

CASE STUDY

Strategy Deployment

Like many companies, this Executive team was in a state of transition, they inherited an expensive consultant led strategy from the outgoing team and they had limited board support based on the state of the company finances. The organization had seen so many changes they had “change fatigue”.

Company Type

Global Brand

Location

Multi National

Specialty

Branded and Private Wholesaler

About The Company

This Global Company had tremendous Brand Recognition but suffered from the symptoms typical when you allow many countries to write and execute their own plans, products and build their own independent infrastructure.

Overview

101 Solutions was engaged to understand the opportunity in the Technology area. As we listened to the issues of the technology team, it was clear that they were suffering from a lack of clear central business direction. Globally independent plans for growth and de-centralized purchasing were pointing to a larger issue. The company had become too de-centralized and the growth hadn't been coordinated.

Challenges

In working with the firm, the issue of “which region is the smartest” continued to be a point of contention. It was true that pockets of excellence existed in each area, but they weren't sharing and when needed, they were not picking “one version of right” that allowed elimination and utilization of scale equating to a lower SG&A structure.

01. Declining Margins

The lack of clarity on why costs were too high and why their products were being undercut in the market drove a deep dive on “why?”

02. Hope Lost

While “hope is not a strategy” remains true, it is useful for the organization to believe its leaders understood and were addressing the issues.

03. Technology Atrophy

Legacy technology and regional solutions were constraining growth while operating at 50% higher cost than standard % of revenue.



Listen And Eliminate

101 Solutions partnered with the firms C Suite to understand the intentions and opportunities for the company's growth. As we explored the things that were needed to correct cost, create innovative product, better manage customers, and instill the right behaviors in the team, more than 50 "Vital Few" emerged.

The Elimination process allowed us to prioritize, resource and plan to implement the first 8 in year 1, while the balance were "full stop". This process created momentum.

Accelerating

With the first 8 ready to go in year 1 the team was able to accelerate using a series of tools that drove:

1. Employee engagement to Drive Solutions
2. Executive sponsorship and visibility
3. Clarity of ownership around each item
4. A decision forum, model, and SLA for decisions
5. A constraint mechanism that gated investment
6. A return tracking mechanism "Benefit Matrix"
7. A guided exploration of external partner opportunities

Approximate EBIT Increase

4%

Growth attributed to the initiatives deployed in the Strategy

Performing

Structure, Rigor, Consequence and Continuous Adjustment

The structure created clarified how decisions were made in the company and the centralized structure minimized waste in activities that weren't in the strategic sweet spot of the "Vital Few". This was fed by the Rigor of the process which included consequences for noncompliance to process. As with any good process the ideas of plan, do, check, adjust were used each quarter to keep the progress fresh, clean up mistakes, reward and learn from failure and maintain high engagement in the shared plans.

Increased Employee Engagement

+26%

As surveyed by third party. Particular increase on Shared Vision.

FTE Re Investment Opportunity

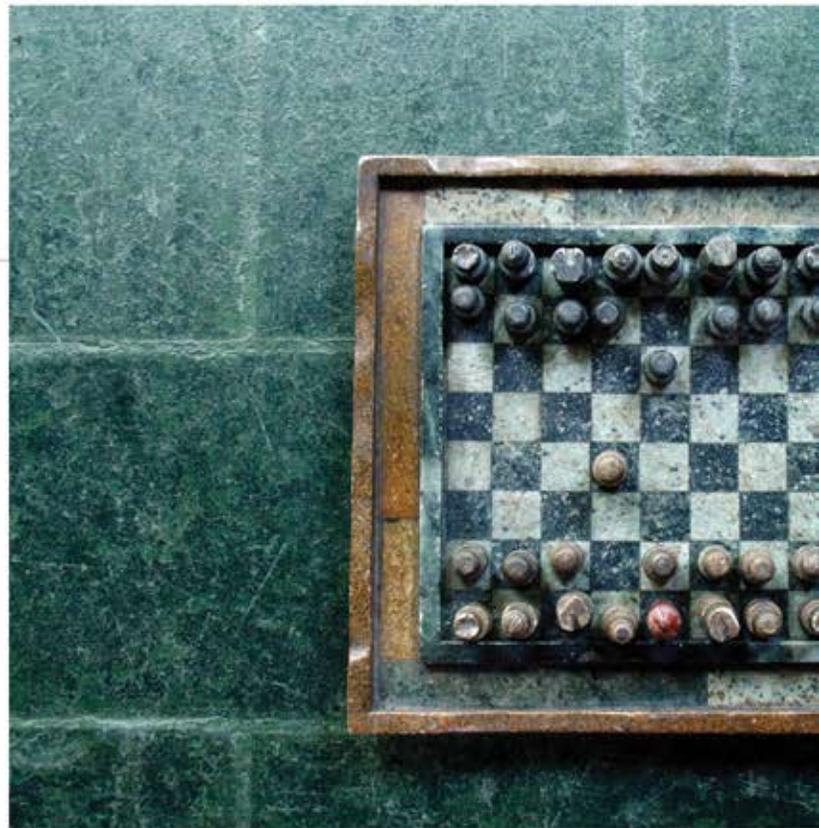
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Based on all employees that were available post associated initiatives

1st Year Cost Reductions

\$1.7mil

New plan in place drove cost reductions in 1st year of plan implementation



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