

Transforming a Global Supply Chain

The Situation

A global f.m.c.g. company was seeking to transform its global supply chain, making it a value-adding function rather than simply a cost on the business. Working in partnership with them and with colleagues in ProfitAbility Business Simulations, Richard Smith Associates were invited to contribute to developing a training programme which would engage and re-engage staff at all levels of the supply chain.

The Analysis

Conversations with the Head of Global Supply Chain and the Head of Learning and Development led to a focus on certain key issues:

- driving both reliability and flexibility
- building continuous improvement (LEAN) thinking and providing participants with some supporting tools
- developing efficiency and visibility, with the insight to manage potential trade-offs
- focusing on speed, lead times and managing multiple channels

In the course of these conversations we were able to propose some additional areas of focus:

- appropriate use of measures and indicators to drive performance
- the critical role of leadership and effective teamworking at all levels and across functions
- seeking creative 'both and' approaches to supply chain improvements.

The Solution

A centrally-resourced programme for groups of around 30 managers and professionals was rolled out worldwide. This included both content lectures from senior specialists from across the organisation's supply chain functions and a specially tailored practical business simulation which we developed in collaboration with colleagues in ProfitAbility Business Simulations. This simulation models the extended supply chain of a business. It gives participants concentrated experience of creating supply chain alignment and managing the organisational transformation required.

The Outcomes

This programme, initially intended as an 18-month initiative, has continued for eleven years and is still ongoing. In excess of 1500 supply chain managers and professionals have participated and have consistently credited the programme with helping them see fresh ways to build supply chain effectiveness (average end-of programme ratings are around 95% on relevance, presentation and job impact). Regular anecdotal evidence supports the assertion that people returning from this programme do go back and change things for the better. Supply chain performance (as measured by customer service, working capital employed and cost per unit) has increased steadily over this period.