

# Supply Chain Integration - Case study

## **Background**

Supply chain integration can be a complex, difficult and resource intensive challenge – especially when the businesses concerned are trying to maintain normal operations at the same time. One example is a UK market leader in wholesale food supply who acquired a competitor “X” and wanted to integrate the physical supply chains quickly to drive out cost without compromising customer service.



## **The challenge**

The "X" network, consisting of 12 satellite operations employing a total of 252 staff, needed to be absorbed into the client prior to the Christmas peak of 2004. Dual running costs, the opportunity to optimise the wholesaler's extensive transport fleet and natural uncertainty amongst "X" employees made the job of transition to an integrated network an urgent priority whilst maintaining the existing high levels of customer satisfaction. Iguana's team of experienced project managers were approached to implement support and project management experience to ensure successful delivery.

## **Iguana's Role**

Iguana scoped the project alongside senior client management and having agreed a project structure for implementation, provided the Project Manager for satellite migration. The project, which was delivered to budget in 10 weeks from initial meeting to closure of the last site, involved the redundancy of "X" staff, the recruitment of new personnel into client's depots and the smooth transition of fleet, MHE and equipment from "X" into the client. Sites were assessed for disposal or retention, and the existing wholesaler's trunking and pick operation was amended to enable a smooth transition into the 21 depots run by the client. Successful cut-over relied not only on these operational activities, but also the relocation of telesales operations and integration of transport and telesales information into SAP 4.5: in all these areas Iguana's role was to provide project tracking across the IT and telesales workstreams.

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A weekly meeting of the implementation team, twinned with weekly updates with the project sponsor ensured that changes to the plan were clearly communicated and understood, whilst ensuring that Iguana continued to add real value. Risk matrices, milestone tracking and RAG reports were all used to provide appropriate tracking and management of this time sensitive project.



As the cutover started, each "X" site was visited by the Iguana project manager to support the "X" team in winding each site up smoothly, ensuring that contracts had been terminated, assets recorded and that operational issues were being speedily resolved. A site pack had been prepared for each location, ensuring that a methodical approach was adopted in all cases and that all information relevant for the subsequent remarketing of redundant sites had been captured.

### **Successful implementation**

Iguana's unique billing structure: where client satisfaction measures are integral to the commercial arrangements provide their own testimonial: the pool of client management chosen scored the Iguana at 92%.

Despite a delayed start to the cut-over plan, the lost time was caught back and all "X" sites being shut were done, to time and on-budget in time for the client's target operation to consolidate and prepare for the Christmas period.