



HPP PROJECT EXAMPLE 7

Strategic Partner Portfolio Management for OEM (“Client”)

Challenge:

The Client is a multi-billion-dollar, world-class, integrated supply chain operating in 35+ countries. The Project objective was to support the global manufacturing and repair operation with a strategy and solution to secure alliances / partnerships with partners who could deliver services Client has strategically decided not to perform internally but that complement those that are core to their business.

Solution

Leveraging advanced procurement skills, a strategy was developed and executed for the international Sales teams marketed as “Integrated Services” where SWICH directed “Strategic Sourcing” and “Partner Management” with non-core but complimentary services provided by 3rd parties. This included evaluating, selecting, then managing strategic suppliers providing Logistics, Field Support, and Contact Center services. SWICH created an entire business model to support this approach complete with roles, responsibilities and governance structures.

The role SWICH performed was to act as the “Partner” prime with our customers to represent the services our suppliers were delivering through the Client’s solution. SWICH managed the deployment and daily performance of the 3rd party partners. This was very challenging because the services had to be fully integrated into the Client’s and provided seamlessly to customers.

Results

The first foray into this new space resulted in the Client winning a multi-million-dollar competitive bid for After Market Support services with a new customer, Kodak, in a new product area, digital imaging consumer products. In that project, SWICH turned around RFQs with call centre and field support providers in just three days after the initial company the Client was partnering with (and who was actually the “prime”) dropped out of the bid. SWICH selected the partners then customized their solutions to become the Client’s Integrated Services solution in the response to the Kodak RFP. SWICH also presented the Integrated Services to the customer at the Client’s plant in England during the RFP’s face-to-face assessments. After securing the deal, the team spent a great deal of time in England and Ireland where we led the transition and operations from. SWICH worked closely with our European team to manage the daily operations of service delivery to Kodak.

Building on that initial success in Europe, SWICH then worked with another Client team in the US to design a solution for HP (in response to an RFP) to optimize the rapid introduction of hand-held devices in the Americas (where Palm and RIM dominated the market) integrating logistics and after-market support. We increased the velocity of product through the value chain and improved overall customer care.

As a result of the successes with the Client’s new Integrated Services offering, SWICH was engaged on many similar projects, including an RFP to deploy the same after market support model with a network equipment provider. In that project SWICH actually became the bid “prime” after the Sales lead was hospitalized just days before we were scheduled to present our solution. Rather than let this important date slip, SWICH developed the presentation material then, with the Executive champion’s support, SWICH made the presentation at the OEMs HQ in

Boston to their senior Executive team. It was very well received and we were short-listed to a final group of four providers competing to provide global support for the company's full range of network products. The Client continued as the lead on this bid, with SWICH developing the "generic" processes for each of the service areas then working with an extended team that included Materials/Logistics, Repair, IT and a full complement of solution architects from each of our partners. As part of the strategy to improve the competitiveness of our model, SWICH brought in new partners to provide the logistics, call centre and field support so that we could explore alternative suppliers' approach and performance to compare with the incumbents'.

As evidence of the value SWICH brought to the table in these initiatives, when one of the engagements slowly deteriorated in terms of service levels and customer satisfaction in Europe, SWICH was re-engaged to the account to lead a "Kaizen" initiative at the Client's UK HQ to improve delivery. On that project, SWICH employed Six Sigma and "Lean Supply Chain" methodologies with the two strategic suppliers providing call centre and field support services to help resolve quality issues by improving the systems and processes integrating all of the services. The reduction of inefficiencies in the hand-offs between all parties cut costs by over 20% while improving our overall responsiveness. This effort resulted in renewed satisfaction from the customer with Client that was communicated back to the senior executives.