Intern Insights for the Cardinal Health Global Trade Department April 7, 2024

Prepared by: Ruby Aguirre

for: Dr. Will Cunningham

Introduction

Executive Summary

This report will provide an overview of Cardinal Health's origin, current milestones and future missions. It will also discuss the responsibilities and importance of the Global Trade department for Cardinal Health, supported by research about the company's internal organizational structure.

Purpose

The intention of this report is to inform interns about Cardinal Health as well as the Global trade department prior to onboarding.

Problem Statement

It is vital for interns to be familiar with Cardinal Health's values and organizational structure in order to be successful in a company that strives to improve the lives of their consumers and to have employees that work towards innovation.

Methods

Research Methodology

Research methods and where the information was collected for this report about Cardinal Health are found below. Links for each website are attached as well as a description of the research process. Citations are provided through the report where the information is referenced.

Google Search Engine

- Searched "Why was Cardinal Health Founded" and clicked the link to "Cardinal Health celebrates 50th anniversary, launches year of service"
- https://newsroom.cardinalhealth.com/2021-01-07-Cardinal-Health-celebrates-50th-annive_rsary,-launches-year-of-service#:~:text=Robert%20D.,Monarch%20Foods%20in%20Col_umbus%2C%20Ohio.

Business Insights: Gale

• Accessed via Clemson Libraries website

- Searched "Cardinal Health Innovations" and clicked on "Medicine Shoppe boosts efficiency with innovation"
- https://go-gale-com.libproxy.clemson.edu/ps/retrieve.do?tabID=BIGTrade&resultListType=RESULT_LIST&searchResultsType=SingleTab&retrievalId=5642c733-0073-4bf5-acae-a9f99acbfb49&hitCount=47&searchType=BasicSearchForm¤tPosition=1&docId=GALE%7CA661255894&docType=Article&sort=Pub+Date+Reverse+Chron&contentSegment=GBIB&prodId=GBIB&pageNum=1&contentSet=GALE%7CA661255894&searchId=R4&userGroupName=clemsonu_main&inPS=true

Google Search Engine

- Searched "Cardinal Health Global Trade Department" and clicked on "Global Trade and International Logistics"
- https://www.cardinalhealth.com/en/support/global-trade-and-international-logistics.html

Google Search Engine

- Searched "Cardinal Health Internal Structure" and clicked on "Cardinal Health Organizational Structure in 2023"
- https://www.databahn.com/pages/cardinal-health-organizational-structure-in-2023

Google Search Engine

- Searched "Cardinal Health Values" and clicked on "Vision and Values"
- https://www.cardinalhealth.com/en/careers/culture/vision-and-values.html

Google Scholar Search Engine

- Searched "New Innovations at Cardinal Health" and clicked on "How biosensors will make healthcare smarter and more affordable"
- https://www.cardinalhealth.com/en/essential-insights/advantages-of-biosensors.html

Summary

Summary Results

Cardinal Health is a global health care company with a vision to improve the cost-effectiveness of healthcare. Customer focused innovation has been a core value throughout its development, this is able to be executed by deeply understanding the customer and their challenges. Cardinal Health operates in 30 different countries, creating a need for the Global Trade Department to be compliant in all imports, exports, laws and regulations. All employees are held accountable by standard policies that ensure they are managing their affairs ethically and responsibly. Cardinal Health promotes a work environment where employees feel that they are able to flourish professionally as well as personally. They have received various national awards and recognitions for their diversity, inclusivity and innovations.

Company Development

Cardinal Health was founded in 1971 by Robert D. Walter. The company was initially a food wholesaler named Cardinal Foods. After 10 years in food distribution, Walter purchased Bailey Drug (*Cardinal health celebrates 50th anniversary, launches year of Service,* 2021) and entered into the pharmaceutical distribution market. The current CEO Mike Kaufmann joined the

company in 1994 and has helped turn the company into a global manufacturer and distributor of pharmaceuticals. Through strategic acquisitions and trade partnerships Cardinal health has been able to become one of the top distributors of the healthcare industry. As seen in *Figure 1* Cardinal Health provides products to every state in the country. Recently in 2022 the company has joined a joint venture with CVS Health and has become its primary supplier. Cardinal Health is currently on the Fortune 500 listed at number 14.

Extensive Provider Distribution Footprint

We service >6,000 acute facilities and >7,800 community practices and clinics in oncology, urology, nephrology, and rheumatology



Figure 1: Cardinal Health distribution graph to clinics and community practices
(Patrick, 2017)

Innovation

Cardinal Health has been at the forefront of health care innovation. AI is being used to develop better patient care and to create new opportunities for greater efficiency. One piece of technology that was developed using AI, are wearable sensors used to improve health outcomes. Cardinal Health has recognized that their consumers have high expectations for the way technology is integrated in their lives, this has sparked an interest to find ways to make things more accessible



for consumers online. Making healthcare more accessible for patients by incorporating technology that they have access to also has the ability to make healthcare more affordable. If patients are able to wear sensors at home that monitor their vitals and communicate that information with health care providers there isn't a need to visit the doctor as frequently. (Hayhurst, 2021) Cardinal Health is constantly researching and developing the next big technology to help their consumers.

(Hayhurst, 2021)

Global Trade

Cardinal Health relies on the Global trade department for operation and success. Global trade is vital in order to access a large range of medical devices, pharmaceuticals and other health care products from international manufacturers. The department is tasked with being informed on evolving trade laws and regulations. There is an emphasis on conducting trade sustainability and responsibility; an Environmental, Social and Governance Questionnaire (ESG) is utilized in order to enhance positive outcomes of collaboration. It is important to note that the Global Trade department has been active in Cardinal Health for less than 12 years. The ability to source resources and materials from other countries at prices that can lower production costs has been vital when it comes to providing products and services at more affordable prices. The department works closely with people from different countries. Being able to identify different business cultures amongst international partners is necessary in order to be successful. The top countries Cardinal Health trades with are:

- 1. Brazil
- 2. China
- 3. Germany
- 4. Australia

Culture and Company Organization



Cardinal Health strives to improve the lives of people every day. The company's values can be summarized by the following words: integrity, inclusivity, innovation and accountability. All employees are expected to contribute to maintaining these values and as a result Cardinal health is a

supportive and forward thinking company to work for. Cardinal is a leader in the healthcare industry. They have National awards from the Human Rights Campaign foundation for being one of the Best Places to Work in 2022. They have also received an award for the past 9 consecutive years for being a top company for executive women. Cardinal Health has a decentralized approach to their organizational structure. It functions with various departments each with their own management team which gives them a better ability to focus on their specific tasks. Although employees are appointed to departments, they are encouraged to work with others because collaboration is key. Cardinal Health offers various Employe Resource Groups (ERGs) in order to foster an engaged and inclusive workforce.

Conclusion

After researching Cardinal Health I realized they are a company I could envision myself working for. A nonnegotiable that I have for myself when it comes to my career, is working for a company that promotes growth and learning. Cardinal has established a company culture that wants its employees to connect and be not only successful professionally but also personally. Securing a job that pays well is important but what has become clear to me after this research project is that I should also work for a company whose values align with my own. They have implemented policies that not only keep its employees accountable but also themselves and the people they work with. I appreciated their goal of wanting to direct the healthcare industry towards a more affordable approach. I am very interested in their Global Trade department and the importance it has on the overall success of the company. I will now be on the lookout for possible internship opportunities with Cardinal Health.