

Sequoia Client Focus



A Pan Russian Dairy business, producing a range of Short and Longer life products

Inventory targeting and replenishment control are particularly critical in dairy companies, due to the fine balance between obsolescence costs and service failures.

Technical Objective

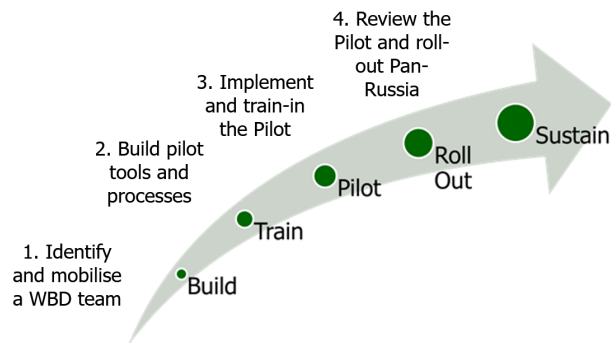
To embed in a sustainable set of Processes, Tools and Skills (capabilities) to establish and maintain inventory levels that achieve the optimal balance between customer service, inventory costs and obsolescence.

Organisational Objective

To de-silo the departments that form the replenishment loop, and capture cross functional synergies by encouraging a culture of trust and collaboration.

The programme started with establishing an internal team, to both help with and be trained during a pilot implementation in the Moscow Region – going on to take responsibility for a Pan-Russian roll out of the new processes and tools.

The first year, pilot programme, comprised a number of steps which are described in the following slides. All steps involved a mixture of technical support and training from Sequoia.



Overview of the phases of the entire programme

1. Mobilisation

Objectives:

To build a strong consensus for action across key departments and managers based on an enhanced end to end understanding of the shortcomings of the current processes and the advantages of the target process blueprint

To create a project organisation with well-defined roles and responsibilities

To build a motivated implementation team with a clear understanding of the plan and both the team's and their individual responsibilities

Activities:

- Select Client's Implementation Team
- Create Awareness workshop
- Create Mobilisation workshop
- Run Awareness and Mobilisation workshop

2. Process Blueprint:

Objectives:

To create and agree an end-to-end blueprint for the future replenishment management process

To define the data requirements for Oracle to feed this process in future

Activities:

- Extend Diagnostic: Production scheduling & performance monitoring
- Extend Diagnostic: Distribution & Stock Deployment
- Extend Diagnostic: Procurement
- Create Process Blueprint workshop
- Run Process Blueprint workshop

3. Pilot Tools—Stage 1

Objectives:

To ensure that the tools are available to:

- Compute optimal, statistically robust inventory targets;
- Analyse potential inventory driver improvements (MOQ, Lead time etc) and test their effect for the purposes of prioritising improvement plans

Activities:

- Develop & test Forecast Analysis tool
- Customise SMM & define interface with Oracle
- Test SMM
- Develop Tool Handover workshop
- Run Tool Handover workshop

4. Pilot Tools—Stage 2

Objectives:

To ensure that tools are available to:

- Analyse and graphically display production Conformance to Plan
- Monitor inventory adherence to target and achievement of service and obsolescence objectives

Activities:

- Develop conformance to plan tool
- Develop inventory adherence to target tool
- Develop Service Level and obsolescence achievement tools

- Test Oracle interface
- Develop & Run Tool Handover workshop

5. Web-enabled Dashboard

Objectives:

To provide cross departmental and geographically distributed access to a summary of critical, graphical performance indicators covering the end-to-end replenishment system.

Activities:

- Mobilisation workshop: Agree dashboard content
- Create database and web-enabled user interface
- Create documentation and help screens
- Go Live and handover workshop

6. Implementation and Support

Implementation:

Objectives:

To implement new S&OP and replenishment processes, along with their relevant tools, and to train the implementation team in their usage.

Activities:

- Develop S&OP and end to end training
- Go Live and handover workshop
- Run S&OP and end to end workshop including cross functional working

Implementation Support:

Objectives:

To support and embed the new processes and tools while the internal team are becoming more deeply familiar with them.

