

Building Customer Centricity and Supply Chain Efficiencies With Continuous Improvement



A leading medical supplies manufacturer offering an extensive range of intravenous (IV) kits, surgical tools and hospital equipment sought to reimagine its business model for process improvement.

In 2022, the organization was acquired by a middle-market **private equity** firm to drive value through digital transformation and operational efficiencies.

The Challenge

With the organization's expansion, supply chain management and order fulfillment became increasingly difficult, as the customer service team's resources were inundated with fulfilling orders, claims, backorders, shipping logistics, manual processes and more. The CEO recognized the need for change was essential to improve their current processes and leverage organizational continuous improvement capabilities for ongoing improvement. To assist the organization in effectively reaching its strategic goals, Cherry Bekaert's Digital Advisory team provided a thorough assessment across the organization's people, processes and technologies. Shortly thereafter, insights and recommendations for actions of improvement best practices were presented.

As the organization evolved, they had a significant opportunity to deploy higher levels of automation for their inventory management and order fulfillment processes. Previously, they relied on outdated technologies and manual workflow processes, which required their customer service team to input data into their Enterprise Resource Planning (ERP) software, Sage 300. The organization's inability to measure activities and outputs, with no metrics in place, made it even more difficult. They needed to deploy a customized digital platform to their customer service team that could provide a long-term aggregate supply chain, along with inventory, financial and workflow projections.

Maximizing Operational Efficiency and Profitability With Automation

Customer service would play an important role in the improvement of customer success and growth. The team was overwhelmed with inefficient and heavily manual processes. To reallocate customer service to more strategic activities, the organization needed to streamline operations and free capacity for higher value-added work. Our team began by performing a business process assessment with a focus on their customer service optimization model. We collected information about lead-to-order and order-to-cash processes to understand critical interfaces between the customer service team and its customers. Our team reviewed each of these processes in detail. We discussed manual and system-based enablers the process players use, the data they consume and generate, and finally, the metrics used to demonstrate process outputs.

One of the most effective ways to improve the organization's order fulfillment was to streamline its inventory management processes and automate the systems in place. Optimizing their order management and customer service functions improved order fulfillment and communications with its customers, resulting in better customer satisfaction and retention rates. Additional improvements, enabled through an e-commerce platform with customer self-service capabilities, were identified for the organization to improve capacity for the customer service team and speed for customers who would leverage the solution. Subsequently, this software-as-a-service solution allows their business to be more agile and adapt quickly to changing market conditions and customer needs. The organization became future-ready by scaling up their multi-generational plan to continually evolve in the marketplace.

Leveraging lean methodology, the organization was able to streamline and simplify processes. Although this approach produced notable value, operational measures would help the organization manage and improve the customer experience, which would help maximize the organization's return on investment (ROI). The solution framework put in place revolved around people, culture, process and technology. As depicted in Figure I below, it is comprised of multiple stages:

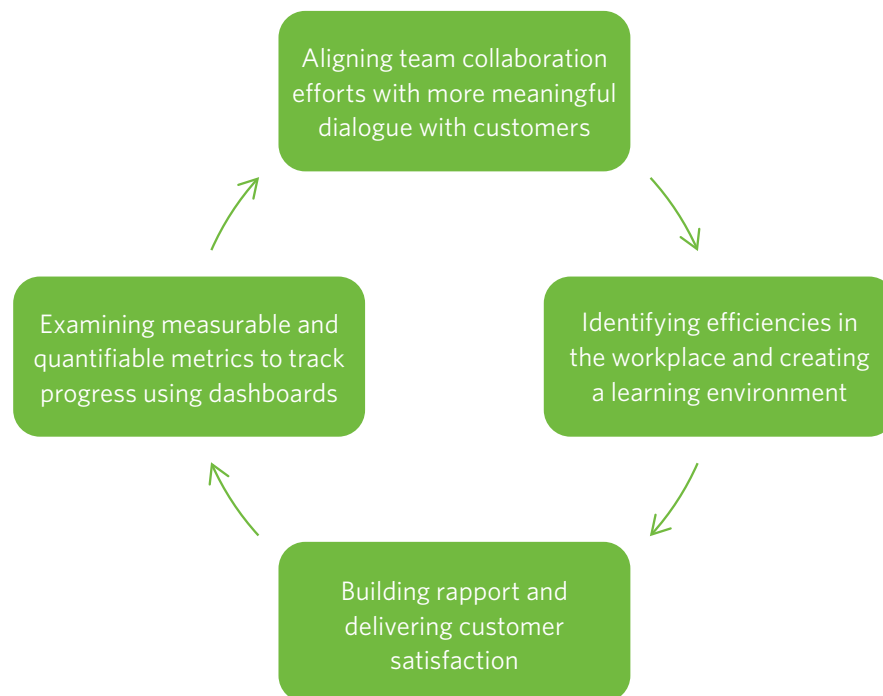


Figure I



While the organization's solutions for customer service operations are straightforward to deploy and use, leveraging implementation services helped them deploy solutions quickly and maximized their return on investment. Today, the organization's capacity to fulfill orders and deliver products to customers from available inventory has made a substantial impact on its overall success, leading to stronger organic growth by increasing output and enhancing sales.

Harmonizing a Resilient Supply Chain Infrastructure

Adopting continuous improvement solutions for the organization's customer service team established a better workplace of higher productivity and morale and a culture of responsiveness and adaptability. These solutions comprised of a systematic and ongoing effort to enhance their processes, products and services, which aimed to boost their efficiency, quality and overall performance. This led to a happier and more loyal customer experience and contributed to the business's success and growth. Digitizing supply chain planning gave the organization a platform that could help them make better business decisions.

Transform Your Business With the Power of Continuous Improvement

If you are seeking continuous improvement support with business strategy, product development, systems integration and analytics, or strategically aligning for business model evolution and joint go-to-market, Cherry Bekaert has the capabilities to ensure your successful digital transformation.

About Cherry Bekaert

Cherry Bekaert Digital Advisory helps organizations ignite growth by quickly assessing, transforming and sustaining business strategies based upon priorities, strategic plans and budget. Utilizing an agile and flexible approach, we help you to reengineer your business operations and services offered, examining each area with a focus on people, process, technology and culture. We are here to help organizations manage risks, enable growth and support sustainable operations. Leveraging our strategic process, we help digitally enabled organizations – especially middle-market companies – do more with less. Cherry Bekaert stays on top of the latest technology trends, but we know that technology is not a one-size-fits-all solution. Cherry Bekaert is here to guide you on what technology makes sense to adopt for delivering the highest value to your organization.

Let Us Guide You Forward



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