



Best practice pooled equipment management: Equipment control etiquette

This paper provides an industry perspective of best practice designed to improve the effectiveness and efficiency of interactions between trading partners in order to optimise the benefits of equipment pooling for the supply chain.

This paper outlines best practice recommendations for trading partner interactions and practical steps towards building best practice processes in your organisation.

The following areas are covered:

- Overview of the current environment,
- Best practice recommendations in equipment control etiquette,
- Steps to improving pooled equipment management in your business and working towards best practice

Contributors:

Developed by CHEP in collaboration with CHEP customers to help drive best practice in the Australian pooling community.

CHEP values the contribution of our customers in developing these recommendations.



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CURRENT ENVIRONMENT

The pooled equipment community deals with the physical and transactional flow of pooled equipment on a day-to-day basis. The equipment pooling model is based on the principle that the sender raises a transaction to notify trading partners of a transfer of pooled equipment.

The flow of equipment and associated transactions requires efficient and effective interactions between trading partners. There are often multiple contacts and varying processes and procedures within organisations and between sites that impact these interactions.

COMMON PAINS AND ISSUES EXPERIENCED

- A business and administrative impact of inefficient trading partner interactions and handling of queries and disputes.
- Variation in the level of knowledge, understanding and application of effective equipment control due to a lack of formal practices, processes and procedures relating to managing pooled equipment.

COMMON GAINS AND OPPORTUNITY AREAS

- Increased standardisation builds simpler practices and processes that are better understood and more easily managed and applied.
- Regular communication between trading partners builds positive business relationships, increasing efficiency and effectiveness, and reducing administrative rework and associated risks.





Key recommendations for best practice in Equipment control etiquette

1. ENSURE THAT APPROPRIATE POOLED EQUIPMENT DOCUMENTATION (TRANSFER OR EXCHANGE) ACCOMPANIES POOLED EQUIPMENT BEING SENT TO A TRADING PARTNER.

2. PROACTIVE INTERACTION WITH TRADING PARTNERS.

- Contact your trading partner upon receipt of pooled equipment without related documentation (transfer or exchange).
- Contact your trading partner prior to correcting or rejecting a pooled equipment transaction.

3. RESPOND IN A TIMELY MANNER TO QUERIES RAISED BY TRADING PARTNERS.

- If the enquiry relates to a pooled equipment movement which occurred up to 90 days prior to the date of enquiry, then acknowledge or respond to the enquiry within 48 hours of receipt and action within 7 to 10 days.
- If the enquiry relates to a pooled equipment movement which occurred greater than 90 days prior to the date of, then acknowledge or respond to the enquiry within 48 hours of receipt and action within 30 to 45 days.
- If the enquiry relates to a Proof of Delivery request, then acknowledge or respond to the enquiry within 48 hours of receipt and action within 30 to 45 days.

4. OPEN, HONEST, RESPECTFUL AND COURTEOUS COMMUNICATION WITH TRADING PARTNERS.



STEPS TO IMPROVING EQUIPMENT MANAGEMENT AND BUILDING BEST PRACTICE PROCESSES IN YOUR ORGANISATION

At industry level:

- CHEP continues to collaborate with Industry groups and customers to promote best practice process and behavior.
- CHEP continues to work with customers on improving access to trading partner contact information in the pooling community.

At an organisational level:

- Actively promote and share the best practice recommendations with your trading partners in the pooling community.
- Develop processes and guidelines to build a good equipment control culture in your organisation.
- Ensure you and your team are aware of applicable trading rules. Ask your trading partners for these or visit CHEPedia.chep.com for links to trading partner information.
- Implement processes to help work towards best practice KPIs for transfer and exchange management, and hire balance monitoring.
- It is recommended to use electronic systems such as [myCHEP](#) to manage pooled equipment to simplify processes and reduce the need for separate dockets and reference numbers.
- Conduct regular stocktake and reconciliation reports – CHEP recommends undertaking these on a monthly basis.
- Investigate any significant change in equipment variance and identify prompt actions to resolve this.
- Train your staff regularly on equipment management and control processes.

Visit CHEPedia.chep.com for tools and recommendations on best practice process and procedures management, team responsibilities and KPIs and for convenient eLearning modules on equipment management and control.

At a site level:

- Conduct a Process Review and Gap Audit, and put in place an action plan to close the gaps. Talk to your CHEP Account Manager for help or further information.

The steps shown here are valid for small to large organisations, the level of detail will vary depending on the issues and opportunities involved.

For advice and assistance in undertaking the above steps ask your CHEP Account Manager or call us on 13 CHEP (13 2437).

