

FHWA Freight Transportation Industry Internship

Service Industries

This internship is designed to enable public sector participants to better understand: 1) how the industry's supply chain works; 2) how transportation decisions are made and who makes them; 3) what drives decisions; 4) how the industry manages or contends with transportation problems and issues; 5) what critical situations require immediate changes to modes, routes, or schedules; 6) the impact of transportation infrastructure conditions; 7) the importance of the on-time performance of the industry's supply chains and distribution networks; and 8) the economic and policy environments that shape the supply chain. This may be accomplished through focused questions and discussions with responsible industry staff and firsthand observation.

Industry Description – Service Industries:

include establishments primarily engaged in providing services for individuals, business and government establishments, and other organizations. Examples include hotels and other lodging places; health care facilities; educational institutions (including public schools); restaurants; entertainment and recreation facilities; and other establishments providing personal, business, repair, and amusement services; legal, engineering, and other professional services; membership organizations; and other miscellaneous services. These establishments receive equipment and supplies, support employees, guests, and clients, and depend on the transportation system.

Prior to the Internship: Gather information on the service industry and the host facility to understand their operation and supply chain.

- Many service industries receive more products than they ship out (e.g., businesses order paper; hotels and restaurants need food products and other items; hospitals need medical supplies and equipment). Their supply chains and logistics focus on receiving products and materials to use to provide services for their customers.
- Service facilities located in urban areas face unique issues relating to local land use, zoning, parking, congestion, delivery restrictions, and regulations. Local government participants may find this type of internship especially informative in that it provides insights into how local regulations and ordinances impact freight relative to service industries.

Coordinate and clear your proposed activities with the host facility

- Schedule and clear all internship activities (including participation in meetings, observations, rides with drivers, and interviews) prior to the internship.

During Internship: Meet with those responsible for transportation and purchasing to understand the overall freight movements and supply chain. Learn why, how, and by whom the transportation decisions are made.

- What materials are ordered and shipped to them and what products or packages are shipped out
 - Who determines and places product orders
 - Who determines when and where products and supplies are received
- What modes, volumes, and schedules are used
 - Why is a specific mode selected (e.g., perishables with a shorter shelf-life or high value medical equipment)
 - How does the host evaluate trade-offs and prioritize transportation conditions and service factors
- What are the limits of inventory available; how long can they continue to operate if there is a major transportation system shutdown
 - What occurs should the delivery of materials be delayed
 - What is the process to offset interruptions and delays
 - Is there "idle" labor; what is the cost of such labor
- How does the host ensure service reliability, such as on-time performance
 - Are charge-backs instituted if a critical process is delayed
 - Are there performance criteria in place with transportation providers
- What transportation investments have been made by the host (e.g., vehicles, loading docks, technology to monitor inventory from suppliers)
- How does their business operate today compared to the past; one year ago, five years ago, or more
 - Can a significant change in operations be defined at some point in time and what was the impact of that change on transportation
- What types of changes could the business experience in the short term; long term



- How do local zoning and delivery regulations affect the business
 - Do they have problems receiving deliveries; are there time of day restrictions on deliveries; is there adequate space
 - What routes are taken to the host facility
 - Does traffic flow impact the delivery of (critical and non-critical) supplies
 - Are there local ordinances or regulations (e.g., idling, parking restrictions) that impact efficient movement of freight
- Is the host familiar with who in the public sector (agencies/organizations) makes transportation decisions; do they understand how these decisions can affect their operation (e.g., more truck loading zones, signal timing, turning radii/sharp turn, slow traffic light, one-way streets, bridge height, construction, congestion issues, etc.)
 - If yes, does the host interact with the public transportation agencies/organizations; how and why
 - If no, you can frame a discussion around this point to determine if there is a benefit to the host interacting with the public transportation agencies/organizations
 - Do they participate in an organization or association that may interact with public sector transportation agencies; do they know what the benefits are

participant with the public agency and host company.

- Identify opportunities for collaboration in the future.

Discuss the intern's public sector job function

- What types of decisions are made by the FTII participant; how may these decisions impact this company's performance
- How can the participant or agency better communicate with this company and vice versa
- What can be done to improve transportation efficiency for the industry

Meet with Finance Department

- What portion of the total industry operating cost is devoted to transportation
- How do transportation costs relate to the industry remaining competitive
- Are there different transportation costs associated with serving different customers

Observe Shipping and Receiving Operations

- Is there special handling or processing of shipment receipts
- Does the volume of activity remain constant during the day or are there peak times
- How do those peak times correspond to the flow of general traffic in the area and major arteries

Conclusion of Internship:

- Lessons learned from the internship experience should be shared by both the host and

Contact:

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