
ENKI CASE STUDY

SCM PLANNING FOR CASH FLOW IMPROVEMENT

Overview

Our client was a \$600 million food manufacturer (B2B) business with 1,100 employees, 2 manufacturing facilities, 6 distribution facilities, and 52 branches throughout the United States. The client lacked the ability to address changes to its global supply chain proactively.

Problem

As the Covid supply chain challenges lingered the economic uncertainty of 2022 triggered clients to cancel in-process orders resulting in a 46% SCM planning accuracy. This resulted in excessive amounts of inventory throughout the supply chain. This consumed large amounts of cash, putting unprecedented constraints on the business.

- Limited understanding of standard supply chain planning processes
- Desktop tools supporting an enterprise process
- Issues with data access and quality
- Circular activities and circular dataflows
- Poor client forecast data shaping demand planning
- Lack of Inventory Planning capability
- Person-dependent processes
- Human error and failing spreadsheet links

Action

- Engaged and coached a cross-functional senior core team
- Created a Kanban of critical activities in www.Pie.me
- Drove execution of critical activities in sales, marketing, operations, and planning
- Introduced new procurement governance processes
- Created a defined SKU rationalization and substitution process
- Established processes & reporting
- Coached an executive steering team to modify the culture

Outcome

- 20,000% ROI on 8-week project
- Improved cash flow by \$20 million in 6 weeks
- Enabled 26 million pounds of unassigned product to be sold to customers
- Increased inventory turns from 4.0 to 6.9 across all products annually
- Gained greater cross-functional visibility on internal practices and processes
- Team applied agile techniques for the duration of the project
- Learned how to make decisions quickly without the fear of failure
- Launched a culture of collaboration for high performance