

JMAT Business Advisory Services

(Presenting our Capability Statement)



Company Name: JMAT Business Advisory Services

(B-BBEE Level 1 Recognition level 135%)

Company Registration number: 2014/181727/07

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INTRODUCTION

- ❖ Postal Operators, like most public entities and unlike most private sector organisations, are faced with both strategic AND operational challenges.
- ❖ For a transformation initiative to be successful, it is imperative that both areas be addressed simultaneously to guarantee the future survival of the operators.
- ❖ It is also important to note that, for some of the entities, transformation could mean redirecting the business model towards the fast growing sectors, including logistics/eCommerce.
- ❖ A diagnosis must be the first phase of any intervention as different operators face different challenges. Also, the magnitude of challenges will, invariably, differ from one entity to the next.
- ❖ This presentation will focus mostly on the operational aspects that drive effectiveness and efficiency as well as aspects that will enable entry into the logistics/eCommerce space



SWOT

Vast local delivery network
Generally still trusted by community
Sunk network costs
Established customs relationships
International network collaboration

S

Declining volumes
Ageing workforce
Lack of or limited investment in infrastructure
Outdated technologies
Inconsistent shareholder support
Overstaffing

W

Proliferation of competitors
Technology based agents/intermediaries
Further decline of mail volumes
Lingering monopoly culture
Lingering adversarial labour relations

T

Unrivaled last mile delivery network
Availability of better skilled workforce
International postal agency collaboration
Learning from industry leaders
Private sector willingness to form partnerships
Enormous spare network capacity

O

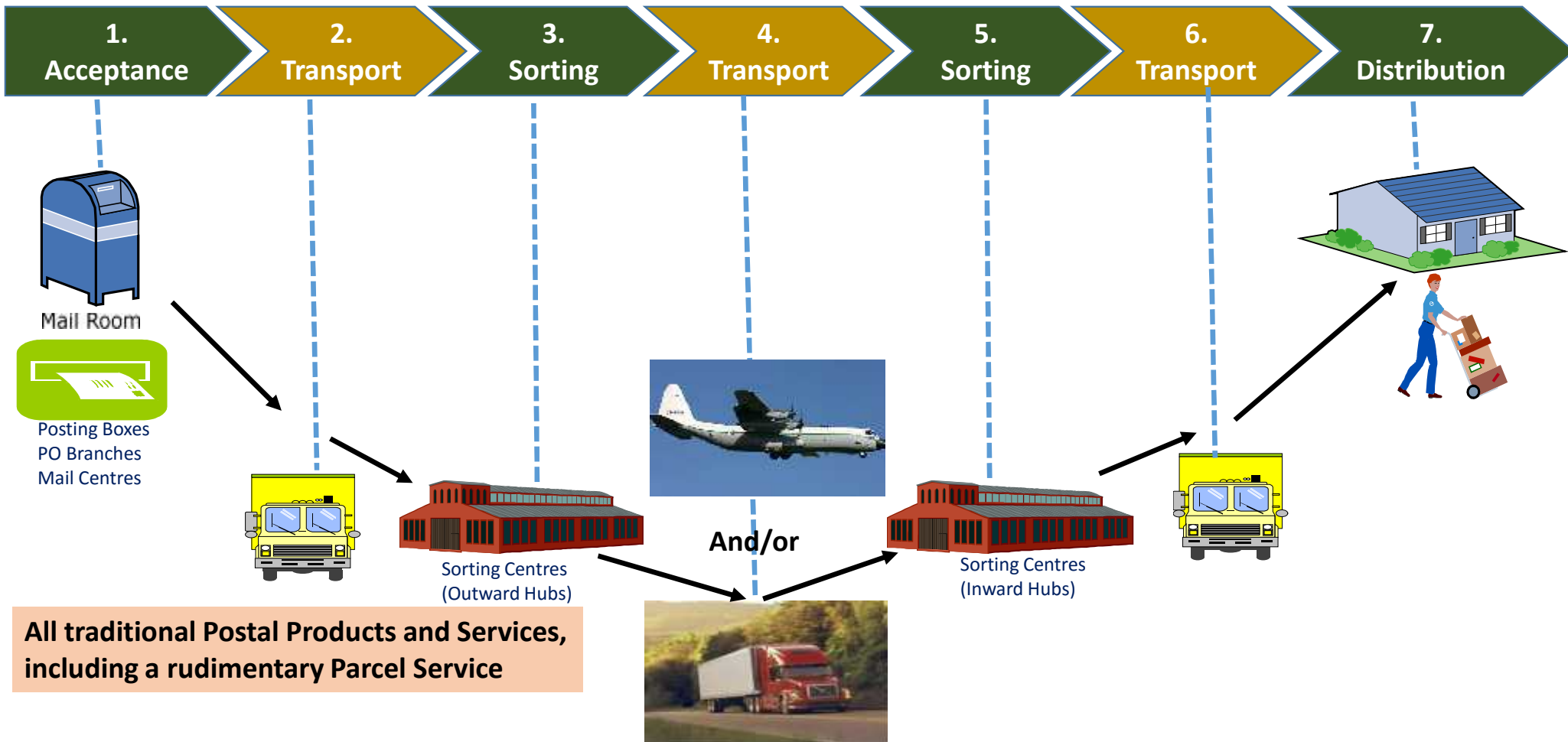
Your Logo

SUGGESTED FOCUS AREAS

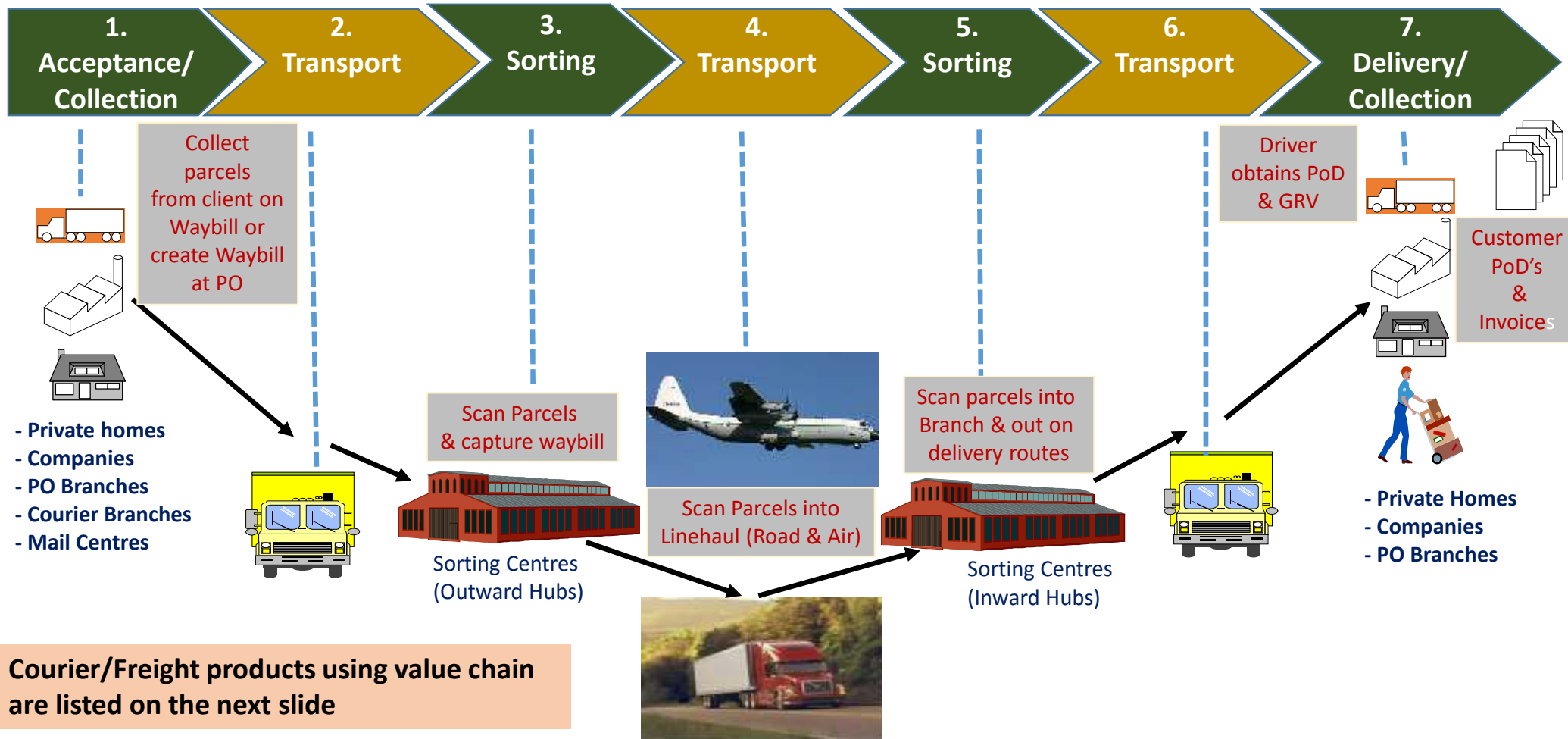
- ❖ Process optimisation
- ❖ Operations management approach
- ❖ Communication
- ❖ Human Resources and Culture
- ❖ Financial management



TRADITIONAL MAIL VALUE CHAIN



LOGISTICS VALUE CHAIN (incl COURIER)



Courier/Freight products using value chain are listed on the next slide

VALUE CHAIN COMPARISONS

SIMILARITIES AND DIFFERENCES

The table below provides general differences between MAIL & LOGISTICS service attributes:

	MAIL	COURIER/FREIGHT
Products (Mass)	<ul style="list-style-type: none"> ✓ 0 – 30 kgs 	<ul style="list-style-type: none"> ✓ Courier: 0 – 30kgs ✓ Freight: > 30 kgs
Difference in service	<ul style="list-style-type: none"> ✓ Carry items that are mostly not time sensitive ✓ Generally longer delivery leadtimes (>48 hours) 	<ul style="list-style-type: none"> ✓ Carry time sensitive items ✓ Bulk of items must be delivered within 48 hours
Movement of items	<ul style="list-style-type: none"> ✓ Mostly by hand ✓ Mechanical Equipment (Bulk Mail) ✓ Sorting equipment used for mail items 	<ul style="list-style-type: none"> ✓ Courier: some by hand ✓ Freight: Mechanical Equipment ✓ Extensive use of sorting equipment
Tracking of items throughout the value chain (major emphasis by Courier/Freight on the value added services)	<ul style="list-style-type: none"> ✓ Insured parcels; ✓ International parcels ✓ Registered letters ✓ Secured Mail 	<ul style="list-style-type: none"> ✓ Proof of Delivery (PoD), ✓ Invoicing linked to PoD's, ✓ Call Centre to arrange collection/delivery ✓ Warehousing Services including stock management ✓ Freight forwarding services including customs clearance ✓ International brokerage



PROCESS OPTIMISATION

- ❖ Review of customer expectations
- ❖ Review of current processes
- ❖ Gap analysis
- ❖ Formulate project(s) to close gaps
- ❖ Constitute teams
- ❖ Communicate to all



OPERATIONS MANAGEMENT APPROACH

- ❖ Management style
- ❖ Time spent on shopfloor
 - ❖ Executive management : 20 – 80
 - ❖ Middle management : 40 – 60
 - ❖ Supervisory/First line management : 80 – 20
- ❖ Information sharing – performance reporting
- ❖ Involvement of junior staff in strategy formulation and implementation
- ❖ Formulation of improvement plans
- ❖ Close monitoring of implementation



COMMUNICATION

❖ Performance plans

❖ DAILY

- ❖ Setting of targets based on monthly and annual plans
- ❖ Start of day briefing sessions
- ❖ End of day feedback on met/missed targets
- ❖ Action plans

❖ WEEKLY

- ❖ Review previous week's performance
- ❖ Set targets for following week

❖ MONTHLY

- ❖ Review monthly and year-to-date performance
- ❖ Revise targets accordingly and align to annual

❖ General business performance, including financial targets

- ❖ Regular staff meetings to promote transparency
- ❖ Regular customer service reviews with shopfloor



HUMAN RESOURCES AND CULTURE

❖ Human Resources Review

- ❖ Staffing levels
- ❖ Current skills level and training
- ❖ Productivity
- ❖ Remuneration structures

❖ Culture

- ❖ Performance management
- ❖ Customer focus
- ❖ Accountability



FINANCIAL MANAGEMENT

❖ Cost analysis

- ❖ Direct product/service
- ❖ Staff
- ❖ Overheads

❖ Pricing review

❖ Supplier contract management

❖ Investment



THANK YOU!!!!

We look forward to hearing from you about
how JMAT Business Advisory Services can
be of service to TUT

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