

INNOVIA CASE STUDY: SUPPLY CHAIN ASSESSMENT

Executive Summary:

The topic of Supply Chain management is often at the top of the list of opportunities in the business process. It is however frequently misunderstood or at least understood differently by the various departments involved.

By undertaking a summary assessment, a baseline of supply chain maturity is established and a comparison with best practices identified. Several immediate opportunities for quick savings typically become apparent and a framework for long-term change is defined.



Background:

With the emphasis on total enterprise execution models suppliers are now often included in the overall company strategic plan. The importance of seeing effective operations as the sum of all the parts has become critical.

A manufacturing facility is only as effective as the quality and the timeliness of the goods it is fed. Achieving Supply Chain excellence should not be relegated to the Purchasing department but should include involvement from all major areas of the company from Marketing, Finance and Sales & Support.

At Innovia Solutions we consider Supply Chain Management to include the whole process from demand generation to product delivery and support..

Results:

The Value Stream approach provides a clear appreciation of Strength, Weaknesses and Opportunities along all phases of the Value Stream.

Typical results include significant reductions in inventory, improved coordination between departments, reduced cost for a given product or commodity.

ROI on such projects is typically between 5 and 10:1.

Approach:

The Supply Chain assessment process usually takes approximately 3-5 days to complete and is carried out by one or several experienced practitioners

Specific issues are addressed in the following areas:

- Demand Generation
- Strategic Sourcing
- Procurement Execution
- Materials Management
- Manufacturing
- Distribution & Service

In each area, a series of best practices is used to explore areas of opportunity. Interviews are held with a wide multi-disciplinary cross section of management and staff as appropriate.

Following assessment a short summary of opportunities is presented. A particular emphasis is placed on short term quick hits that will help the organization move to action and build momentum. A tight project management, follow-up and reporting tool is used to ensure success.