



VisiumKMS: Case study

Operational Excellence - Supplier integration yields \$40 Million ROI

VisiumKMS

Business performance depends on so many variables that it can be a huge challenge in addressing each one, let alone linking them together. The supply chain is one such variable; it introduces unknown factors unless its role in serving and delivering the core competencies of a company is understood, integrated, and visible.

The key to a seamlessly high-performing operation is in simplicity. From a best practice change management system comes greater collaboration and clarity of the connection between roles, functions, and organisations. The more that people know about how they fit in the process – who and what depends on them, and who and what they themselves depend on – the more apparent become areas for improvement and the achievement of operational excellence.

Industry Practice

Businesses that focus on core competencies through outsourcing generally chose suppliers with specialist capabilities that align with company culture and meet quality and price objectives. In effect, suppliers operate as an extended workforce and it is therefore important to integrate business processes while still maintaining oversight and control.

Traditional methods of supplier integration include e-mail, phone calls, electronic document transfer as well as an efficient legal and financial framework. To manage varying and complex business processes long standing supplier relationships often rely on direct person to person communication for information exchange. As the number and types of suppliers across geographical locations increase the cost of supplier process integration also increases.

Lean B2B supplier integration for Change Management requests yields unexpected performance benefits.

VisiumKMS: Case study

Operational Excellence - Supplier integration yields \$40 Million ROI

1

The Challenge:

A well-known engineering and technology company had over many years developed an extensive supplier network based on quality, shared values and trust. Each supplier has unique business process requirements that needed to be respected and from a digital business integration perspective this variability presented a significant challenge. The company and supplier partners established several digital focus working groups to review important integrated business processes. Applying lean principles it was determined that supplier change management presented clear opportunity for efficiency improvements.

The Solution:

VisiumKMS software and consulting services was selected to pilot a B2B supplier change management workflow and collaboration space. In addition to accommodating business process variability between suppliers, confidentiality between suppliers had to be ensured. Prior to the implementation of a digital B2B supplier change management solution, direct human interaction ensured that odd change requests were properly processed and reviewed. The ability to accommodate unexpected and odd requests as part of the software system had to be maintained.

A proof of concept software solution was configured in VisiumKMS and delivered in under a month. The configuration included basic workflow, notifications, action tracking and the ability to accommodate supplier process variability. A security model to enable secure and confidential communication across multiple organizational boundaries was configured in the system and verified.

After system validation, ROI of one million USD is anticipated in under a year. In subsequent years ROI in the region of \$40 million year on year is expected as the system rolls out across the organization.

2



2

VisiumKMS: Case study

Operational Excellence - Supplier integration yields \$40 Million ROI

3

Result:



Digital B2B Supplier Change Management Integration

VisiumKMS change management best practice system maintains confidentiality between suppliers while at the same time providing a supplier with a clear view of change request and status. The system also greatly improves the completeness of information exchanged with knowledge driven smart forms.

System notifications and task escalation ensures progress. Process efficiency is improved by simplification, reduced overhead, reduced process time and improved collaboration.

Time to value is shortened resulting in ROI beyond simple efficiency. Reports are easy to generate and quality data driven KPIs are easily displayed. Reporting and data visualization ensures that the company has current information on all business partner change proposals as well as the value and status of each.

The team at VisiumKMS are dedicated to providing our customers with the world's best in class solutions for integrated Operational Excellence in Quality, Operational Risk Management and B2B Workflow Integration.

For more information, please visit us at [VisiumKMS.com](https://www.VisiumKMS.com)