

## How to be *green* and *lean*

By Hughenden

And I thought the long reign of King *full lorry* and Queen *big production batch* had finally ended! After many years of slow but locally efficient Supply Chains, *Lean* took over. It made sense, so you signed up to the fact that sending a half-empty lorry was acceptable, because it was the speed and responsiveness of the Supply Chain that won over customers.

Now you find out that sending anything but a full lorry has become a crime again. They say it would not be *green*. So is it possible to be *green* and *lean*, or are we back to square one?

Whilst, in concept, businesses are happily agreeing to both, it is more difficult to implement in practice, with some real operational dilemmas.

### Some practical ideas

Thankfully, most contradictions can be overcome with some innovative solutions... and some good old common sense. Take the *full lorry* issue: who said it needs to be full with *your* products? More and more businesses are looking towards 4PLs (Fourth Party Logistics) to help them be green and stay lean. Where an empty return journey was an unavoidable cost to you and the environment, a 4PL might utilise it for another client's collection!

Instead of ramping up your production batches to minimise waste, here is another idea for possible green savings: in its Canadian operation, Wal-Mart replaced its disposable cardboard shipping crates with plastic. This meant they could be used about 60 times, saving \$4.5 million from the switch and reducing the impact on the environment, compared to its disposable option (source: Wal-Mart Canada).

Can you claim that all your SKU codes (Stock Keeping Units) are aligned and integrated across the business? Well done if they are. If not, what appears to be just a data accuracy issue could actually be costing you lots of paperwork, and extra waste due to counting and matching errors. There is plenty of *green* scope here.

### Look within...

Best Practice is another one that will get you the *lean* and *green* double trophy. I am not talking about adopting some new practice observed in industry. I am talking about the fact that companies often struggle to communicate their own good ideas from one division to another. So why not document your own Best Practices and include them in your Supply Chain education programme or internal Supply Chain conference?

A clear message emerges from all this: you can still go green without having to revert back to square one and its *big batch* mentality. It would only be an excuse, not a reason...



Hughenden specialises in Supply Chain Planning and helps companies develop their Supply Chain Practitioners' skills and knowledge, whilst improving the Planning Processes. The Hughenden team offers focussed consultancy and interactive education. Its customers include Marks & Spencer, Kraft Foods, Johnson & Johnson, Nestlé, and Hallmark Cards. For more details, email [info@hughenden.net](mailto:info@hughenden.net).