



Augmenting the Life Sciences Customer Experience with

INNOVATIVE LOGISTICS SOLUTIONS



CONTENTS

THE CRITICAL NATURE OF LIFE SCIENCES LOGISTICS	3
PARTNERING FOR YOUR PATIENTS	4
Every Order, Every Day: Reliability	
Excellence Under Any Circumstance: Agility	
INNOVATIVE SOLUTIONS FOR UNPREDICTABLE MARKETS	6
Creating a Positive, Respectful Work Environment	
Retaining the Best and Brightest Associates	
Augmenting with Automation	
BETTER LOGISTICS FOR A BETTER PATIENT EXPERIENCE	9



THE CRITICAL NATURE OF LIFE SCIENCES LOGISTICS

A patient in the next room starts coding. A woman goes into labor early. The ER floods with patients. All of these moments are regular occurrences in life sciences, and they require immediate, hands-on attention from medical staff.

Along the way, that staff will use numerous pieces of equipment and medication. Ensuring they have access to everything they need is critical.

In fact, there's an entire chain of logistics that supports those life-saving moments: Delivering surgical tools, packaging medications, and the list goes on. Optimizing that network to ensure reliability and agility can improve the end patient experience, for example by supplying medications faster or delivering tools in better condition – no matter what situations arise.

These optimizations sit with logistics companies. And it's important to recognize that those companies and their teams don't just service the life sciences provider – they ultimately service the end patients too.

Knowing this responsibility, life sciences providers must partner with logistics companies who understand the critical nature of their work and demand supply chain excellence. This white paper will explore exactly what that takes.

PARTNERING FOR YOUR PATIENTS

As a life sciences provider, you need to find a supply chain partner who cares just as much about delivering for your patients as you do.

This means it's not just about finding a supply chain partner with bandwidth to support your needs. You also need a partner with skilled associates who are invested in the work they do and recognize the impact of their efforts on end patients.

Critically, you need a partner who offers the utmost reliability and agility.

Every Order, Every Day: Reliability

No matter what, every order must go out, and they must go out without delay. Because unlike consumer goods products, a delay in timelines leads to a lot more than just missed customer expectations.

As a result, you need a supply chain partner on which you can rely – even in the most unexpected circumstances. For example, when COVID-19 first hit, the world changed in an instant. With new concerns and new protocols, delays in fulfilling and shipping orders for consumer products were understandable. But the logistics around life sciences products could not afford to miss a beat.

Whether it's a complete shift in procedures, circumstances like a blizzard, or anything else, your life sciences system must be able to trust in the reliability of your logistics provider. This is where an experienced and highly dependable staff matters most.





Excellence Under Any Circumstance: Agility

The ability to pivot and maintain the same level of reliability under any circumstances all comes down to agility.

Logistics providers must be able to handle a wide spread of volume from high to low that could shift at a moment's notice. This type of agility is particularly important (and usually the most challenging) in the final mile delivery. Having a partner with associates who can pivot from working in the warehouse to driving a truck can make all the difference here.

Under both normal and unusual circumstances, logistics providers must be prepared to handle significant variability throughout the entire fulfillment and delivery process. That requires a well-trained and flexible staff.

INNOVATIVE SOLUTIONS FOR UNPREDICTABLE MARKETS

Delivering supply chain excellence to move life saving products in unpredictable markets requires innovation. Your supply chain partner must be prepared to deliver reliable service no matter what comes up, and an important component of that is retaining an engaged, invested, and skilled workforce.

In a chaotic market like life sciences, supply chain partners that provide innovative solutions like the following can strengthen their reliability and agility to deliver the type of partnership your life sciences system needs.

What exactly do those innovative solutions look like? Consider the following put in place by Kenco, a third party logistics (3PL) partner with experience in the life sciences space.

Creating a Positive, Respectful Work Environment

Creating a positive, respectful work environment for the people who handle and move products is essential. Everything they do ultimately impacts patients, and their work experience can affect the customer experience they deliver. Quite simply, when a logistics company takes care of its people, the end customer – your team and their patients – will reap the benefits.

One way that Kenco has accomplished this goal is by introducing “Flex Shifts” for warehouse associates. With Flex Shifts, an associate can put one of their shifts up for bid and other associates can bid to take that shift. This allows associates to adjust their schedules as needed based on anything going on in their lives and enables them to easily pick up an extra shift if they want.

For example, consider the associate whose son is on the high school football team. When that associate has a Friday evening shift, he traditionally would have to miss his son’s game. But with Flex Shifts, he doesn’t have to decide between being there to support his son or following his work schedule. He can easily put his conflicting shift up for bid so he can attend the game. And he can then pick up a different shift if he wants to make up that time. All of this is handled directly by the associates themselves using a digital application, creating a seamless and highly efficient process.

This approach has proven a true win-win-win:

- **For associates:** Associates feel valued and the program creates a more positive and inclusive work environment
- **For Kenco:** Increased retention among experienced associates and reliable outcomes for customers
- **For life sciences providers:** No impacts to service since everything gets fulfilled and moved as required, all by experienced and well-trained associates

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Retaining the Best and Brightest Associates

Turnover in the logistics industry is high: Most companies only retain about a third of their staff during the first year of employment. For some, it can even be less than ten percent. This high level of turnover creates several challenges that can impact life sciences providers and, therefore, the end patients. The most notable challenges include gaps in the workforce that can lead to missed commitments and resources spent on recruiting and hiring that could be devoted to more innovative efforts (this adds up quickly, with the average cost of turnover clocking in over \$6k per employee).

Recognizing these challenges – and the opportunity that comes with retaining the best associates – Kenco recently introduced a program called “First Year Experience” with the goal of increasing retention. Within the first year of operation, it has already led to a 59% reduction in turnover and \$254k in savings around annual turnover costs.

This program is designed to not only increase retention, but also enhance teamwork and improve staff engagement by providing standardized onboarding, regular touchpoints for new associates, and career development opportunities. Key program initiatives include:

- Regular messages to keep new associates and their supervisors connected, including welcome notes and reminders
- Easy access to benefit information and new hire materials, including on-demand orientation presentations available in English and Spanish
- Experienced buddies to answer questions and provide an ally for all new associates
- Career path visibility that offers details on development opportunities like tuition reimbursement and different roles available within the organization
- Opportunities for formal feedback at the first 30, 60, and 90 days



Augmenting with Automation

Finally, automation can go a long way toward improving retention and increasing productivity – both of which support a 3PL's ability to deliver reliable and agile service.

Consider the following: In the early days of the pandemic, delivering products to hospitals in a reliable way became more important than ever. But it also required more agility than ever, since new COVID-19 protocols prevented delivery associates from going into hospitals and following standard procedures. During this time, using automation to convert to a paperless proof of delivery system with digital signature capture proved an ideal solution to one of many new challenges. Over two years later, this approach has now become a permanent solution that's yielded several efficiencies.

And the value of automation extends well beyond those final steps. In the warehouse, using hardware automation tools like remote forklifts, picking robots, automated storage and retrieval, and auto labeling solutions produce more reliable outcomes and augment workforce productivity. Meanwhile, software automation solutions like Kenco's Davinci AI provide advanced analytics across the supply chain to more accurately forecast market demands. In turn, these forecasts can help allocate resources more efficiently and reduce fulfillment times.

Critically, Kenco takes a test-first approach to all automation to ensure maximum performance. This testing not only helps work out operational issues ahead of using new solutions on the warehouse floor, but it also helps advance the use cases for different types of automation to ensure each solution is meaningful to how warehouses and delivery providers actually operate.

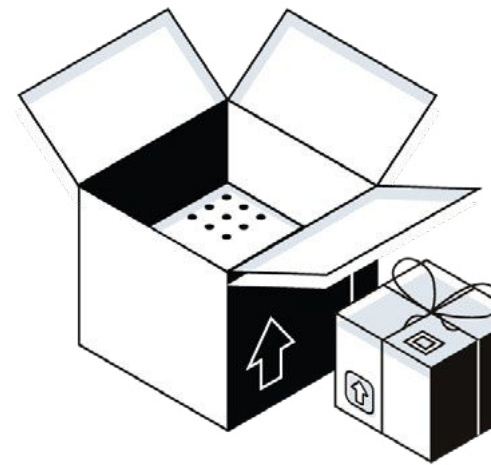
BETTER LOGISTICS FOR A BETTER PATIENT EXPERIENCE

At the end of the day, the patient experience is everything. And delivering the best possible patient experience all starts with ensuring your medical staff has everything they need for every situation.

As a result, your supply chain partner can make all the difference. You need a 3PL who offers reliable and agile service, and that comes down in large part to how they structure operations and retain experienced associates.

First, highly engaged, experienced associates will work more efficiently and find new ways to adapt to changing circumstances. Second, ensuring these associates understand the critical nature of their work in partnering with life sciences providers – most notably their impact on the end patients – ensures more reliable outcomes.

Recognizing this, the best supply chain partners will not only emphasize the customer experience, but also the associate experience. These 3PLs will use innovative solutions to retain associates that are engaged and understand the impact of their work, because they know that's the best way to provide the highly reliable, agile experience needed to deliver the best possible customer and, most importantly, patient experience.



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ABOUT KENCO

Kenco provides integrated logistics solutions that include distribution and fulfillment, comprehensive transportation management, material handling services, real estate management, and information technology—all engineered for Operational Excellence. Woman-owned and financially strong, Kenco has built lasting customer relationships for 70 years. Kenco's focus is on common sense solutions that drive uncommon value. Visit Kenco at kencogroup.com

We'd like to hear about your ecommerce automation and discuss ways Kenco can help address your business needs.

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