

## **Introduction:**

### **What does this book cover; Who is it for; How to use it?**

This book is written to provide people working in, or moving to, a role in logistics with a clear and comprehensive hands-on guide to the practicalities of delivering a major logistics change project in an organisation. The book assumes that readers will be involved in a major logistics change project for the first time and are looking for guidance and support in a process to follow and pitfalls to avoid. Text boxes or Footnotes are provided to describe jargon, abbreviations, and technical terms used in the text. There are some elements referred to in the book that are not covered in detail as they do not fall within the scope of this current book. They are therefore included only to such an extent as to provide an overview - for example, the process of tendering and contracting with outsourcing providers in Chapter 7 is only covered at high-level. The solution design process for a successful logistics project is not covered in this book because it will vary substantially depending upon the size and scope of the project, on what processes are being covered and on the specific technology being used to deliver the future operation.

Different routes through the book may be appropriate depending on the specific needs of the reader. Some possible objectives and their corresponding 'routes' are illustrated below:

1. Project Manager –to develop an awareness of pitfalls and workarounds for logistics change projects building upon existing understanding of Project Management as a discipline. (Focus on background in Chapters 1 and 3, case studies and Chapters 7,8 and 10).
2. Procurement Manager – to understand how the logistics category may differ from other projects and procurement categories, and where the project manager may require support in contracting and relationship management with suppliers and any outsourcing provider. (Focus on Chapters 3,7 and 12).

3. Project Sponsor - to understand the background to a project and to support the project manager in achieving the overall project goals. (Focus on Chapters 4,5 and 6).
4. Project Team Member - to understand how best to contribute to the success of a project and avoid common mistakes. (Focus on Chapters 6,8 and 9).

For general readers, the order of the chapters follows an idealised route through a project. There is a short, non-academic introduction to the theory of change management in Chapter 1, and in Chapter 2, a discussion about the possible reasons for change that might lead to this type of project. These first two chapters are intended as background information. The chapters then cover the different aspects of a change management project in logistics and, informed by the author's personal experience over 40 years, focus on topics that the author has identified as significant contributory factors to the success or failure of a change project in logistics.

Not all projects will follow the exact order described, nor does the book attempt to cover every possible aspect of different logistics projects. Instead, this book looks to encourage readers to evaluate what steps are most important for their particular project, and to give hints and tips on where to focus time and energy. Alongside understanding the objectives of the project, an important part of the process will be to recognise what is required in your organisation to deliver a successful project outcome, ensuring valuable time is not lost trying to instigate activities that are not required. This may mean that, rather than an organisation issuing a formal Request for Information (RFI) or Request for Proposal (RFP) to a set of potential suppliers asking them to quote for a well-defined and precisely described solution, selected solution providers may be asked to propose their own recommendations for the future operation. These proposals would require internal evaluation before arriving at a preferred solution to propose to the Steering Committee for approval. Final negotiations and

contracting for this solution would then be launched with the successful vendor. The process set out in this book would need to be modified to accommodate these revisions.<sup>1</sup>

What is considered a major change project in logistics? For the purposes of this book, we will focus solely on changes in or to the physical locations that form a significant node in the overall supply chain of an organisation. Instances covered will include the closure of a warehouse; the transfer of activities from one warehouse to another; and making significant changes to activity or setting up new activities in an existing warehouse, such changes usually brought about by major investment in the infrastructure or technology in a warehouse. Of course, introducing a new fleet of vehicles; re-organising the storage in retail outlets; changing the planning process; or introducing a new IT system are all major change projects with their own specific requirements, but these are not covered in this book (although some of the general discussion on change management in the first two chapters may be applicable)

This book will not cover the details of the different project management methodologies and software that may be used in an organisation, as the advantages and disadvantages of the different options are often outweighed by familiarity and personal preference, or by decisions already taken in a company to purchase and use a specific brand of project management software.<sup>2</sup> Even if this were not the case, the purpose of this book is to give guidance on interaction with, and management of, the various internal and external project stakeholders involved in a project and to prepare the reader for some of the situations they are likely to face. Therefore, a detailed discussion on software is not relevant here.

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<sup>1</sup> In some instances experienced by the author, there is no actual procurement process to select and compare vendors – either because this project is part of a larger change project and the route forward has already been decided at a higher level, or because a decision maker decides on the best way forward without involving external input, or because the culture of the organisation is wedded to a particular solution (see Figure 0.2).

<sup>2</sup> Please see appendix 1 for an overview of some Project Management software

There are four case studies provided at the end of the book - the author was involved, to some extent, in all of them. These case studies are real life examples of the types of change that are relevant to the content of this book and are designed to clarify some of the potential issues that occur with changes in logistics. Unfortunately, many people who are asked to manage logistics change projects lack previous experience of such projects and the possible pitfalls. As is often the case, more was learned from the unsuccessful projects than the successful ones and the aim of the book is to help the wary avoid those traps by building on the positive and negative experiences the author had in these, and many other, examples.