

The Right People for Every Phase of Your Project

The success of any project or software implementation depends on having the right people. Spencer Thomas Group (STG) has the industry and subject matter experts with in-depth knowledge and extensive experience to help implement your projects that meet the needs of your strategic goals, your internal users and your customer base.

The Challenge

In May of 2016, STG engaged with Senior Leadership for a Global Materials Manufacturer in need of assistance in their APAC region. The facilities for this region are based in Japan, with complementary operations in the US and China.

This Client had recently deployed the final phase (Europe and Asia-Pacific) of a global SAP and APO implementation in April of 2016. The team in Japan works with multiple vendors and processors to combine raw materials produced in North America into finished product before shipping it to local customers.

Prior to the deployment of SAP APO, the planning and execution of single and configurable orders were performed through manual processes, such as spreadsheets and e-mail. The fulfillment process for configurable orders was the main focus of the APO deployment, since those transactions held the highest margin and were most critical to their client base. The new process was managed and rolled out by a third party throughout the Japanese organization. Ultimately, without a proper change management program in place, many issues emerged to cause breakdowns in the supply chain, customer fulfillment and, ultimately, client satisfaction.

Due to the complexity of the different order processes, coupled with cultural issues, poorly coordinated timing, and the level of training received by employees affected, the transition caused major operational issues, negatively affecting their client base.

Some of these challenges included:

- Communication breakdowns between business units (e.g., SCM, Customer Service, Sales, Commercial, Logistics) throughout the new process.
 - This also introduced stress and acrimony between business units
- Lack of proper new process and SAP APO training at the end-user level.
- Manual workarounds, which led to inventory discrepancies, stemming from the system not being updated accurately once sales were made and orders shipped.
 - Selling but not properly entering an order in the system, inventory which was not actually in stock was being sold. When delivery failed, customers went to their competitors.
- The overarching challenge of multicultural considerations when performing a global implementation of this magnitude.

Clients quickly lost trust and credibility in the client's ability to deliver and orders were reduced to single digits. The client needed a solution to continue running the Japanese business and maintain profits within the region, while working through the challenges of the new SAP APO system and processes.

The Solution

In May of 2016, the STG team provided resources in Japan with expertise specific to the deployment of the SAP APO system in the Japanese marketplace. STG was able to present five qualified consultants sourced and screened through our RightFIT™ recruiting process. We presented the strongest candidate meeting the project requirements, who was interviewed by the local team and began on the project the following month.

STG was asked to gain a comprehensive understanding the current situation, determine possible solutions and work with the teams to manage through the near-term crisis. Our consultant served as an overall business process subject matter expert and SAP APO consultant. Specifically, he performed the following services throughout the duration of the project:

- **Business Process Consultation**

- Developed a “reactivation plan” to regain trust and credibility within the market
- Performed a Root-Cause Analysis of the ineffective operations post-rollout of the new system and processes
- Provided recommendations of how to fix and optimize in-house operations to offset shortcomings of the SAP APO rollout
- Recommended organizational restructuring and revised communication processes

- **SAP APO Consulting**

- Performed process and system integration analysis
- Recommended changes to the SAP APO workflow
- Developed and delivered high-level SAP user training, with process walkthroughs

The Outcome

Having strong knowledge of business process consulting, organizational change management, supply chain operations and specifically SAP APO, the STG consultant was able to analyze the complex environment to determine problems and develop solutions. Even though our consultant was facing multifaceted and multicultural challenges, he was able to recognize the importance of focusing not only on the system, but also on the processes and the varying cultural aspects of the organization.

Taking that overarching consultative approach, we were able to produce the following:

- A master list encompassing cross functional challenges and issues being experienced
- Overall optimization of issues pertaining to SCM, Customer Service, Commercial and Logistics
- SAP APO System and process integration (issue items and cross-functional review, entire process walkthrough)
- Improvement for Japanese issue escalation process
- System and process integration for both major types of orders
- Japan back office team rebuilding (interpersonal facilitation)
- Motivation improvement reform (HR enlightenment)
- Improved communication among Chinese, Japanese, and American colleagues

Final Recommendation

Ultimately, STG recommended configurable order process and technical system improvements to meet their long-term needs. This was done while helping to manage the client’s operations on a day-to-day basis and improving customer service levels. Additional training and system updates will be required, but now our client has vastly improved employee morale and customer satisfaction levels, coupled with the system blueprint to meet the original strategic goals and objectives for the region.

For more information on how STG can help your organization, contact:

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