

SUPPLY CHAIN AUTOMATION CASE STUDY

Insights of Automation implementation in supply chain management

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EXECUTIVE SUMMARY

In today's fast-paced global economy, supply chain optimisation is crucial for businesses to remain competitive. This case study examines how our client successfully implemented RPA in their supply chain processes, resulting in significant cost savings and increased operational efficiency.

INTRODUCTION

Client is a multinational Shipping & logistics company with a complex supply chain network spanning multiple regions and suppliers. They faced challenges in streamlining their supply chain processes, including order processing, inventory management, and supplier communication. To address these challenges, they decided to explore the potential of RPA.

OBJECTIVES

The primary objectives of implementing RPA in client's supply chain were:

- Improve operational efficiency.
- Reduce manual errors.
- Enhance order processing speed.
- Achieve cost savings.
- Ensure compliance with industry regulations.

SOLUTION

RPA Implementation:

Client collaborated with COGNITBOTZ SOLUTIONS to implement automation in the following key areas of their supply chain:

- Order Processing:** Automating order entry, validation, and fulfilment processes.
- Inventory Management:** Optimizing inventory tracking and demand forecasting.
- Supplier Communication:** Automating communication with suppliers for order updates and inventory replenishment.
- Data Entry:** Reducing manual data entry tasks across various supply chain systems.
- Reconciliation:** Automation of A highly volumed business process with Million records as avg. per month.

RESULTS & ROI

OUTCOMES

The implementation of RPA in Client's supply chain yielded the following results:

- Improved Operational Efficiency:** RPA reduced processing times by 40%, enabling faster order fulfilment and improving overall operational efficiency.
- Reduced Manual Errors:** Automation significantly decreased the occurrence of errors in order processing and inventory management, leading to a 60% reduction in error-related costs.
- Cost Savings:** Client realised the annual cost savings of \$110K, primarily through reduced labor costs, fewer errors, and improved inventory management.
- Enhanced Order Processing Speed:** RPA enabled order processing at a speed 2.5 times faster than the manual process, leading to improved customer satisfaction and increased in the supply chain.

ROI

Return on Investment (ROI):

To calculate the ROI, we consider the Initial Investment and annual savings:

Initial Investment In RPA Implementation: 60K USD

Annual Cost Savings (Yearly): \$110K USD

$ROI = (\text{Annual Cost Savings} / \text{Initial Investment}) \times 100$

$ROI = (\$110K / \$55K) \times 100 = 183.33\%$

client achieved an ROI of over 180%, demonstrating the success and profitability of their RPA Implementation In the supply chain.