

## IMPLEMENTING LEAN TO DELIVER STRATEGIC SUPPLY CHAIN ADVANTAGE

### Supply Chain & Logistics Case Study



#### Organization Profile

EMEA Manufacturing HQ and Service Logistics Group of a global, household name in the IT industry. Employing over 3,300 people across facilities in Europe, the Middle East & Africa region (EMEA).

#### Project Goals

Implement a Service Parts Logistics model across the EMEA region

#### Project Timeframe

18 months

#### Key Deliverables

The new model was rolled out across the EMEA region over an 18 month period. The roll out included a full in-country transition team and developments / changes to the network to support the country requirements.

#### Leading Edge Group used its Lean expertise to develop a Service Parts Logistics model for a global, IT manufacturer

The client was the EMEA (Europe, Middle-East and Africa) Headquarters of the Manufacturing and Service Logistics Group of a global IT manufacturer.

The demand for global support solutions, across an ever increasing installed based, posed significant challenges for the EMEA HQ operations and the organization as a whole. It was widely recognized within the industry that a clearly defined and competitive service support solution could differentiate one organization from another, leading to a competitive advantage in a market where products were increasingly commoditized.

The client realized that the implementation of a superior Service Parts Logistics model would define the success or failure of the organization's growth strategies and engaged the services of Leading Edge Group (LEG) to help them develop and implement this model, based on LEG's expertise in applying Lean practices and techniques to the Supply Chain.

LEG worked closely with the client to develop a Lean supply chain solution that would:

- deliver strategic and competitive advantage to the organization
- absorb rapid growth in the installed base
- be effective across different jurisdictions and regulatory environments
- be relevant in emerging markets
- remain sustainable into the future

*"I highly recommend their expert, professional and practical approach in the provision of Supply Chain solutions. I look forward to doing business with the Leading Edge Group in the future".*

*Director, Service Logistics, EMEA*

## How was the project implemented?

The implementation was conducted using a phased methodology. The individual phases were identified as follows:

1. Scope definition and supplier selection.
2. Detailed business process development
3. Business requirements document generation
4. Business system development and UAT
5. System link testing
6. Go-live and rollout

*Phase 1: Scope definition and supplier selection:* Project definition and scope was documented (using project charter and SIPOC templates) and communicated by Client Senior Management. An RFQ was generated and contract negotiations were conducted. LEG were used for RFQ negotiations to support the senior management team, analyzing the impact to the business and proposing specific customer service levels.

*Phase 2: Detailed business process development:* LEG was utilized as process owners for the backend replenishment processes and for the call and order management processes.

*Phase 3: Business requirements document:* The Business requirements document was generated to support the defined business process flows.

*Phase 4: Functional specifications generation:* A detailed system functional specification was generated for each sub-process. These determined how the system architecture and EDI touch points would work. LEG sanitized the functional specifications produced by the IT professionals versus the business requirements document and the individual business processes.

*Phase 5: Business system development and UAT:* The system development was conducted by each of the partners as per the functional specifications. The systems were subjected to IT testing and user acceptance testing (UAT) to ensure the input, processing and outputs from each system were operating as per the functional specifications. LEG was utilized as process specialist, clarifying any misunderstandings arising from the functional specs.

*Phase 6: System link testing:* Link testing was conducted. This removed the simulators and each partner test system was tested as a single entity to ensure correct EDI contact and timing. LEG was utilized during this phase as the Test Team Manager, managing the running of the predefined tests and the analysis of the outputs across the entire network.

*Go-live and rollout:* LEG was a member of the rollout team responsible for ensuring each of the above phases were met and implemented consistently in each business unit/region across the EMEA region.

## Frequently Used Terms

Term	Description
<b>Project Charter</b>	A project charter is a statement of the scope, objectives and participants in a project and is a critical document to ensure that everyone involved in the project is aware of its purpose and objectives.
<b>SIPOC</b>	In process improvement, a SIPOC (sometimes COPIS) is a tool that summarizes the inputs and outputs of one or more processes in table form. The acronym SIPOC stands for suppliers, inputs, process, outputs, and customers which form the columns of the table.

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