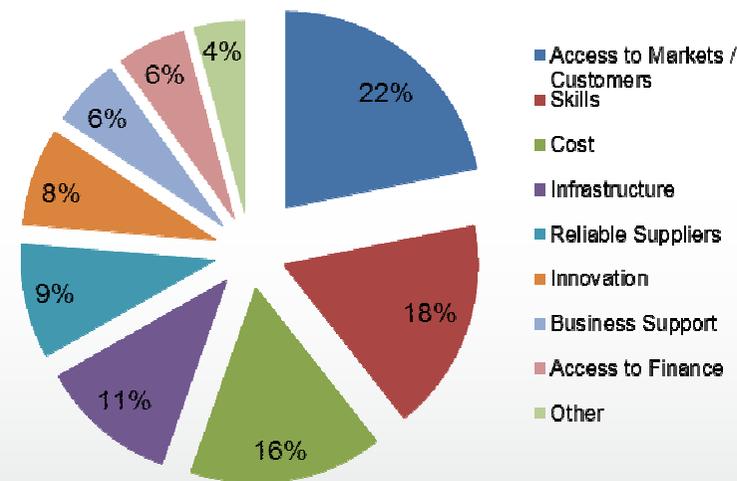
Supply Chain Map



Supply Chain Issues from the Solent Mapping exercise

- The following key issues were identified,

- Access to Markets / Customers
- Skills
- Cost
- Infrastructure
- Reliable Suppliers
- Innovation
- Business Support
- Access to Finance
- Other



- The same exercise identified that business in the same geographical cluster sold more to and purchased more from other companies in other geographical regions than from each other in the same geographical area or sector

Cluster Analysis and Development

- Cluster development is a key supply chain performance issue and economic development terms that can be used for,
 - Comparative analysis
 - Identifying opportunities for business development and collaboration
 - Informing business infrastructure and support issues
- Understanding companies *as part* of a supply chains *as part* of a cluster is key to analysing “cluster” opportunities and threats and building capability and capacity,
 - for individual businesses and enterprises within that cluster,
 - for all businesses and enterprises in aggregate form that exist within that cluster
- SCMG have experience of supply chain mapping to identify key relationships between businesses on a geographical basis and at a sectoral level.

Suggested Next Steps after the Mapping

1. Prioritise and develop Solent strategy for each vertical,
2. Develop support activities to improve and maximise local spend and content,
3. Make Solent companies aware of local market opportunities,
4. Align “Other” companies with Solent and Maritime activities as an attractive market place,
5. Engage “buyers” in local sourcing activities,
6. Develop strategy to encourage companies to consider the Solent as an attractive base to locate in and do business from,
7. Build relationships with Participants and support business development activities,
8. Develop support strategies for key markets Solent companies are selling to,
9. Identify specific supply chain projects with key participants e.g. Collaboration,
10. Consider wider issues of infrastructure and transport identified by participants.

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Supply Chain Programme

Workshop 1

- Kick Off Workshop,
 - Supply Chain, Principles
 - Relationship Portfolio – customers and suppliers,
 - Supply Chain Strategy,
 - Performance Benchmarking,
 - Order winners and qualifiers,
 - Capability and Capacity,
 - Supply Chain Map,
 - Task Setting for Workshop 2

Workshop 2

- Workshop 2,
 - Review of Task Setting,
 - Barriers to Change,
 - Team Building and Commitment,
 - Partner Selection,
 - Benchmarking relationship performance,
 - Improvement Planning
 - Task Setting for Workshop 3

Workshop 3

- Workshop 3
 - Review of Task Setting
 - Guest Speaker from leading business,
 - Partner Checklist,
 - Case Studies,
 - “Finalise” supply chain strategy and timeline

Programme Details

- One day per month group workshop
 - September / October / November
- Two participants per company
- Off line activities undertaken by company with mentoring support from School
- Access to technical and commercial academic pool at reduced rates
- Low cost programme for SMEs and Corporates
- Comprehensive strategy and implementation work book
- Workshop facilitation by Professor Douglas Macbeth and Martin Murphy of SCMG Ltd

For further details contact Tarsha Jonas (T.Jonas@soton.ac.uk)

Features and Benefits

- Supply Chain Programme provides a practical format for businesses to develop their own strategy and tactics reflecting best practice principles,
- Access to leading educators and practitioners through a cost effective programme,
- Participants share opportunities and problems with their peers,
- Mentoring support between workshops to support businesses face to face,
- Leverage University of Southampton technical, organisational and commercial expertise through the programme for specific or detailed support,
- Work book approach for participants to populate as the workshops unfold delivering a coherent strategy package and timeline at the end of the final workshop,
- Practical solutions and hands on facilitation to challenge and help participants identify and improve their business,
- Programme can be customised for specific audiences or sponsoring organisations.