SUPPLIER CAPACITY PLANNING

Due to continued part shortages in manufacturing/assembly, our client had developed a 5 year capacity planning tool that needed to be communicated to Global Purchasing buyers and suppliers.

Business Problem
Initially only 1% of the suppliers and 1% of buyers had completed all three training modules. In addition, only 10 suppliers and 10 part numbers were being monitored in the Supplier Capacity Planning (SCP) tool. Little progress was being made to improve these percentages. In addition, an implementation and governance plan needed to be developed and executed.

CGN Solution
CGN worked with our client’s IT management to have reports created that allowed for tracking training completion. CGN then created a master list of buyers and suppliers to track who had completed training and when. CGN contacted and followed-up with the buyers and suppliers that had not yet completed the training. CGN also worked with the SCP team to define what metrics should be used for monitoring tool usage. After five months, the buyers, category managers and directors all began to track this progress with ownership on the buyers to communicate directly with their suppliers. CGN is now the focal point for all SCP questions and data/reports.

Customer Benefit
14 months later – 47% of the Buyers had completed the training (2X in < 1 month). 18 months later - 85% of buyers are trained (accepted, no longer being addressed); 65% of Phase 1 suppliers are trained; 35% of Phase 2 suppliers are trained (not being focused on until 2007); 126 Suppliers are being monitored by using the SCP tool; 1,132 Parts are being monitored by using the SCP tool.

SCOPE
Strategy and high-level implementation plan

BUSINESS DRIVERS
Global Delivery; quality; personnel development

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