

Introduction

I am a Chinese and International Business major from Clemson. In the summer of 2023, I completed the international internship required by my major. I interned at Cardinal Health, doing their freight payment and auditing. I worked from May 30 to August 11, thirty-five hours a week. This internship has increased my knowledge of how international companies operate. I learned how large companies use remote work environments to communicate. This report includes a company profile, my internship experience, problems faced by the company, and proposed solutions to these problems.

Company Profile

Cardinal Health, headquartered in Dublin, Ohio, is an American multinational company. The company specializes in the manufacturing and distribution of medical products and pharmaceuticals. Cardinal Health was founded in 1971. Cardinal Health manufactures and sources a variety of medical products and supplies. The company's medical product categories include anesthesia products, laboratory equipment, surgical supplies and patient monitoring tools. The company also has a division that provides specialty pharmaceuticals and even nuclear medicine to healthcare providers. According to the company's website, "Cardinal Health provides more than 46,000 home health care products to more than 3.4 million patients. Cardinal Health has approximately 44,000 employees in more than 35 countries and ranks among the top 10 companies in the healthcare field on the Fortune Global 500." " Although Cardinal Health is an American company, the company provides medical products to hospitals and homes around the

world. This company is truly "Essential Care." The company does business with more than thirty countries. The company has business relationships with more than 30 countries including Brazil, Canada, Puerto Rico, China, India, Japan, South Korea, Germany, Spain, and the United Kingdom.

My internship in the company

I found this internship at Clemson last spring. Last April I received an email from Clemson's Director of Chinese and International Operations with internship details. According to the internship details, only seven students are accepted for internship. I am very interested in this internship opportunity. I know this company is big, I see the company name and logo often. So this opportunity excites me. I applied and was lucky enough to be accepted. I officially started my internship on May 30th.

Because it was a remote internship, I worked from home in New York. This was my first time working remotely and I found it convenient and efficient. All employees work using Google Teams. Although employees are working remotely, Google Teams allows us to communicate effectively.

From the beginning of my internship, I was exposed to daily live demonstrations designed specifically for summer interns. These presentations provide an understanding of global trade, including trade operations, procurement, compliance, logistics and optimization, as well as foreign trade zones and master data management.

In addition to my daily live presentations, I was assigned a specific project. I work with the Freight Audit and Payments team to assist them with their payment audit process

using Microsoft Excel to develop and enhance my analytical skills on a daily basis. I use Microsoft Excel every day to make sure that Gardiner pays the correct amount to its carriers. Before approval, I compare the invoice to the account statement to make sure the amounts are correct. This process is important so that the company does not overpay or underpay the carrier.

Since Cardinal Health is a global company, I was able to learn a lot about how trade works around the world. I was also able to communicate with department heads from many different countries for additional support and guidance.

Behind the scenes of company problems

The Covid 19 pandemic has damaged global supply chain operations. Increased demand, trade restrictions, factory closures, rising freight costs and reliance on a "just in time" inventory system have led to global shortages and inflation. This creates a lot of problems for large companies. The pandemic has also made many businesses aware of the weaknesses in their supply chains. "Research shows that the COVID-19 pandemic has exposed pre-existing issues in supply chains and brought to the fore priorities such as visibility, resiliency and digitization." (Harapko and Knizek).

The pandemic has also caused a shortage of containers at ports around the world. During the pandemic, many of the world's supply chains had a difficult time adjusting to this highly stressful period. About 90 percent of the world's trade is transported by ship (). When many countries went into lockdown in 2020, the lockdown caused large changes in customer's consumption patterns. These changes caused a large increase in

demand in a very short amount of time. Demand increased greatly for certain goods like home office supplies and electronics, which are mostly made in China and other areas of Asia. The demand for medical supplies and protective equipment also increased greatly. During this time, many factories temporarily closed. This caused a large number of shipping containers to be stopped at ports. Also, to stabilize ocean freight costs, carriers had to reduce the number of shipping vessels out at sea. This decreased the amount of imports and exports globally, and empty containers were not picked up at ports. It greatly affected Asian traders because they were not able to pick up their empty containers that were stuck at North American ports.

Asia was the first country hit by the pandemic, and also the first country to recover. China was able to start exports earlier than the rest of the world while other nations were still under many restrictions and reduced labor capacity. As a result, the rest of the containers in Asia were sent out and did not come back fast enough due to these restrictions and reduced workforces. These containers started to pile up, leading to many of the shipping shortage issues.

The pandemic has also caused a labor shortage at ports, so there aren't enough employees to move containers quickly and efficiently. This has resulted in many healthcare companies having to pay more to ship their products to hospitals around the world. Rising shipping costs are harmful to all companies involved in global trade, including Cardinal Health. The company already had to increase production which was costly, and now they are forced to pay increased shipping rates in order to get product to the hospitals that needed supplies urgently. Because Cardinal Health needed to ship

products as quickly as possible, there was a lot of stress put onto the freight carrier payment system.

The shipping container crisis put stress on many operating procedures within supply chains. This stress led to reduced visibility for products in the supply chain. It was difficult for Cardinal Health to locate where their products were in the supply chain. This crisis made their visibility issue easy to see.

The effects of the pandemic on global supply chains and the effects of the shipping container crisis caused many issues to become apparent. The main issues that affected Cardinal Health the most were visibility issues and difficulty accurately paying freight carriers due to the severe strain put onto their supply chain operations. Since many payment operations were rushed and were unable to be audited fully, there were times when the company would overpay their carriers. My internship project was focused on fixing the payment auditing process and working to make sure the carriers would be paid efficiently in the future.

Solution

Shipping supply chains are very fragile. It is important to make sure that all business partners in the supply chain are able to communicate and work together well at all times. To make sure business partner relationships can remain healthy, there must be proper procedures in place to audit payments to these partners. If these procedures are not monitored properly, this can result in late payments to business partners which can hurt business relationships in the long term. To make sure Cardinal Health avoided this problem, my coworkers and I worked to improve the payment auditing system.

As part of the Freight Audit and Payment team, it was my responsibility to work to resolve this issue and ensure invoices were received and audited properly. This included ensuring timely payment of invoices and charges for the truckers, carriers, and other vendors to avoid potential delays within the supply chain. We also needed to ensure that monthly accruals were completed on time and accurately to allow for proper financial reporting to the finance department of Cardinal Health.

To make the payment auditing process more efficient, my colleagues and I needed to work on helping the company outsource the freight payment system to a third party provider. The usage of a third party provider for this process would enable Cardinal Health to use their resources towards more important goals. However, before the system could be handed over to the third party provider, the system needed to be refined and optimized. We needed to make the transition to this new system as smooth as possible.

During the Covid-19 pandemic, Cardinal Health had accumulated invoices that were unable to be audited correctly because of the volume of shipments. The other interns and I needed to check all of these invoices and confirm that they had been paid correctly. We accomplished this goal by checking that the invoiced charges matched correctly with rates that Cardinal Health had on file for payment.

The payment auditing process was done using Microsoft Excel. The statement of account invoiced from the shipping carriers would be compared to the payment amounts in the Cardinal Health payment system. This was done using many different formulas in

Microsoft Excel. If the invoiced charges matched the rates in the payment system, the charges would be approved and sent to the finance department for further processing. If the invoiced charges did not match the rates in the payment system, these charges would be flagged and further investigated. To investigate flagged charges, sometimes other departments in the company needed to be contacted. Clear communication between departments in the company is very important to the business processes within Cardinal Health.

To communicate clearly and effectively, the company used Microsoft Teams to allow employees to contact each other. Microsoft Teams allowed my team to communicate with each other and communicate with other company departments. Not only did this software allow us to communicate within the company, but also with external parties, for example, the shipping carrier companies. I was able to participate in calls with cardinal health employees and employees from different shipping companies. These calls helped my team make the payment process more smooth since we could consider the needs of different shipping carrier companies that we worked with.

We were able to discuss new ways for the shipping carriers to invoice payments to Cardinal Health so that the invoiced charges would be more compatible with the payment auditing system. This way, the payment auditing process would be faster and more effective. By improving this part of the billing process, my team and I were able to strengthen the relationship between Cardinal Health and its business partners. These strong relationships are very important to making the supply chain run smoothly.

By strengthening the communication between the company and the shipping carriers, my team and I streamlined the payment process, making the process quicker and more effective. The final part of my team and I's project was ensuring that the integration of a third party payment auditor was successful. Our improvements to the payment auditing process made the transition more smooth. Without the changes that my team and I made, the integration process would have been much more difficult.

With the collaboration of a third party organization, the freight audit and payment process is now more streamlined and efficient. The effects of this transition changed the payment auditing process to better fit the needs of both Cardinal Health and their business partners. As a result, business partner relationships have been improved and strengthened.

My time working with Cardinal Health exposed me to the real challenges that a professional company can face. Not only was I able to see these challenges, but I was also able to help find solutions to these challenges everyday. The experience of working remotely with a team taught me valuable communication skills which I will be able to use on future business projects. My work introduced me to implementing strategies to simplify work procedures to increase their efficiency.