

# Operational Excellence through Process Standardization



Zones initiates process automation and standardization for an optimized vendor management system.

A leading multinational technology company, with core undertakings in developing, manufacturing, and selling computer software and related services, personal computers, and consumer electronics, experienced severe limitations in reaching operational excellence in supply chain network due to inconsistent, manual processes and fragmented legacy systems infrastructure. The client approached Zones to identify improvement areas and provide novel solutions to enhance their overall operational and process efficiency. After a systematic and exhaustive review, Zones implemented a range of solutions to streamline and optimize the existing operating model with dedicated resources to manage and support various cross-functional activities.



Standards improved 60% to 95% in the US and 50% to 90% globally.



\$2 million in annual savings.



Reduced global lead time by 50%.



## Challenge

- Dealing with over 80 VARs and managing over 100 OEM/ODM with no standard centralized process protocols in place.
- Manual placement of purchase orders for all non-US locations.
- Disparate IT leads and procurement processes across different locations..
- Non-adherence to IT standards resulting in the need for increased help desk support and related cost.



## Solution

- Automating inventory and catalog management with punch-out enabled online portals to support different geographic locations.
- Centralizing CIF file catalog of IT standards of over 70 countries for rapid order management.
- Assigning global account manager to manage regional and local partners and act as a single point of contact for leadership and partner ecosystems.
- Handling global logistics and configuration centers with a strategic partnership in critical locations for localized product fulfillment.



## Results

- Adherence to standards improved from 60% to 95% in the US and from 50% to 90% globally, driving over \$2 million savings annually.
- Reduction in purchase order generation costs by over \$2 million annually.
- Reduction in global lead time by 50%.
- Centralized vendor management system to streamline vendor management activities and IT procurements teams.

# Operational Excellence through Process Standardization

## The Challenge

The client faced inefficient inventory and vendor management processes and systems at a global scale, which impacted multiple stakeholders' productivity and performance in the business cycle. This resulted in extended lead time and cost inefficiencies. Disparate standards followed in different geographic locations and manual PO processing while dealing with over 80 VARs and 100 OEM/ODM partners led to inconsistent global reporting with no reliable metrics for accurate forecasting requirements and stock. Additionally, poor asset management practices and IT standard negligence increased the need for tech support and associated help desk cost.

## The Solution

Zones initiated an exhaustive review to understand the operational challenges of the client. Based on their findings, Zones deployed dedicated specialist resources to manage functional areas, including account management, inventory and catalog management, and configuration centers. These resources proceeded to work closely with client teams. Global account managers were positioned as the single point of contact for the client's leadership team. They took charge of regional/local account relationships with relevant product updates and local price catalog to assist regional OEM partners. A complete punch-out enabled online portal was set up for the US and other key European locations for seamless order placements and fulfillment, routing back to customer's ERP systems. Zones leveraged its partner ecosystems globally to provide logistical support and configuration centers in multiple global locations. Zones' key strategic partners now provide localized product fulfillment across different regions and facilitate local stocking and supply in key European countries. Inventory management specialists were deployed to monitor run-rates and determine any forecasted projects to reduce lead time constraints.

## The Results

Zones team leveraged its technical expertise and global partners ecosystem to manage logistics and configuration centers across multiple continents. The process optimization and automation resulted in significant cost savings and reduced overall headcount. The centralized vendor management system streamlined interactions for better visibility and reporting, which led to a more accurate forecasting capability. The client has tapped Zones to execute several pilot projects, which shows their faith and confidence.



Global account manager to support international, regional, and local partners and act as a single point of contact for the leadership team to handle communications and updates.



Enhanced location-based catalog/inventory management with complete punch-out enabled online portals.



Global logistics and configuration management in key geographic locations.

**“** *We are leaders in a rapidly evolving, highly competitive industry. We needed an expert partner to streamline our processes to facilitate the optimization of our global inventory and catalog management systems. Zones collaborated with our teams at the micro-level and delivered excellence at every stage of their commitment.*

*IT Director, Multinational Technology Company*

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