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CASE STUDY

Safeguarding its ethical supply chain with 'Ethical Trade' Software from Adjuno

John Lewis

THE CHALLENGE: Accelerate reporting and improve visibility of factories across its supply chains

John Lewis sells over 350,000 product lines across 50 different product categories sourced from more than 50 countries and as a socially responsible retailer the subject of working conditions is one that it takes very seriously and expects its suppliers not only to obey the law, but also to respect the rights, interests and well-being of their employees, their communities and the environment.

The John Lewis Code of Practice on Responsible Sourcing sets out in detail the standards that it expects its suppliers to meet on labour standards, the environment and animal welfare. The Code reflects International Labour Organisation (ILO) Conventions and national law in sourcing countries. John Lewis expects all its own brand suppliers to make a firm commitment towards the requirements of this Code regardless of the products they supply us or the country that they manufacture in. This ensures a consistency is applied across its whole supply base.

John Lewis is also a member of the Ethical Trading Initiative (ETI), a leading alliance of companies, trade unions and NGO's that promote workers' rights around the globe. This means John Lewis must follow strict guidelines and be able to easily validate that the suppliers and factories it uses are operating in line with ETI base code and submit annual reports.

The CHALLENGE: Accelerate reporting and improve visibility of factories across its supply chains

…With its large and complex global supply base, John Lewis recognised that many of its existing methods for recording and monitoring ethical compliance in its supply chain were becoming too complicated. Furthermore, generating the reports required were becoming too labour intensive due to an over dependence on paper processes, such as spreadsheets which also needed strict version control and would quickly become out of date.

In addition, a newly developed 'Audit Grading' process had been designed to identify the issues that may exist within its supply chain, to allow for the implementation of suitable remediation programmes. The data generated then feeds into the Buying teams to allow for responsible purchasing decisions to be made. A system was needed to support the implementation of this new process to make it simple.

Considering these factors as well as the increasing pressure on retailers to not only operate responsibly but also easily verify its ethical supply chain practices, John Lewis embarked on a supply chain project to purchase a system that could provide them with improved visibility and management of factory audits as well as speed up management reporting and analysis.

SOLUTION REQUIREMENTS: It must provide visibility of ethical compliance across all suppliers and factories

John Lewis needed a system that would provide the business with the most up-to-date and accurate picture of its ethical compliance all the way back to its source factories. To do this it needed to have visibility of all of the suppliers and associated factories involved in its supply chain, along with details of audits that take place and the results of risk assessments carried out by internal teams or third parties. Relevant partners within the business, anywhere in the world, would also need easy access to share and input information so vital information is always in one place.

Along with needing improved visibility of factory audits and more efficient reporting, John Lewis needed an efficient way of prioritising and managing corrective action plans based on audit results so they could continually improve and build on relationships throughout the supply chain.

As a result, John Lewis investigated what out-of-the-box software solutions were available to the retail market. It needed an affordable and trusted solution that could be implemented quickly. The chosen solution also needed to be adaptable in order to include existing and possible future requirements without the need to pay expensive license fees or be locked into lengthy contracts.
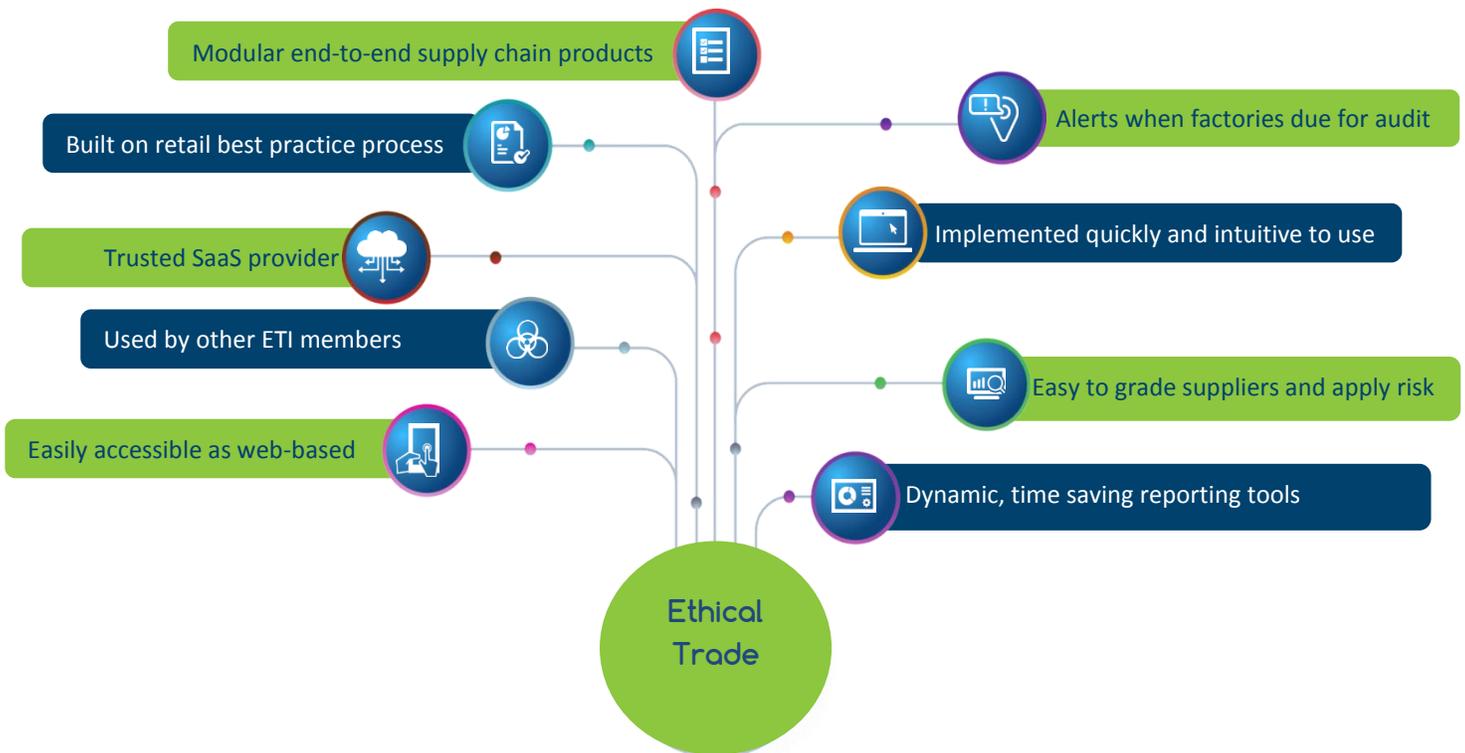
THE SOLUTION: Ethical Trade Software from Adjuno

Adjuno was chosen due to its reputation in being a trusted Software-as-a-Service (SaaS) provider to the retail industry. Its ethical compliance and tracking module Ethical Trade was also being used by many existing members of the ETI. Adjuno's software platform is built to be modular and covers the end-to-end supply chain. It is based on best practice as a result of Adjuno working collaboratively with its retail clients.

Ethical Trade was a perfect fit as it could be implemented quickly with minimal upfront cost including configuration and the importing of existing data. It was affordable due to its ongoing cost being comprised of monthly subscription payments based on John Lewis's specific usage. In addition, it's designed to be intuitive so John Lewis could be up and running quickly with minimal training.

Being web-based it is easily accessible to sourcing offices and partners via logons which are managed by the central team at John Lewis. Ethical Trade holds a database of all suppliers, factories and sub contracting factories, along with details of product types and complex relationships between them. It provides alerts for when factories are due for audit and John Lewis now has complete visibility of its suppliers and their factory audit results so it can act quickly to rectify any non compliances.

BENEFITS SUMMARY

Modular end-to-end supply chain products

Built on retail best practice process

Trusted SaaS provider

Used by other ETI members

Easily accessible as web-based

Alerts when factories due for audit

Implemented quickly and intuitive to use

Easy to grade suppliers and apply risk

Dynamic, time saving reporting tools

Ethical Trade

THE SOLUTION: Ethical Trade Software from Adjuno

Grading suppliers is simple to manage as each factory is assessed and given a relevant 'Audit Profile' to determine the level of audit required. Factories are then audited and measured against a number of factors including the ETI's base codes. In doing so each factory is given a risk rating in line with John Lewis's audit grading and classification process, which is then made available to buying teams, so informed responsible purchase decisions can be made.

If non compliances are found during audits, they are managed via 'Corrective Action Plans' (CAP's) within Ethical Trade so that John Lewis can easily keep track, manage and progress tasks. There is also an 'Improvement Programme' tool that can be used to manage more specific and strategic projects to improve potential areas of concern that may fall outside the structured audit process.

CONCLUSION: Improved visibility and instant management reports

Today, John Lewis can see the ethical status of its supply chain in a few mouse clicks. Dashboards show a workflow of tasks required by urgency and dynamic reporting tools enable management to see the status of all its factories. The reporting wizard enables reports to be easily set up that can be run instantly which has significantly reduced the time required to collate reports for internal management meetings and external ETI assessments.

Using the Ethical Trade software solution has had a positive impact on productivity and assists John Lewis in safeguarding its ethical supply chain practices. This can be attributed to the added efficiency of improved communications, increased visibility of information and automated alerting and reporting.

Customer Testimonial

"The time it takes to compile reports has been significantly reduced; a report which used to take five whole days to complete is now accomplished within a single day!"

Mr. Sam Brown
Responsible Sourcing Co-coordinator - John Lewis.

About Adjuno

Adjuno is a global software business that is part of the $1 Billion + Allport Cargo Services Logistics Group. We develop, deliver and support cloud-based software solutions that improve business processes. We specialise in Supply Chain Visibility and Product Lifecycle Management solutions for the insurance, retail and fashion industries, revolutionising the way our customers operate. We believe this starts with connecting entire trading communities through a central cloud solution. We have more than 20 years of experience in providing cloud-based business solutions, and a global client base spanning across America, Europe, South Africa, and Australasia. We have worked with companies of all sizes across the retail, insurance and consumer product industries, including AXA insurance, Marks and Spencer, ASOS, and John Lewis. Today, our software has over 13K users logging on each day to effectively manage and drive their business, and every month we track over 11M processes, at more than 150 customer sites across the world.

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