

Strategic Improvement Planning

INNOVATIVE APPROACH TO LARGEST DIVISION TRANSFER IN CLIENT HISTORY

Partner

A Fortune 100 industrial manufacturer

- Component manufacturing division

Challenge

Provide accurate, dynamic line of sight to the ramp up/down process to transfer a \$500M North American business unit to Mexico

- Rapid turnover rate of key plant stakeholders
- Product complexity and volume, including 2500+ shippable part numbers across 5 value streams
- Language and cultural barriers, lack of standard work and documented processes
- Unique parts warranting family-specific transition plans

Objective

Design, develop, and deploy a source of supply chain governance structure to effectively manage the transfer process

- Execute an inventory buffer strategy and develop supplementary tools and templates
- Collaborate with global supply chain planning teams to ensure engineering alignment
- Manage coordination between supply chain, engineering and operations to track the source of supply, fixture readiness, PPAP status and inventory buffer depletion
- Prevent past due materials through proactive governance, management and continuous communication with key stakeholders

Solution

Design production switch readiness tool to signal potential project delays

- Lead weekly meetings with key stakeholders to communicate, resolve, and escalate issues in a timely manner
- Act as a "stop-gap" to minimize loss of product knowledge at departure of salaried employees
- Manage inventory buffer depletion scheduled before PPAP dates causing delays in customer shipments by tracking weekly buffer build against customer demand

Transformation

- Managed transfer of and receipt of inventory exceeding \$25M
- Drove 75,000 pieces, as part of the mass source change push in October 2018
- Reduced customer impact/line down scenarios in prime product facilities by 85%
- Successfully extended tenure 48+ months and enabled largest largest transformation in client's 100+ year history.

\$25M INVENTORY
transfer and receipt of over 75,000 pieces.



"The source of supply governance process was designed and executed as an integral part of a global business transformation

initiative. The CGN team achieved success through collaboration with multi-faceted teams working together to mitigate customer impacts at prime product facilities."

-Asheema Govil
Consultant

For more information on CGN and how it can transform your business

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