

## Pioneer Electronics (1)

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# 3PL Outsourcing Operations Assessment

### Business Challenge

Pioneer Electronics, a world leader in digital entertainment products, had outsourced their U.S. warehousing and transportation management functions. Almost two years into the outsourcing partnership Pioneer had not achieved their cost savings and service improvements goals. The day-to-day working interfaces between Pioneer and their 3PL's people, processes, and technology had become very strained and unacceptable.

### How WCL Consulting Helped

WCL Consulting conducted an in-depth, objective assessment of the 3PL's operations and facilities as well as the process and information technology interfaces between Pioneer and their 3PL. A total of 28 operational/process elements were analyzed against best-practices. The elements analyzed included (partial list): information technology, performance and productivity management systems, operations planning, and continuous improvement program.

WCL Consulting's reports provided a Performance Gap Analysis which indicated areas needing the most improvement based on Best Practices. Also Pioneer's 3PL Partner Interface Interview results were carefully analyzed to identify important areas requiring improvements.

WCL Consulting's report recommended 33 action steps which both Pioneer and their 3PL needed to implement. Initially 32 of the recommendations were implemented with the 33<sup>rd</sup> suggestion being implemented within the first year of our assessment. Pioneer began achieving both their cost savings and service improvement goals as a result of these action steps.

