Operational and Business Process Best Practices: The Poirier Group Point of View

Coordinator, Facilitator

D. Scott Sink

IIE Performance Excellence and Op Analytics Volunteer Lead
Facilitator/Member, CISE

Our Presenter today:

Jared Frederici, MBB
The Poirier Group

https://www.linkedin.com/in/jaredfrederici/

11 April 2023
Agenda

11:00-11:05  Scott Tee-up


~11:35-11:50  Scott and Jared Dialogue (weaving in chat from audience)

11:50-12:00  Scott Close out and tee up upcoming webinars and IISE Annual Conference
Thank you for joining us!

1. We’ll share how to get access to the recording, presentation, YouTube versions and blogs at the end of the webinar. The presentation is available now, use this link to get.. (we’ll post as a chat)

2. We will field questions as appropriate and time permits. Please use the ‘chat’ function to share your comments and questions.

3. Follow up questions are welcomed and contact information is provided at the end of the presentation.

4. For those who value certificates of participation, IISE will be mailing those out the week after the webinar. Be patient and check your clutter and spam folders if you don’t receive one.
100+ Timely Webinars on a full spectrum of Performance Excellence topics with an Integrated Systems Engineering Perspective and Point of View.

Available on-demand for IISE members.

Clustered into packages of webinars to provide tailored Certificate opportunities for our Members.

1--Operational Excellence
2--Integrated LeanSigma
3--Operational Analytics
4--Change Leadership & Management

Strengthen your Resume and LinkedIn Page!!
About Jared

Jared Frederici
Senior Leader,
The Poirier Group

Summary

Jared is a skilled Industrial Engineer, Lean Six Sigma Master Black Belt and Operations Consulting Leader with experience in delivering a wide portfolio of projects across several different and complex industries. Jared has experience end-to-end, from planning, receipt of raw materials, to the movement of product through the supply chain, to corporate shared services and beyond. Jared has led hundreds of projects with primary expertise in manufacturing, supply chain and logistics. In addition to helping serve and grow The Poirier Group, who was recently acknowledged as one of the fastest growing Canadian companies, Jared has been a part-time lecturer at The Ohio State University, is a public speaker and webinar presenter, active with the Institute of Industrial Engineers and is most recently published as a coauthor in the Industrial Engineering handbook. Jared balances academic and research-based insights with his core operations and hands-on approach to solving business challenges.

Education
- Bachelor of Science, Industrial Systems Engineering, Ohio State University

Individual Awards
- Outstanding Young Industrial Engineer, 2018 – Institute for Industrial Engineering
- Consumer Goods Forum Future Leader (Sweden, 2017)

Recent Organizational Awards
- Canada’s Most Admired Cultures, (2019-2022)
- Vault Top 25 Boutique Consulting Firms, 2020-23'
- Silver Medal, Stevie Award (International Business for Boutique Consulting Firms, 2020, 21', 22'
- Certified “Great Place to Work” (22/23')

Teaching
- ISE 5815, Lean Six Sigma – Master of Business and Logistics Engineering Program, the Fisher School of Business, Ohio State University – 2017-2018

Areas of Expertise
- Large Scale Program Delivery and Leadership
- Process Improvement, Process Reengineering, Lean Six Sigma, Op’s Excellence
- Advanced Statistics and Modeling, Benchmarking, RPA/AI, IT, Business Intelligence
- Leadership Within Operations, Turnarounds

Industries of Focus
- Retail & Grocery
- Food Manufacturing (Dairy, Deli, Produce, Bakery, Meat)
- Supply Chain
- Manufacturing & CPG
- IT & Technology
- Private Equity & Financial Services
- Health and Life Sciences and Services

Niche Industries
- Mid Size, Luxury and Large-Scale Retail
- Food (Meat/Bread/Produce/Dairy), Steel and Precision Instrument Manufacturing
- Produce, Grocery and Food Warehousing/Supply Chain, Cold Chain
- B2B Defence Contracting in Aviation, Aerospace and Materials
- Health and Benefits Administration, Private Equity

Consulting (12 Years):
The Poirier Group, Toronto, ON
2011 – Present

Jared has led hundreds of projects and has served in all major roles on project work from Analyst, Consultant, Sr. Consultant, Project Lead, Program Lead & Delivery & Solution Architecture Practice Lead. Below are select examples of previous cross-industry work.

Operations (6 Years):
Grocery, Volpi Meats, Grupo Bimbo/Sara Lee/Thomas’, PPG
About TPG

Certifications on Staff
CA, CPA, CMA, CFA, MBA, CSM, CSPO, CPIM, P.Eng, PMP

Boutique Consulting Firm Based in Toronto With US and International Operations

100% Positive Client Experience

655 Years combined industry experience

Lean Six Sigma Black Belts (50% of team)
Key Points

1. The state of the world right now has implications for all businesses, requiring more **systematic, efficient and effective methods of cost and waste reduction** for organizations.

2. The faster we can find and pull **“levers”** connected to **real P&L and/or balance sheet impact**, the further ahead we will position our organizations.

3. These levers tend to be most associated with **“pockets” of activity** within the organization that are **low ROI**.

4. A hybrid **bottom-up and top-down** approach, leveraging the tools of today (ChatGPT, CoPilot, IBIS + API, etc.) may help get you there faster.

5. Addressing areas such as **indirect procurement, supply chain, back office, org. design and enterprise effectiveness** are 5 typical levers in many organizations (N=~11,000).

6. Great business cases are saving organizations – highest and max leverage is **aligning your leadership teams** to delivering a portfolio of max ROI parallel initiatives.
Increasing DC & Transportation Costs
Drivers:
- Overall Inflation
- Wage increases, driver, hourly, temp increases
- Rising fuel costs due to war in Ukraine
- Driver costs, all trucks, maintenance and infrastructure

Advancing Technologies & Ecomm
Drivers:
- Increase in Ecomm, reduction in physical infrastructure
- Advanced warehouse management software
- Industry 4.0/IoT driving operational efficiency

Rising Complexity – Need for Visibility
Drivers:
- Global overproduction & complexity
- Increased e-commerce demand
- Residual disruptions by COVID-19
- Push for deglobalization

Organizations need to be equipped to rapidly drive non-value added activity and waste out of their organizations to address costs and position themselves accordingly due to these external pressures.
What We’re Going After

Real, tangible “levers”, impacting P&L and/or balance sheet, typically comprised of addressing non-value added time

Legend:
- Major Pain: Process creating significant impact on employees and customers
- Little Pain: Process creating minor impact on employees and customers
- Same Pain: Process creating equal impact before and after
- Significant Gain: Process is documented and executed consistently
- Process is documented and executed inconsistently

THE POIRIER GROUP
Problem-Solving Approach

Initiation

- Interviews and observations to develop EPM process map
- Pain points logged and categorized into affinity themes, in order to begin solution development
- Analysis of varied org. sources

Improvement Project Development & Validation

- Analysis of current state assessment, a visualization of the ideal state the company is headed, and what needs to be done to achieve this
- Prioritization of projects based on expected effect of key benefits and execution burden
- Consideration of dependencies and competencies within the organization

Improvement Project Sequencing & Roadmap

- Fully define and plan out the project including resources and timing
- Review current state of areas of focus and plan out enhancements to be made
- Define ideal state of improvement and align with the organization on the change
- Fix the process/system
- Develop the content, methods and training materials for the improved future state
- Realize the benefits of the change

Transition

- Training of new processes and practices including new tools and roles
- Begin working in the new and improved way
- Realize the benefits of the change
Pain Points – Bottom Up
TPG’s Most Recent Portfolio of Projects

N = 11,000+
Number of Companies = 50+
Number of industries/sectors = 20+

Process
Technology
People
Strategy

THE POIRIER GROUP
## Sub-Theme Distribution of Pain Points Top 80%

### PEOPLE
- Roles & Responsibilities: 9%
- Capacity (People & Resources): 7%

### TECHNOLOGY
- Systems Integration: 6%
- Automation: 4%
- Data Visibility: 3.5%
- Data Integrity/Cleaning: 3%
- Knowledge Mgmt: 2.1%
- Outdated Technology: 2%

### PROCESS
- Process Standardization & Optimization: 14%
- Communication: 3%

### STRATEGY
- KPI Planning: 1%
- Change Mgmt: 1%
- Capacity: 1%

---

Dispersion of Real Pain Points Felt by TPG’s Organizations' Served, Broken up by Affinity Groups
Affinity Theme 1 & 2 Pain Points

Represents majority of pain points
Major Technology Trends

**Systems Integration**

- "So many systems to confirm an appt."
- "There is nowhere to see all customer info in one place."
- "Very little connectivity between accounting and construction software. We don't have certain info as a result"

**Automation**

- "Everything is tracked manually, approved through email and recorded in excel spreadsheet."
- "Manual update to PO reports required to close costing"
- "Printing of item release to match to customer item release is a manual and tedious process."

---

**Technology Themed Pain Points**

<table>
<thead>
<tr>
<th>Category</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Systems Integration</td>
<td>21%</td>
</tr>
<tr>
<td>Automation</td>
<td>15%</td>
</tr>
<tr>
<td>Data Visibility</td>
<td>12%</td>
</tr>
<tr>
<td>Data Integrity/Cleaning</td>
<td>11%</td>
</tr>
<tr>
<td>Misaligned Technology</td>
<td>11%</td>
</tr>
<tr>
<td>Knowledge Management</td>
<td>8%</td>
</tr>
<tr>
<td>Outdated Technology</td>
<td>7%</td>
</tr>
<tr>
<td>Others</td>
<td>5%</td>
</tr>
<tr>
<td>Lack of technology</td>
<td>5%</td>
</tr>
<tr>
<td>Training</td>
<td>2%</td>
</tr>
</tbody>
</table>
Major Technology Trends

**DATA VISIBILITY AND INTEGRATION**

“No visibility on what call distributions look like.”

“Finding info is a challenge - at each stage team members have to dig for it.”

“Don’t have performance-based metrics/markers to see the performance of the products”

“Receiving duplicate purchase orders, which do not match with my orders purchase orders - no detailed lines and 1 purchase order is used for 50 different jobs.”

“Currently, data is not organized to make it able to scale.”

“Incorrect BOMs and omissions affects production”

### Technology Themed Pain Points

- **Data Visibility**: 12%
- **Systems Integration**: 21%
- **Automation**: 15%
- **Data Integrity/Cleaning**: 11%
- **Misaligned Technology**: 11%
- **Knowledge Management**: 8%
- **Outdated Technology**: 7%
- **Others**: 5%
- **Lack of technology**: 5%
- **Training**: 2%
# Major Process Trends

## LACK OF PROCESSES

- "How do you train on something when not everyone uses the same processes?"
- "Monthly reports are done differently each month."
- "No thresholds for invoicing approvals. Only done by highest ranked individual in category"

## PROCESS STANDARDIZATION & OPTIMIZATION

- "Not a consistent process when recruiting employees. No specific skill set when hiring."
- "A lot of unnecessary email communication"
- "No standardization on how to communicate across the company."

### Process Themed Pain Points

<table>
<thead>
<tr>
<th>Process Themed Pain Points</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Process Standardization &amp;...</td>
<td>42%</td>
</tr>
<tr>
<td>Lack of Processes</td>
<td>16%</td>
</tr>
<tr>
<td>Others</td>
<td>12%</td>
</tr>
<tr>
<td>Communication</td>
<td>9%</td>
</tr>
<tr>
<td>Business Planning</td>
<td>2%</td>
</tr>
<tr>
<td>Lack of Alignment</td>
<td>2%</td>
</tr>
<tr>
<td>Vendor Management</td>
<td></td>
</tr>
<tr>
<td>Customer Experience</td>
<td></td>
</tr>
<tr>
<td>Time Sheets</td>
<td></td>
</tr>
<tr>
<td>Change Management</td>
<td></td>
</tr>
<tr>
<td>Project and Client Management</td>
<td></td>
</tr>
<tr>
<td>Inventory Management</td>
<td></td>
</tr>
</tbody>
</table>
Major People Trends

People Themed Pain Points

<table>
<thead>
<tr>
<th>People Themed Pain Points</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Roles &amp; Responsibilities</td>
<td>26%</td>
</tr>
<tr>
<td>Capacity (People &amp; Resource)</td>
<td>21%</td>
</tr>
<tr>
<td>Training</td>
<td>16%</td>
</tr>
<tr>
<td>Communication</td>
<td>13%</td>
</tr>
<tr>
<td>Workplace Culture</td>
<td>12%</td>
</tr>
<tr>
<td>Others</td>
<td>5%</td>
</tr>
<tr>
<td>Lack of Alignment</td>
<td>1%</td>
</tr>
<tr>
<td>Business Planning</td>
<td>1%</td>
</tr>
<tr>
<td>Change Management</td>
<td>1%</td>
</tr>
<tr>
<td>Hiring &amp; Onboarding</td>
<td>1%</td>
</tr>
</tbody>
</table>

Roles & Responsibilities

- “Customer care is not defined. Not sure who owns it.”
- “Lack of role clarity in who creates opportunity in CRM.”
- We can discuss something and say that we want to follow up but that falls through the cracks..
- “Technical Manager is also a PM on certain projects due to a need for a PM.”
- “Super high rate of turnover in Centralized Purchasing. Every month there is new person.”
- “Hard to find people (staffing).”

Capacity

- “We are lacking certain roles on site and there are not enough people to do the job.”
"Heat Map" Earlier was Comprised of Overlaying Pain Points Onto the Originating Process in the Enterprise Process Map
Organizational Analysis – Top-Down w/ Levers

Corporate ERP Modules, Financial GL & Core Financial Reports, Management Reports, Internal Documents, Transaction Master Files, Sensors/Controllers/Plant Systems, Call Centers, Website Logs, CRM, etc.

Pricing
Volume
COGS
SG&A
Inventory
Receivables
Payables
Projects

Grow Revenue / Price Recovery
Reduce Costs
Reduce Working Capital
Improve Fixed Capital

3.8%  
6.2%  
10.2%  
8.8%  
14.3%  
4.2%  
24.2%
Key Points (Recap)

1. The state of the world right now has implications for all businesses, requiring more **systematic, efficient and effective methods of cost and waste reduction** for organizations
   - Major commodities are up, plus wages with many external factors not in our favor
   - Post pandemic bullwhip effect has put pressure on the tender balance of asset turnover vs. covenant coverage vs. out-of-stocks vs. demand volatility
   - The cost of debt is rising, impacting all organizations, especially private equity owned straining liquidity, cash flow and putting pressure on costs

2. The faster we can find and pull “levers” connected to **real P&L and/or balance sheet impact**, the further ahead we will position our organizations
   - Understanding these levers and how they're connected to real ROI is critical:
     - Increase Revenues
     - Cut Costs
     - Improve Working Capital
     - Improve Fixed Capital Utilization

3. These levers tend to be most associated with **“pockets” of activity** within the organization that are **low ROI**
   - Activities not connected to the aforementioned 4 primary levers above
   - Enterprise initiatives not being tracked, overlapping, weak business cases
   - Indirect procurement, pockets of “reporting”, shared services and back office, roles, lack of process / standardization

4. A hybrid **bottom-up and top-down** approach, leveraging the tools of today (ChatGPT, CoPilot, IBIS + API, etc.) may help get you there faster
   - Getting connected to source data more efficiently and detecting errors faster
   - Utilizing more advanced technologies to make analysis faster, easier, more accurate
   - Isolate organizational levers rapidly and go!
**Lever 1 – Indirect Procurement**

### Rapidly Addressing Addressable Spend, Benchmarking to Proper Internal and External Sources, Advancing Procurement and Vendor Practices

<table>
<thead>
<tr>
<th>Spend Type</th>
<th>Spend Category (Level 1)</th>
<th>Baseline Spend</th>
<th>% Spend Addressability</th>
<th>Addressable Spend Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Travel &amp; Entertainment</td>
<td>22</td>
<td>90%</td>
<td>20</td>
<td>High, Med, Med, High</td>
</tr>
<tr>
<td>Office Rent, FM &amp; Utilities</td>
<td>26</td>
<td>80%</td>
<td>21</td>
<td>Med, Low, Med, Med</td>
</tr>
<tr>
<td>HR Services</td>
<td>14</td>
<td>70%</td>
<td>10</td>
<td>High, Med, Med, High</td>
</tr>
<tr>
<td>Other Professional Services</td>
<td>18</td>
<td>80%</td>
<td>14</td>
<td>Med, Med, Low, Med</td>
</tr>
</tbody>
</table>

**SG&A**

| Financial Services                |                         |                |                        |                         |
| Marketing Services                |                         |                |                        |                         |
| IT & Teleco                       |                         |                |                        |                         |

**Project BOLD – Executive Summary**

In Year Savings Forecast: $46.4M

Annualized Savings Forecast: $115M
Solution Architecture – Zooming In
Lever 2a – Supply Chain and Transportation

Rapidly Assess and Benchmark Costs of your Transportation Vendor Ecosystem (Internal, External, 3PL/4PL)
Lever 2b – Supply Chain and Transportation

5/ Additional DC (Mixed Volume)

**Volume**
62.7 Million Units

**Cost**  
- $144.5 Million  6.5%  $ 2.31 per Unit  
- $58 Million  2.6%  $ 0.92 per Unit  
- $10.1 Million  0.37%  $ .16 per Unit

$ 3.39 per Unit  
$ 23.73 per Line

**Service**
47% within Next Day delivery

**Number of Nodes** 3

**Locations:** East DC, West DC, Additional DC

<table>
<thead>
<tr>
<th>Scenario</th>
<th>Facilities</th>
<th>Outbound Cube</th>
<th>Suggested SqFt</th>
<th>Est. SKUs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Scn 5</td>
<td>East DC</td>
<td>17,150,119</td>
<td>477,616</td>
<td>27000</td>
</tr>
<tr>
<td></td>
<td>West DC</td>
<td>35,412,783</td>
<td>986,215</td>
<td>29300</td>
</tr>
<tr>
<td></td>
<td>New DC</td>
<td>3,971,138</td>
<td>110,593</td>
<td>7779</td>
</tr>
</tbody>
</table>

Rapidly Assess Your Network Supply Chain Ecosystem (Simple, Moderate, Complex)
### Solution Architecture – Zooming In

#### Indirect Procurement

#### Supply Chain & Transportation

#### Back Office RPA & AI

#### R-Matrix & Org. Design

#### Enterprise Initiatives & PMO/CI
Lever 3 – Back Office and RPA/AI

Of the 67 steps within process X, TPG has identified \textbf{13 process steps} as candidates for \textit{full} automation and \textbf{18 process steps} as candidates for \textit{partial} automation; Currently, the cumulation of these steps require \textbf{2.9 FTE}

\begin{itemize}
  \item \textbf{Workflow Example for Automated File Upload - Power Automate}
  \item \textbf{Legend}
    \begin{itemize}
      \item Processes identified as potential candidates for \textit{full} automation (i.e. manual tasks, manual workflows)
      \item Processes identified as potential candidates for \textit{partial} automation
    \end{itemize}
\end{itemize}

Rapidly Identify Processes to Automate. Leverage Tools like PowerAutomate to Join, Modify, Delete, Streamline.
Solution Architecture – Zooming In

Indirect Procurement

Supply Chain & Transportation

Back Office RPA & AI

R-Matrix & Org. Design

Enterprise Initiatives & PMO/CI
Lever 4 – R-Matrix, Org. Design

Connecting Roles to Tactical Business Processes

Starting Point of Org. Design to Find Pockets of Duplication and Misalignment
Lever 4 – R-Matrix, Org. Design

TPG Averages 23% in Taking Time Out Through R-Matrix Methods
Averages 17% More Efficient Org. Design Through Hybrid Approach
Solution Architecture – Zooming In

<table>
<thead>
<tr>
<th>Indirect Procurement</th>
<th>Supply Chain &amp; Transportation</th>
<th>Back Office RPA &amp; AI</th>
<th>R-Matrix &amp; Org. Design</th>
<th>Enterprise Initiatives &amp; PMO/CI</th>
</tr>
</thead>
</table>

---

[Image of Enterprise Process Map]

---

**Legend**
- **High Pain**: High likelihood of issues or impacts.
- **Low Pain**: Low likelihood of issues or impacts.
- **Safe Path**: Known and stable processes.
- **Significant Risk**: Processes are documented and understood to ensure compliance and efficiency.

---

32
Lever 5 – Enterprise BPI/PMO and Org. Effectiveness

- Reached out to key individuals for their project list

- Categorized Projects into Key Categories

- Identified Sub-Projects & Duplicates

- Filtered out “Planned Releases/ System Functionality Enhancements”

19 Respondents provided inputs
187 Initiatives provided
20 Categories
78 Duplicates & Sub-Projects
12 Planned Releases & System Enhancements

= 97 Unique Projects!

This Was a 150 Person Organization. Some Recent Org’s Have Had Over 1000 Corporate Initiatives in Parallel. Thousands of Hours of Duplication
Great Business Cases Connected to Strategy Deployment are Saving Organizations

Packing is the **critical process** within the warehouse, accounting for **53%** of the logged labour. It is also the source of significant waste, with **42%** of time identified as **non-value** driven work. Targeted improvements are estimated to yield a **52% reduction in pack time**.

### Breakdown of Logged Hours

<table>
<thead>
<tr>
<th>Activity</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Packing</td>
<td>53%</td>
</tr>
<tr>
<td>Picking</td>
<td>34%</td>
</tr>
<tr>
<td>Putaway</td>
<td>4%</td>
</tr>
<tr>
<td>Tagging</td>
<td>8%</td>
</tr>
</tbody>
</table>

Source: Daily Manpower Analysis training report 1 to Oct 17 2022 (31)

### Allocation of resources, **87%**, heavily skewed towards outbound, especially **packing**.

Average pack time of **66 seconds per line**.

### Logistics Efficiencies

#### Reengineering Pack Process

In the current state, the packing process requires more than half of all labour hours in order to ensure demand is met. Observations revealed this process has multiple areas of inefficiencies and waste - from unnecessary travel to unprepared assembly areas to searching and waiting. In addition, leaking parts on the floor create some ergonomic issues, which only compound fatigue. Lastly, the current set up eliminates a large percentage of floor space that can be leveraged for storage.

As such, the packing process is primed for improvements and this project targets those. Reengineering both the physical setup and process of packing orders. The goal is to improve workplace conditions, efficiency, and encourage a methodology that is scalable with growth.

Wave 1 aims at implementing a new “Pack Station” that will standardize assembly areas, improve material flow and ensure all required tools needed by the packers are readily available within the space. Wave 2 will focus on minimizing the number of assembly areas, transitioning from the current state of each dealer having a dedicated assembly area to a flexible model.

### Project Overview

<table>
<thead>
<tr>
<th><strong>Project Impact</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Duration</strong>: 24 weeks (wave 1 + 2)</td>
</tr>
<tr>
<td><strong>Benefit</strong>: 7.2 (High)</td>
</tr>
<tr>
<td><strong>Burden</strong>: 7.1 (Low)</td>
</tr>
<tr>
<td><strong>% of PPs</strong>: 7.0%</td>
</tr>
</tbody>
</table>

### Qualitative Benefits

- Improved safety and ergonomics
- Improved efficiencies due to reduced fatigue while performing packing tasks
- Better visual control both within the assembly areas as well as overall for supervisors and management to observe progress
- Keeping small parts off the floor, improving cleanliness and organization
- Increased outbound quality due to streamlined material flow

### Quantitative Benefits

- **Indirect Impact**: $204,241 / annum
  - Range $175k - $235k or 3.1 - 4.1 FTE
  - ~52% blended improvement to pack time per line based on time study conducted by TPG.

Potential to be converted to direct with FTE reduction.

### High-Level Deliverables

- **Wave 1**: Future state pack station to be finalized, tested and implemented.
- **Wave 2**: Minimize 95 dealerships ASM’s to a subset of flexible pack stations to be used for dealerships in succession.

#### Charter & Project Plan

- **Finalize Design**
  - Finalize design with warehouse team on the floor and build out specs in AutoCAD
  - Update all impacted process documentation

- **Purchase Equipment**
  - Submit orders for all necessary equipment to build out future state “Pack Station”

- **Pilot**
  - Test proof of concept on a small scale
    - For Wave 1, test new pack station across 3 scenarios: low, mid, and high-volume dealership
    - For Wave 2, test flexible model along one DDS route; i.e., Mtsissauga route

- **Revised Design**
  - Incorporate feedback from pilot stage
  - Update all impacted process documentation

- **Implementation and Training**
  - Implement new pack stations across all assembly areas
Key Points (Recap)

5. Addressing areas such as **indirect procurement, supply chain, back office, org. design and enterprise effectiveness** are typical levers in many organizations (N=~11,000)
   - Many commodities within Indirect Procurement can be centralized or better negotiated to find 5-15% min.
   - Benchmark your supply chain and transport vendors (3-7% avg.) and examine macro supply chain scenarios (20+%) 
   - Find ways to leverage RPA and AI (many back office processes >20% savings)
   - Consider R-Matrix on org. design (hybrid model) 17% avg.
   - Examine duplication of corporate initiatives (50%+ in some cases)

6. Great business cases are saving organizations – highest and max leverage is **aligning your leadership teams** to delivering a portfolio of max ROI parallel initiatives
   - Learn to create great cases for change, focused on what levers the initiative is driving
   - Ensure centralization of portfolio to reduce duplication of critical org. effort
   - Examine connectivity to enterprise strategy
Agenda

11:00-11:05  Scott Tee-up


~11:35-11:50  Scott and Jared Dialogue (weaving in chat from audience)

11:50-12:00  Scott Close out and tee up upcoming webinars and IIESE Annual Conference
Questions for Jared

• You have to Learn to See ‘waste’, hence the title of the manual on Value Stream Mapping.

• But what I hear you saying, Jared, is that all waste isn’t equal. You are calling for a more systematic approach to finding and prioritizing waste and cost reduction. Is that correct?

• This looks and sounds really complex, beyond me/us, how would an SME (Small or Medium Sized) organization launch a systematic program to improve costs and waste especially in periods like we are currently and have been experiencing?

• What are the typical benefits (realized) from methods you’ve overviewed in terms of improved flow, efficiency, productivity (both direct and indirect)

• More from audience for you.....
Agenda

11:00-11:05 Scott Tee-up


~11:35-11:50 Scott and Jared Dialogue (weaving in chat from audience)

11:50-12:00 Scott Close out and tee up upcoming webinars and IISE Annual Conference
18 April—Sneak Preview/Overview CISE Performance Excellence Track Kerri Alderman, VP Industrial Engineering, UPS; Thomas Davis, Director, Performance Services, Duke Health Systems; Scott Sink

Register for CISE Performance Excellence Sneak Preview

5 June—Why it Matters: Reflections on Practical Leadership John White, Chancellor Emeritus, University of Arkansas

Register for John White Webinar

Q2 ‘in the works’ offerings for you:

• Revisiting the Improvement Cycle— Plan, Do, Study, Adjust

• Creating Meaningful, Insightful Organizational/Operational Scorecards and Dashboards

• 14 July, Best Practice Case Study—Data and Analytics at University Health Network, Toronto
IISE Performance Excellence Track for Practitioners and Students

Operational Excellence, Performance Excellence, Operational Analytics, Supply Chain Innovations for the 20’s, Healthcare and LifeSciences ISE Contributions, Best in Class Case Studies,

Networking

All being Developed for you for New Orleans in May 2023!!!
Performance Excellence Track:
Sneak Preview and Executive Overview

Track Coordinator
D. Scott Sink
IISE Performance Excellence and Op Analytics Volunteer Lead
Facilitator/Member, CISE

18 April 2023
Register for Performance Excellence 18 April

Our Panel today:
Kerri Alderman
VP Industrial Engineering, UPS
https://www.linkedin.com/in/kerri-alderman-9955734a/

Thomas Davis,
Director, Performance Services, Duke University Health System
https://www.linkedin.com/in/thomas-davis-pe-mba-53b7026/
<table>
<thead>
<tr>
<th>Time</th>
<th>Event</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sunday, 8-9:20</td>
<td>Service Systems Engineering Innovations Final Four Presentations</td>
</tr>
<tr>
<td>Sunday, 9:30-10:45</td>
<td>Keynote—Rick Echevarria, VP and GM of Security Sales, Intel</td>
</tr>
<tr>
<td>Sunday, 11:00-12:20</td>
<td>Challenges and Opportunities for ISE’s in Healthcare and LifeSciences</td>
</tr>
<tr>
<td>Sunday, 2:00-3:20</td>
<td>Reengineering Supply Chains with ISE Innovations</td>
</tr>
<tr>
<td>Sunday, 3:30-4:50</td>
<td>Organizational/Operational Excellence and Analytics: Best Practices</td>
</tr>
<tr>
<td>Sunday, 5:00-6:20</td>
<td>Leadership and Student Mixer and Outstanding ISE Capstone Sr Design Poster Competition</td>
</tr>
</tbody>
</table>

Engaging 80-minute sessions led by thought leaders and designed to optimize your ability to interact and contribute.
Operational & Performance Excellence Track

Scott Sink--Track Organizer/Coordinator

Session Chairs:

Healthcare/LifeSciences—ISE contributions:
Victoria Jordan, Emory & Thomas Davis, Duke

Innovations in Supply Chain Management:
Kerri Alderman, UPS

Organizational & Operational Excellence and Analytics:
David Poirier, The Poirier Group

Plus Service Systems Engineering and Capstone Senior Design Finalists Presentations

5 Special Sessions specifically designed for Practicing ISE Professionals, Young Professionals, Students head to Industry
Who We Designed the Track for:
- Industry Practitioners
- “ISE” function Leaders and Managers
- Young Professionals
- Students

Reasons to Attend:
- Critical, hot topic sessions
- Benchmarking, learn from best in class organizations
- Networking and recruiting opportunities
- Effective, Efficient, High quality and value Learning and Development
- Actionable takeaways to Engineering Value for your Business
Complete a Short Survey for us?

- Your Feedback is Important:

A short survey will be available to you as just prior to leaving the webinar, we’d appreciate your input.

Reach out if you have questions or other needs:

James Swisher  jswisher@iise.org

Scott Sink  ssink@jumpcurves.com
Purpose for CISE

The **purpose** of the CISE is:

- **Foster the pursuit of Service, Learning, Integrity and Excellence.** Create an opportunity to serve and **promote the profession to academia, industry, young professionals.** Learn via benchmarking and in doing so members serve their organizations.

- To further the **sharing of information** among its members regarding best business practices and processes in the profession of industrial and systems engineering.

- To be a **forum of learning** for emerging technologies and new practices and processes through guest lectures, plant visits, and other appropriate means.

- To be an **information advisory group to IISE** and its constituent groups in support of the profession and IISE’s mission and industry.

- To **Serve and Promote IISE and the Profession** in effective ways that create a win for members of CISE and their organizations and IISE and the Profession.
CISE members are ‘between minds’
And.....Systems Thinkers

SYSTEMS THINKING
NEW WAYS OF THINKING ABOUT THE WORK YOU DO

HABITS OF A SYSTEMS THINKER

SYSTEMS STRUCTURES

PATTERNS OF BEHAVIOR

EVENTS

LEARNING

MENTAL MODELS

FEEDBACK LOOP

LEVERAGE
We’re looking for some new members

- Let me know if your organization might be interested in participating in this great ‘Affinity Group’ of ISE’s.

ssink@jumpcurves.com