



SUSTAINABILITY ADVANTAGE

Supply chain management

SUPPLY CHAIN MANAGEMENT



Real business benefits can be achieved by efficiently managing your supply chain. Many organisations are already working with suppliers and customers to reduce risk and costs and improve environmental performance of their products and services.

The **Supply chain management** module in the Department of Environment and Climate Change (DECC) NSW **Sustainability Advantage** Program helps you work with your key suppliers and customers to find solutions, minimise risks and seize opportunities.

You can focus on a range of areas:

- develop an environmentally sustainable procurement policy
- partner with other firms to raise environmental awareness
- resolve sector-wide issues.

You will evaluate how to best engage with your suppliers and customers with useful tools – supplier standards, product specifications, supplier education programs. This involves using a structured risk and opportunity assessment to develop a supply chain engagement plan that delivers the most value to your business.

The **Supply chain management** module ties in with the **Resource efficiency** module in the **Sustainability Advantage** program. It extends the efficiency benefits beyond your facility to both the supply and

distribution chains. The **Supply chain management** module strives to deliver lasting improvements in your environmental performance and stronger relationships with your key supply chain partners.

Outcomes

The **Supply chain management** module is designed for managers in organisations with complex supply chains, responsible for supply chain, product and service procurement, sales and marketing and/or environmental performance. It is less relevant for people in organisations who want to take smaller, though also important, steps such as buying recycled paper or energy efficient printers.

You will:

- understand how the supply chain affects business risk and environmental performance
- understand supply chain approaches being used by other organisations
- build the business case and identify appropriate strategies for engaging with suppliers and customers
- develop effective procurement policies and supplier selection criteria and processes
- understand how to evaluate product environmental performance and implement a product improvement program
- develop supplier education and partnership processes.

SUPPLY CHAIN MANAGEMENT MODULE

Workshop

Supply chain action plan

Implement plan

Optional workshops to target strategies

Final review

Training and technical support

See the back page for a roadmap of activity for this module.

What is involved?

The **Supply chain management** module is delivered as a combination of a facilitated workshop and ongoing support. In the module, we:

- introduce you to the principles of supply chain environmental management
- present approaches taken by other organisations
- help you design a supply chain action plan to deliver the most value to your business.

We provide ongoing support for you to finalise and implement actions in your plan. You can also register for more specific optional workshops such as contractual specifications.

Participants in this module include:

- your Sustainability Advantage champion
- a facilitator from DECC
- business and environmental specialists sourced by DECC
- other businesses you meet at our cluster network meetings.

Workshop

In the initial half day session, you identify where you can gain the most business value by engaging with your suppliers and customers. Our contractors work through a step-by-step methodology for securing that value, identifying barriers, risks and opportunities; and the conditions for success. You examine several implementation tools, including supplier specifications and selection and product evaluation.

By the end of the first workshop, you will have developed a draft action plan to implement supply chain environmental management in your business.

Implementation and optional workshops

After the workshop you finalise your plan. During the next 18 months, as you implement your plan, you may be able to access additional one-on-one specialist advice.

We offer four additional workshops if you wish to investigate supply chain strategies in more detail. Each workshop gives you time to learn and discuss key concepts and build a detailed action plan for your priorities.

1. Supplier specification, evaluation and selection

- Tender specification for environmental performance
- Performance standards
- Evaluation criteria and procedures.

2. Product environmental performance

- What makes a product or service sustainable?
- Evaluation and verification approaches
- Life cycle assessment goals and methodologies
- Seven steps to an environmental product.

3. Supplier engagement and environmental awareness training

- Four levels of supplier engagement
- Strategies to build engagement
- National and international case studies.

4. Customer engagement

- Strategies to build engagement
- National and international case studies.

Support

The results you achieve depend on what you put in. For you to get the most for your efforts we also offer:

- practical workshops
- guides, checklists and templates
- feedback and review of existing documents and processes
- information sharing and networking opportunities through cluster meetings with other participants
- professional support from DECC contractors, including specialist advice at key strategic points.

Recognition



You can promote your achievements through our Sustainability Advantage Partner recognition scheme. There are five levels of recognition.

Register or find out more

Supply chain management is one of seven **Sustainability Advantage** modules that guide and focus your environmental improvements. All modules help you plan and deliver lasting benefits and continuous improvement as you adopt sustainability as a core business value.

The **Resource efficiency** module has the Sustainability

Advantage **Energy Saver** component, which offers an energy audit and free technical support to help you save power.

Visit www.savepower.nsw.gov.au



Contact DECC's Business Partnerships by:

Email sustainbus@environment.nsw.gov.au

Phone 02 8837 6000

	Workshop	Supply chain action plan	Implement plan	Optional workshops to target strategies Participants understand key concepts and develop a plan for priorities:				Final review
Outcomes	<p>Senior managers:</p> <ul style="list-style-type: none"> understand the principles of supply change environmental management develop a business case for supply chain engagement draft a supply chain action plan with 3-5 key actions to implement supply change environmental management choose a Sustainability Advantage champion 	<ul style="list-style-type: none"> DECC supply chain contractor reviews the draft supply chain action plan DECC supply chain contractor and Sustainability Advantage champion finalise the plan 	<p>Senior managers and identified staff:</p> <ul style="list-style-type: none"> develop strategic plans implement actions integrate plans into the business planning cycle 	<p>1 Supplier specification, evaluation and selection</p> <ul style="list-style-type: none"> sustainability criteria for product/company performance contractual clauses and issues tender processes and evaluation 	<p>2 Product environmental performance</p> <ul style="list-style-type: none"> sustainable product attributes types of evaluation and verification (incl life cycle analysis) how to implement product improvement programs 	<p>3 Supplier engagement and environmental awareness training</p> <ul style="list-style-type: none"> decide level of supplier engagement raise environmental awareness among key suppliers 	<p>4 Customer engagement</p> <ul style="list-style-type: none"> decide level of customers engagement raise environmental awareness among key customers 	<p>Together we review your projects and successes</p> <p>You set new plans based on your results</p>
Who takes part?	Supply chain and environmental managers DECC supply chain contractor leads	Sustainability Advantage Champion DECC supply chain contractor	Senior managers and identified staff	Supply chain and environmental managers DECC supply chain contractor	Product, marketing and supply chain managers DECC supply chain contractor	Production and supply chain managers DECC supply chain contractor	Marketing, sales, production and supply chain managers DECC supply chain contractor	Sustainability Advantage champion DECC supply chain contractor
What is needed?	Current supply chain and procurement policies Current supplier assessment or product evaluation	Draft supply chain action plan Details of actions for at least two operational areas	Output from initial workshop Current delivery and business planning processes	Current supplier assessment Supplier product and performance documentation	Current product specifications and product information sheets (from supplier or own organisation)	Priority supplier list Key environmental issues	Key customer list Environmental issues	Results from your projects Baseline and current data demonstrating environmental outcomes
Where and when?	Your workplace, at the start of the module	Your workplace, after the workshop	Your workplace, after the supply chain action plan has been finalised					Your workplace, at 18 months
How long does this take?	Half day	4 weeks	At least 18 months	Half day	Half day	Half day	Half day	2 hours

We provide practical, tailored support (workshops, training, technical assistance) to help you plan and implement your environmental projects and overcome issues. For additional support requests, you prepare a summary of your achievements to date and a short overview and supporting data explaining why you need assistance. As you undertake this module you will:

- attend 'cluster' network meetings three or four times a year, meeting with people in other businesses in your local area or industry sector
- report your progress every six months (including verbal reports at cluster network meetings and contributing to project reports)
- collect data and other information for evaluating projects.