Supply Chain Visibility

Background

- **A premier global automotive manufacturer required visibility of their vehicles in transit to their final points of sale.**

- **Scope encompassed 100% of their global production facilities.**

Our client selected a global supply chain software application as its primary communication platform among all involved in global logistics moving nearly 2 million annual vehicles. Precise information required four global divisions to migrate information to this single (cloud) platform utilizing a standard reporting framework without impacting customer deliveries. With the software application deployed, vastly different and poorly defined work processes were exposed yielding marginal data quality and sub-par visibility. Disappointed in the software, our client considered abandoning the IT solution, writing off their overall investment, and remaining with their legacy systems.

Facing client pressure to meet its objectives and deliverables, despite the client's own internal process and data constraints, The Fennimore Group was engaged to understand system and process alignment enabling us to be appointed as *project deployment lead* of the cloud platform attending to both sides of corrective action.

Actions Taken

- **Analyzed, identified, and corrected each regional reporting process, developing standardized conveyance protocol.**

- **United the client's supply chain requirements to a single cloud platform structure enabling supply chain information to be functionally useful (stabilizing the operation).**

- **Defined and installed User roles and responsibilities (standard work & leader standard work) enabling sustainability.**

- **Created rules of engagement for accurate inventory reporting enhancing fact-based management decisions.**

The Fennimore lead team guided implementation through the following steps:

- **Segregated and cleansed data used to report by each of the four global regions.** Data scrubbed for each region (all reporting files) ensuring accurate statistics, reliable metrics, and complete linkage of all procedural outputs within a standardized format. The Fennimore team then quickly created and defined an efficient cost model of regionalizing product distribution based on service and cost parameters.

- **Aligned Client's supply chain requirements to a Visibility Platform.** Ensured client requirements encompassed all manufactured vehicles globally. Fennimore aligned VIN level data to the platform's supply chain **visibility application** permitting real-time status reporting and accurate dealer ETA. Integration was authenticated, cross-referenced and verified.

- **Developed and distributed Reporting Processes.** The Fennimore team used proven tools, methods, and its industry expertise to create balanced workflow processes for all supply chain needs. Accountability, responsibility, and data dependability across all regions was established. An additional element was procedural implementation governing damage control: any vehicle damage noted is now immediately reported and visible in real-time to all users.

- **Developed Standardized Final Destination Coding.** The client also demanded a standard catalog of global points of sale dealer codes to tie into their supply chain system and process. In doing so, the Fennimore team eliminated regional designation, worked with the various client departments in developing a comprehensive application meeting this standard.

- **Increased Inventory Accuracy Reporting.** The Fennimore Group, working with the client's global parts distributors, developed targeted throughput goals and related metrics for each manufacturing location. This goal resulted in real time, accurate part availability to production scheduling proactively identifying any gaps.

- **Data Quality for three of the four global regions is now 99%.**
- **Order completeness (final point of sale delivery accountability) reached and maintained 100% compliance.**
- **"Parts on hand" reporting reached nearly 100% compliance.**
- **Enabled sustainability and continuity through knowledge transfer and training.**

Fennimore 's focused initiatives delivered significant results:

- KPI's on data quality for North America, Asia Pacific, and Europe was 99+%; South America was 91% and improving at the conclusion of the project.
- All four regions reached 100% compliance in alignment to the client's supply chain requirements. Every vehicle shipped globally is now tracked at the VIN level via a single platform.
- Advance dealer notification and delivery attained and sustained metrics of 100%.
- Measured pick times for parts and shipments improved between 15% and 30% depending on location.
- Inventory accuracy improved from just below 80% to 99.4%.
- Aged and obsolete inventory was identified by location, enabling managerial disposition freeing invested cash and reducing inventory held on hand.
- Visual controls and new rules of engagement enable management to observe and monitor performance versus tactical issues and outcomes.