eClockspeed Research Site Visit 'Current Best Approach' (CBA)

Selecting Candidate Situations for eClockspeed Research Site Visit

- 1. ISCM sponsor should identify a specific business case or situation that relates to the supply chain where:
 - A decision is being made that will affect the design of the supply chain
 - Outsourcing part of the supply chain
 - o 'Insourcing' part of the supply chain
 - o Creating a virtual supply/value chain
 - o Product is being redesigned
 - For supply chain efficiency (cost) or speed (time to market)
 - To facilitate outsourcing part or all of the supply chain
 - For product performance improvement
 - New initiatives developed to collaborate with suppliers and/or customers for improved supply chain performance
 - o Extended enterpriseTM supply chain strategy
 - The impact of the Internet and/or information integration on the business and supply chain are being explored
 - o Use of marketplaces, exchanges as part of your supply chain design
 - Use of the Internet to facilitate collaboration among your supplier and/or industry
 - o Strategy of developing e-business applications for the supply chain
 - There is significant change in the business driven by technology changes that will have an effect albeit unknown effect on the supply chain.
- 2. Willingness of the key decision makers and business leaders to discuss the issues
- 3. Willingness of the sponsor to host a limited number of representatives from other ISCM sponsor companies. The role of the visiting sponsors is one of listening and learning, with the main focus intended to be on the host site and the interactions with Prof. Charlie Fine in the application of the eClockspeed analysis (tools and processes).
- 4. Cases not suitable
 - Supply chain software installation with focused application and limited interaction with other aspects of the supply chain
 - Other

Preparing for the eClockspeed Visit

- 1. Prepare a written description of the business case, including
 - Basic review of the product line, business revenues, market positioning and overall performance
 - Listing of critical issues at present, noting the decision(s) that need to be made and the implications of the various choices on the supply chain design and performance
 - Description of the supply chain

- o Include a graphic showing significant supply and customer (channel) relationships from suppliers' supplier, through to customers' customer
- o Include internal manufacturing/service operations
- Note the critical relationships, cycle times, ownership, and coordination mechanisms/processes.
- 2. Identify and enlist key business leaders to participate in the session. This should include a representative set of cross-functional leaders, preferably a natural work team fully represented. Success of the visit will depend on the ability of the business to get the critical leaders to actively participate and engage in the session with each other on this subject. It would be useful to make sure that this is a real-work session applying the Clockspeed concepts, processes and tools to the business case and not a sit-back-and-listen session.
- 3. Come to agreement on the purpose of the meeting
- 4. Familiarize all participants with the concepts in Clockspeed. Best done by reading the book! Each participant should have his or her own copy (we're not trying to sell books here) to ensure highest likelihood of being prepared.
- 5. Each participant should complete Recommended Pre-Work for Sponsor Participants in advance of the session. The sponsor site visit leader should then collect the input and map the responses in a meaningful way (depends on the input) as a foundation for the visit (not intended to dwell on this at the session). This process may illustrate some disconnects and/or conflicts with the current business strategy, supply chain strategy, goals and action plans among the various participants.

Recommended Pre-Work for Sponsor Participants

Each sponsor participant should prepare responses to the following questions, preferably with from previously prepared documents:

- 1. What is the business strategy?
- 2. What is the supply chain strategy and how does it support the business strategy?
- 3. What are your specific goals and key action plans and how will these actions support these strategies?
- 4. Is the unique value of the product modular (i.e. connected to components of the product that can be separated) or integral (i.e. part and parcel of the entire product, not easily separated)?
- 5. How are the competitors in the industry structured vertically integrated or horizontally integrated?
- 6. What is the business' selected e-business approach?
- 7. Map the supply chain.
- 8. Identify the key issues that the business should be working on at present.

- 6. It is helpful to prepare some graphics of the business' supply chain, the mapped responses and several of the key 'Clockspeed' concepts/processes (i.e. double-helix, product-process matrix) for visual reference for the participants.
- 7. It may be useful to arrange a conference call among the site host and those ISCM sponsors who have hosted eClockspeed visits to share learnings and provide a resource.

'Clockspeed' Descriptions

'Clockspeed' Review from Amazon by the author, Charles Fine January 5, 1999

"I have tried to accomplish three things in Clockspeed: First, to build on the observation that not all of the economic acceleration we experience occurs at the same pace or in the same direction. (That is: Clockspeeds vary by industries, technologies, and organizations. Also, some industries (e.g., retail sales) may be atomizing due to a certain technological change, while others (e.g., infotainment) may be conglomerating.) Second, I have tried to build an analogy to biology where the study of rapidly evolving fruit fly colonies often unlocks secrets of human evolution and genetics. I argue that some observations from the industrial fruit flies (fast-clockspeed companies and industries), in fact, do reveal useful rules of industrial evolution that will carry over from the industrial age to the information age. (Some value chains are made up primarily of electronic bits. Others are made from chunks of bricks, mortar, and steel. Most have a combination of bits and chunks. Regardless, critical decisions must be made about which pieces of your chain you choose to try to master and which you outsource to others.) Third, I have tried to highlight the concept of "supply chain design."

I believe that design of the chains and networks of organizations and capabilities that provide value to customers is a critical strategic orientation for business executives and economic policy makers. Along the way, the book offers lessons on insourcing/outsourcing, business strategy, concurrent engineering, public sector institutions, and forecasting future rates and directions of industrial change. The book attempts to take more of an eagle's-eye view than a worm's-eye view. As a result, the book does not try to explicate at great length recent phenonena such as eCommerce or the Internet. Rather, I use these among a set of examples of fast-clockspeed subjects - industrial fruit flies - worthy of observation and analysis."

Websites with reviews

http://www.bizjournals.com/atlanta/stories/1998/10/12/smallb7.html

http://www.fastcompany.com/online/19/lordflies.html

Day-Visit Draft Agenda

XYZ Product Team/Business Unit

8:00 AM-5:00 PM Location

Participants:

- Leadership Team
- Prof. Charles Fine and other Integrated Supply Chain Management sponsor representatives

Objectives:

- Apply supply chain design concepts developed by Prof. Fine to the business case to develop new insights and solutions
- Continued research on how to enrich the supply chain design process to improve future application

Approach:

 Utilize a combination of internal company resources and tools with the external perspective of Prof. Charles Fine and ISCM Consortium members to address the specific issues identified by the company.

Agenda Flow:

- Introduce participants
- Review agenda
 - o Confirm objectives
 - Company
 - Research team
 - o Share expectations
- Background
 - o Review the Business Case Review (Sponsor Executives)
 - o Business, Industry and Product Structure
 - o Current and future state
 - o Identify critical business issues, opportunities and decisions
- Review of supply chain design concepts (Prof. Charlie Fine)
- Application of supply chain design concepts
 - o In context of SEA Business Case
 - o In context of critical business issues, opportunities and decisions
 - o It may be helpful to separate the group into smaller breakout groups to map the supply chain, identify 3 key areas for the host company to work on
 - o Summarize learnings and observations from participants
- Adjourn larger meeting