



AGENT OF CHANGE:

A Manager's Guide to Employing Supply Chain Service Management to End Chaos and Create Opportunity

TABLE OF CONTENTS

I.	See the Light: Why it Pays to be an Agent of Change	3
II.	Trust Your Gut: Five Signs Your Supply Chain Needs to Change	4
III.	Collect the Facts: Confirm that SCSM is Right for You	5
IV.	Get Smart: Get Comfortable with SCSM Features & Capabilities	5
V.	Plan for Success: Build Your SCSM Rollout Plan	7
VI.	Play Chess: Think Two Steps Ahead	10
VII.	Own the Outcome: Ensure Successful Adoption for Quick Wins	11
VIII.	Reap the Rewards: Go Viral and Expand the ROI	13
IX.	Case Studies	14

This manager’s guide is intended for supply chain managers who want to make the most of their supply chain operations and understand how they can do so with the resources at their disposal.

I. See the Light: Why It Pays to Be an Agent of Change

Any supply chain manager will tell you: that although supply chain management is a behind-the-scenes job, it is also decidedly not for the faint of heart. That's because supply chain, which has always been a juggling act, grows in complexity and competitiveness every day. The dawn of online ordering brought with it an exponentially competitive market, where consumers can select a product customized to their exact demands: speed of delivery, localized products, and instant customer service are all ongoing expectations that will continue to influence the market. Supply chain operations, meanwhile, are more complex than ever, as globalization has required companies to source materials and deliver products from more suppliers to more markets than ever before.

These factors brought supply chain to a critical tipping point long before the pandemic arrived; in early 2020, COVID-19, acting like the first domino amongst many, tipped and catalyzed a sequence of events that was decades in the making. Managers experienced first-hand what newspaper headlines heralded as massive stockouts, delays, and labor shortages. Supply chain management became the unfortunate scapegoat for pandemic-related failures, and the continued disruptions that supply chain now faces are still being pinned to that same source. However, this viewpoint—while popular and a simpler story to tell—is one-sided. The truth is that supply chain was overdue for change well before the pandemic arrived and will still need to make important upgrades in order to stay competent and competitive long-term.



If this is true, then why haven't more industry professionals taken structural action, beyond the immediate hole-plugging and band aiding? The answer is two-fold: first, that supply chain, upon which its operations already balance on a razor-thin margin of error, is historically risk averse; and second, that it's reluctant to make changes when its most important resources (the time and energy of its workers) are wrapped up in maintaining the status quo. However, you only need to turn towards other industries in order to see a new light: one that views the pandemic not as a one-off catastrophe, but as a catalyst for driving transformative improvements. Take, for example, EdTech, Telehealth, and the E-commerce industries, to name a few. All of them responded to the disruptions caused by the pandemic with technological enhancements that will make them infinitely more productive and profitable for decades to come.

If change is not only feasible, but beneficial, then why does supply chain continue to trudge on with the same structure—and, by proxy, the same problems—that have handicapped it for years? Here, we can reference that razor-thin margin of error. Go too far in one direction towards making change—perhaps emphasizing leanness and agility—and immediately there are complaints about stockouts and risk taking. But, go the other direction—this time emphasizing resilience and redundancy—and now the complaints are about too much inventory and excessive costs. Many lifers who have spent a full career working in supply chain will tell you that it's just not worth the time, energy, and resources involved in making any sort of systematic upgrade to operations. Unfortunately, by not rocking the boat, teams continue to suffer from long, stressful working hours; using the same ad hoc solutions to solve a never-ending carousel of problems, and fighting the same battles time and again.

Fortunately, there's a way to move forward that hits the sweet spot between introducing change without requiring major overhauls to behavior or beliefs. Supply Chain Service Management (SCSM) is a modern approach to managing supply chain that entails small-scale changes in order to reap large-scale results. Teams can be up and running with SCSM in 30 days or less, starting with baby-step actions that scale quickly. SCSM's proven principles result in protecting hundreds of millions of dollars in revenue, increasing productivity by 5 to 10X, and eliminating the repetitive chaos that continually throws supply chain operations for a loop.



Incident resolution time has to do with quality: some take a day, some a few weeks. Before Elementum, we had no way of knowing. Now, these measurements give us the ability to focus our attention and resolve incidents faster.

- Chris Peri, Supply Chain Manager at GCC

This guide is built towards helping supply chain's most crucial changemaker—the manager—understand and get started with SCSM. As the industry's operator most familiar with both the on-the-ground realities and the high-level strategy of supply chain, you as the manager know firsthand the pain points of supply chain workers. As a result, you are best equipped to not only handle those issues, but to lead workers towards the right solution. You also have the leverage and insight necessary for making the connection to executives who are empowered to enable change. Throughout this guide, we will introduce you to the knowledge and strategies necessary for getting started with SCSM, as well as success stories of other managers who have been successful change agents in their organizations. From household-name organizations such as Vitamix and Starbucks, to best-in-class specialized brands like GCC and McGee & Co., SCSM has been helping supply chain (and its Managers) make the changes necessary for a contemporary and competitive advantage.

II. Trust Your Gut: Five Signs Your Supply Chain Needs Change

Waking up in the morning to a full email inbox, a phone blanketed with missed calls, and a 12-hour workday that only skims the surface of your to-do list: does this scenario sound familiar? Unfortunately, for most supply chain managers, the answer is “yes.” But are these circumstances indicators of a healthy work environment, and should they be considered normal? Most of you know in your gut that the answer here is “no:” it's not normal to be mired in chaos 12 hours a day, every day. In order to understand this paradigm, it's essential to exercise discernment to realize that the disruptions that eat up most of your workdays aren't one-offs. Actually, they are in fact part of a larger structural problem that won't go away through a mighty work ethic and a can-do attitude. Specifically, here are five signs that your supply chain is suffering chronic dysfunction, and needs to change:

1

Service levels are a company priority, but it's unclear who owns them, what they're doing to improve them, or how they're even being measured.

2

Your team is perpetually burned out, understaffed, and more turnover is inevitable, yet overtime is still expected almost nightly with no end in sight.

3

It's nearly impossible to be proactive as most of your time is caught up in addressing the latest fires. As a result, response times are commonly measured in weeks and months.

4

Expediting is so common it might as well be considered standard shipping.

5

The answer to every problem seems to be “we need a better plan,” but there's already been plenty of planning projects, and nothing seems to change.

While this list of problems is by no means exhaustive, each one is a strong indicator of other common problems plaguing supply chain. The good news is they're easily identifiable symptoms; on the other hand, none of the issues associated with these complaints will go away on their own. So, what can you do to make a difference?

III. Collect the Facts: Confirm that SCSM is Right for You

For most supply chains, SCSM provides the right mix of innovation and practicality to provide immediate, substantial relief without rocking the boat and generating too much of the wrong attention. That said, SCSM isn't a cure-all: a reality you will need to keep in mind when handling expectations from both executives and colleagues alike. When you get asked "are you sure SCSM is a good fit for us," which you inevitably will, we want you to be able to respond "yes" with confidence. Here is a simple checklist and common criteria to confirm your supply chain is a strong fit for adopting and benefiting from SCSM:

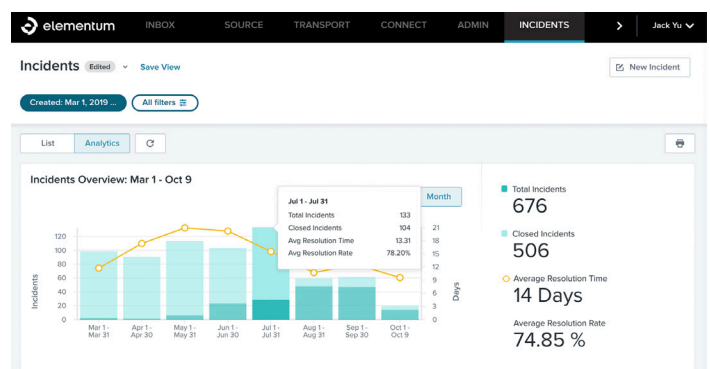
- The default conduit for sharing information is via meetings, which fill up calendars, require prep time, and lead to more meetings.
- Excel files act as the source of truth, even though there are multiple Excel files with repetitive information.
- Email chains seem to include everybody except a clear owner.
- Decisions are made based on anecdotes instead of data.
- Organizational silos make collaboration difficult and visibility impossible.
- You frequently learn about problems from your customers.
- The same problems keep happening over and over.
- You've been told the next ERP, TMS, WMS, (insert three-letter system acronym here) will make things better, but it's not clear how.
- Everyone is frustrated by a lack of transparency and accountability.

Again, this isn't a comprehensive list, but it provides enough information to paint the right picture. If you're in an organization where firefighting is the norm, good information is tough to come by, and you're still using the same tools from 20 years ago, then you're probably a bullseye fit for SCSM.

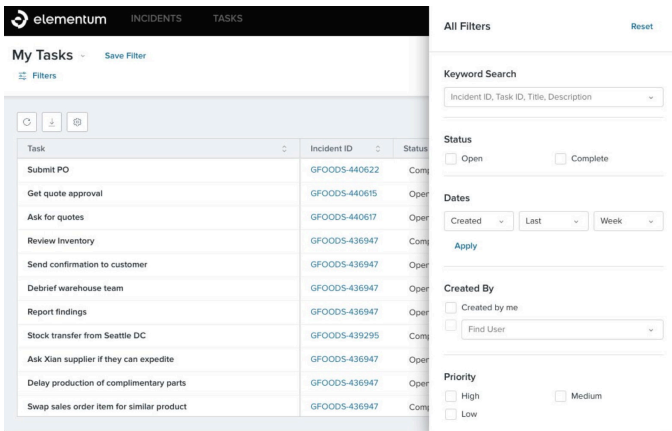
IV. Get Smart: Get Comfortable with SCSM Features & Capabilities

By now, you already have the feeling that SCSM will be a big help to your supply chain. Common sense says that better organization, faster communication, and more visibility will all lead to better outcomes for your operations. However, companies require more than common sense—for better or worse—to upgrade their supply chains. In order to move the dial past common sense and into the territory of hard evidence, here's the bottom line on how SCSM helps.

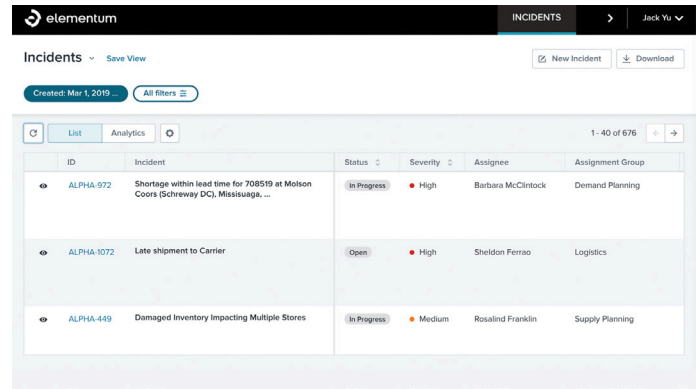
With SCSM, supply chain processes are managed like a repeatable, high-performing service, and things look very different: SCSM ensures that all processes are organized and systematized, meaning that problem solving is streamlined in order to eliminate wasted effort. The result is that issues are corrected proactively before they impact the customer. Meanwhile, the ever-valuable data that is usually siloed and strewn in spreadsheets, emails and phone calls is converted into data points that are centralized and analyzed, which enables long-term optimization. All of these changes are made possible through a cloud-based platform that provides:



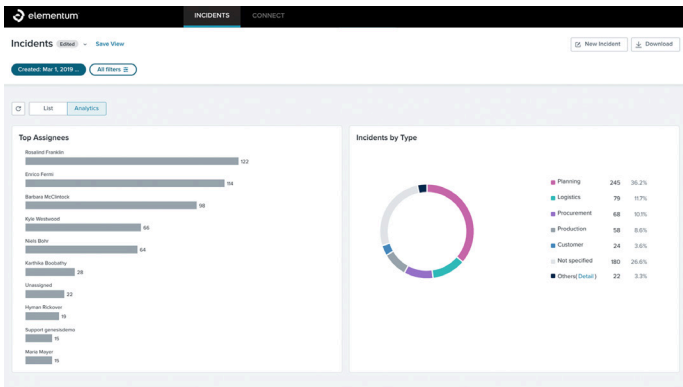
A single source of truth for full transparency



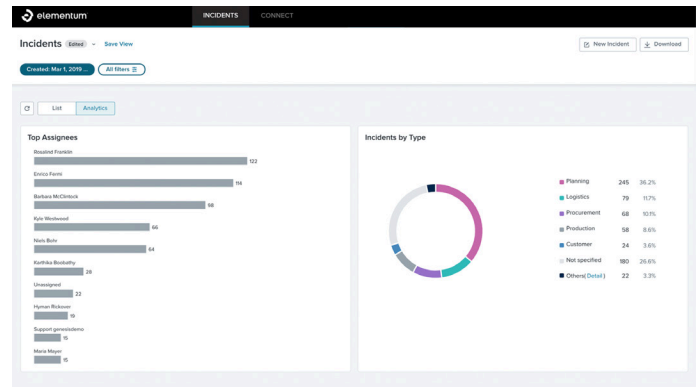
Templatized processes for step-by-step tracking



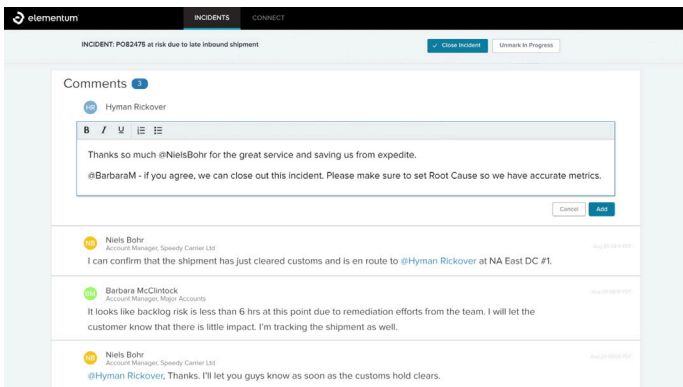
A proper queue to prioritize and triage tickets



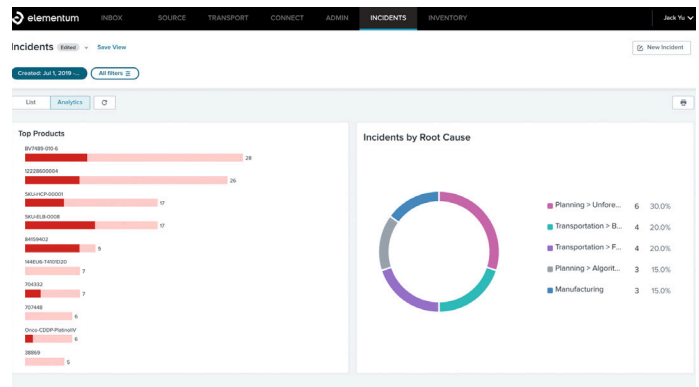
Clear ownership to ensure accountability



Well-defined SLAs that eliminate firefighting

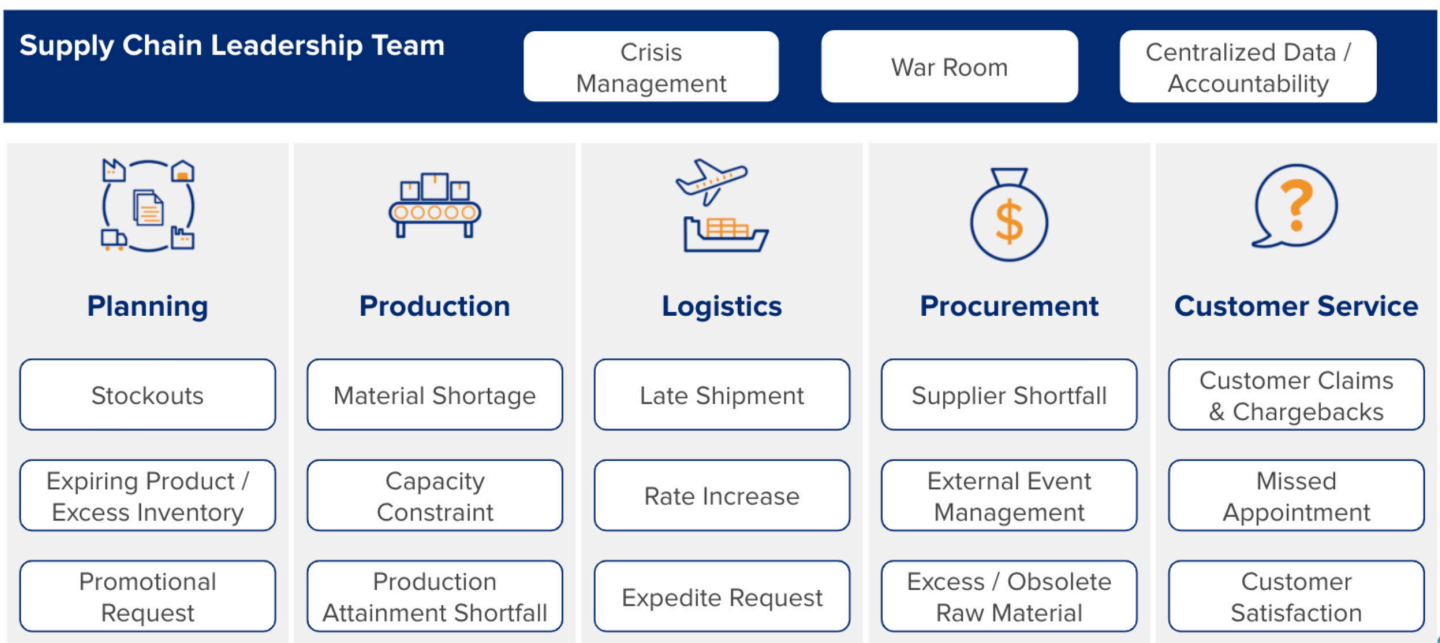


Seamless collaboration with supply chain partners (e.g. carriers, suppliers, co-man's, etc.)



Insightful analytics with with root cause analysis to permanently eliminate recurring issues

What sets SCSM apart from other dashboarding or workflow solutions is that it understands and treats supply chain processes as a service. Just as ZenDesk revolutionized customer service through its online ticketing system, and ServiceNow gave IT a much-needed boost towards efficiency, SCSM understands how to holistically apply its technology to any end-to-end process in order to drive improvement. This means that for every stage in supply chain—whether it's the planning, sourcing, production or delivery—the application of SCSM results in more efficient outcomes. In the graphic below, you can get a sense of some of the most popular processes managed with SCSM.



While a deep dive into SCSM will provide fuller insights on how it works and what it accomplishes, for the purpose of this paper, it's enough to know the basics. Elementum's team will be happy to guide you along your SCSM journey, helping you learn as you go. If you feel inclined, however, the [Beginner's Guide for Supply Chain Service Management](#) provides a thorough documentation of SCSM's functionality and benefits.

V. Plan for Success: Build Your SCSM Rollout Plan

The best part of SCSM is that it's relatively easy to get started. That being said, you don't want to start by blanketing your entire operations with SCSM. Instead, choose a cornerstone process, and build out from there. In the beginning of this guide, we discussed how supply chain organizations will balk at almost any new endeavor that involves making overhauls to the status quo. By starting small with SCSM, you can both minimize risk and keep your team feeling confident about making change. Indeed, many of Elementum's SCSM projects start with a Manager or Director. Executive support is helpful, but not necessary in the beginning. The cherry on top of the low-fuss approach is that IT involvement isn't required. You can instead start implementing SCSM to gain significant benefits through low-hanging fruits—i.e., positive outcomes that are simply waiting to be captured after years of neglect within the current state of dysfunction. Most companies see a positive ROI in just a few months!

Step 1: Pick a process

You probably already have a process in mind (the one that's keeping you at the office late or making you get in early), but here are a few criteria to help choose the right process to start with:

- **Uncontrolled chaos:** This looks like too many meetings, too many chain emails, too many Excel files, the same repeated problems, burned out team members, frustrated management, or angry customers.
- **It's a problem worth solving:** There's a real business impact to improving the process. Issuing ID badges is annoying, but it's not something that's worth your effort. On the other hand, chronic OS&D is something that'll motivate your team and get you the recognition you deserve.





- **The right personnel are involved:** SCSM is easy, but again, it's not magic. You'll want to involve people who are willing and able to change. There's a lot of fantastic people in supply chain, but there's also a fair portion that are content with the status quo and will never change. This goes for operators and executives. You don't need everyone to be a cheerleader, but aim for a process where the team will be receptive and supportive, even better if you have a few power users who will be excited to lead from the front with you.
- **There's already pull:** Any team that's asking for help, or any process that's been attempted to upgrade in the past, will be good candidates to get started with.

Step 2: Get the team onboard

A major benefit of SCSM is the enhanced collaboration that it provides. Instead of being stuck in silos, your team will be able to see what's happening in real time. As a result, team members can respond quicker and resolve issues more efficiently. By default, their usage of the platform will be essential for its success. The more a team feels like they're part of the process (instead of being dictated to), the more likely they are to embrace the change and be supportive. This truth in mind, you will want to take special care to demo the solution for them and answer any questions they might have. By and large, Elementum has found that teams are very excited about SCSM for the same reasons you are. However, when they're left out of the loop, it's very easy for rumors or misconceptions to spread. With an early demo, it's easier to bring them onboard and make them advocates throughout the rest of the process.

Step 3: Create a business case

Start by documenting the current-state process, and then how it'll compare with the future-state process with SCSM. Your team will see a clear simplification in the number of steps, the number of people, and the number of systems. The map of the future process will become the basis for the new standard operating procedures, which the team will use as their Bible for how to run the process with SCSM. Also, as part of this step, Elementum recommends putting together an ROI analysis. For a lot of initiatives, this is a check-the-box exercise, but with SCSM it can document some real benefits that'll make a significant impact on business profitability. Also, building the ROI may flush out additional benefits to include in the future-state map. A good ROI will help you create momentum during the change process. (Note: you may decide to swap steps 2 and 3. That's completely fine; these steps can even be done in parallel.)

Step 4: Design the rollout plan

This doesn't need to be an exact plan. Again, the benefit of SCSM is that it's flexible and doesn't require a big implementation with consultants or integrators. But, as manager, you'll still want to lay out a set of milestones for everyone to track to. Here's a sample 30-day plan to kickstart your individual process:

- **Week 1:** Hold a kick-off meeting with key users. Update the SOP in Step 3 to incorporate any recent learnings and feedback. Define metrics to track in the system and success metrics for the project.
- **Week 2:** Configure the platform to be personalized to your supply chain.
- **Week 3:** Train key personnel
- **Week 4:** Go-Live

Step 5: Build executive alignment

This will actually be done throughout the process. Like you, leadership knows that the supply chain needs help. However, the more senior they are, the more risk-averse they tend to be. They worry more about things going wrong, and they don't experience as much of the day-to-day pain as you do. As a result, it pays to be thoughtful on how to build their support. This means engaging in multiple touchpoints along the way, each time giving them more and more confidence. A typical flow begins by figuring out who needs to say "yes" for the project to happen, and who needs to not say "no." Usually, your boss (typically a Director or VP) will need to say "yes," and then their boss (SVP, COO, etc.) will also need to support the decision. In some instances, the CIO or CFO will fall into the mix as well. After that point, you can proceed according to the following checkpoints:

- **Checkpoint 1:** Socialize SCSM with your boss after you decide which process to start with. At this point, you're not proposing anything, but you have enough information to get your boss interested by sharing some of the benefits. This might happen in your regular 1:1, a weekly staff meeting, or a short hallway-type conversation. You want to give him/her a quick overview, and then ask him/her for their support to explore further.
Goal: Loop in your boss and get a green light to explore further.
Pro tip: Be ready to mention a few other companies, similar to yours, that have been successful with SCSM. References establish immediate credibility.
- **Checkpoint 2:** Once your team is supportive (after Step 2 of Plan for Success), it's time for another check-in with your boss. You want to explain that you've been digging into SCSM, and the benefits seem substantial. Also, your team is informed and excited. Request time to schedule a demo for your boss to see it directly.
Goal: Schedule a demo with your boss.
Pro tip: Having your team's support at this point is key. A lot of supply chain projects fail because the team is resistant. Knowing that your team is advocating for the innovation will immediately remove one of the biggest risks.
- **Checkpoint 3:** Perform the demo for your boss. Confirm that your use case is a priority. Answer any questions. After the demo, in a debrief, understand any concerns, and confirm how to secure budget.
Goal: Get the greenlight to move forward with the business case.
Pro tip: Don't worry if the budget is tight. That's often code for "show me an ROI," which will come through in the next checkpoint.
- **Checkpoint 4:** At this point, you will need to revisit the other stakeholders that need to say "yes" and the ones that can't say "no." In both cases, this is the right time for both you and your boss to inform them. They may request a demo: a preferable option, because seeing is believing. For the "no" group, an update and a demo is usually sufficient. For the "yes" group, confirm what else they'll need to say "yes." This is often the support of your boss and a good business case, but make sure you're clear on expectations. Also, the most important "yes" is from the person who will sign the contract. If this is not your boss, then pay special attention to exactly what they need for that buy-in.
Goal: Confirm the needs of all stakeholders.
Pro tip: When in doubt if someone is a stakeholder, ask. It's better to be proactive than to be surprised later.

- **Checkpoint 5:** Present the business case to your boss. Answer any questions. Incorporate any feedback.
Goal: Get approval for the business case.
Pro tip: This is where it's good to start small in your initial scope. It's always better when your boss asks for more instead of less.
- **Checkpoint 6:** Circle back with other stakeholders to answer any lingering questions and incorporate any final feedback.
Goal: Confirm there are no objections to moving forward.
Pro tip: Pay attention to anyone who's particularly excited. They might be your champion going forward into new use cases or even new BUs.
- **Checkpoint 7:** Share the order form with your boss and the signatory (if it's someone other than your boss).
Goal: Sign paperwork!

Like everything else discussed in this guide, building executive alignment is part art and part science. Your flow may play out a little differently, but the general principles will be the same: socialize early, build support incrementally, address any concerns proactively, stay positive and keep inching forward. If you're feeling overwhelmed at this point, take comfort in the fact that building the plan is the longest part of the whole process, and for good reason: a good plan is fundamental to success. Also, you don't have to stress about memorizing these steps or making a mistake along the way, since the Elementum team will work side-by-side with you each step of the way to make sure you have all the information and support you need. We've done this countless times, and we're excited to do it with you, too.

VI. Play Chess: Think Two Steps Ahead

In the previous section, we provided a step-by-step playbook for adopting SCSM. However, Elementum is well acquainted with the fact that things rarely go exactly to plan, especially when it comes to supply chain management. Even though it makes common sense to adopt SCSM (and you're armed with a strong business case) it's impossible to predict every institutional headwind, organizational disconformity, or macroeconomic dislocation. As alluded to previously, there's a certain reluctance ingrained within supply chain that opposes change, and you may be amazed by how many excuses—some perfectly reasonable and others totally outlandish—exist to maintain the status quo.



As a result, while this step-by-step playbook is crucial as a guide, the supply chain manager dedicated to implementing SCSM will need to think two steps ahead. How do you address concerns that are real, how do you sidestep concerns that aren't, and how do you keep moving forward? To get started with this aspect of the process, here are the five most common reasons heard for staying with the status quo and quick rebuttals for each:

Excuse #1: Our team doesn't like change: the easiest way to approach this excuse is to recognize that fortunately, you're the manager, and you get to pick the team. As the Taylor Swift song goes, haters are gonna hate. Avoid the haters and choose a team that shares your passion for improvement. As further leverage, keep in mind that change will be viewed positively if: (1) you bring the team onboard early to incorporate their feedback as part of the solution, and (2) you choose a starting problem that's particularly painful (remember: replace daily war rooms, not ID badge requests).

Excuse #2: The IT team has zero capacity to support a new system right now: Another easy win, seeing as how SCSM doesn't require IT. It's possible to load and replace all your old spreadsheets without any IT required.

Excuse #3: Things aren't actually that bad: Well, here's where that homework done to collect the facts (Section 3) pays off. Show your work in order to reply to this excuse with a well-researched "excuse me, but it is "that bad." To put a positive spin on this rebuttal, keep in mind that if you choose the right problem to start with, then you'll have a solid business case to put dollars behind the initiative. A good ROI analysis will actually give you an opportunity to not just say "yes, it is that bad," but also "look how much better it can be!"

Excuse #4: Things are too bad right now to do something new: This excuse is actually a self-fulfilling prophecy because things will keep being bad—and probably get worse—without SCSM. It's your job as manager to fully understand the reality of the situation, that the timing for change is never perfect. The upshot to the seemingly uphill battle, in this instance, is knowing that (1) benefits to changing are significant, (2) the effort to change is relatively light, and (3) the progression to change can match your team's goals and needs (ie. start small). Something that is particularly helpful to rebut this excuse is to find a compelling event that necessitates action and urgency. This could be a new corporate objective (e.g. double sales in the next 12 months), a new product introduction, a customer threatening to leave, or new competitors. When in doubt, match SCSM's business plan to your boss's (and their boss's) bonus objectives. Nothing motivates like aligned incentives.

Excuse #5: SCSM sounds too good to be true: Here's where diplomacy is helpful. Offer to put the naysayer in touch with any number of customers who can reference the benefits of SCSM. Additionally, you can refer them to www.elementum.com/supply-chain-customers/ for a list of webinars and case studies.



Elementum offers a very powerful value proposition for companies like ours, who are looking to future-proof their operations.

- Jim Rowan, Chief Executive Officer

Playing chess also means keeping your big pieces on the board. This is another way of emphasizing the importance of having executive alignment, as described in step five of the rollout plan. You may not be able to assuage every concern, but with the support of leadership, you can focus your attention on the concerns that matter.

If you do hit a roadblock, remember that the game isn't over. In a lot of organizations, it takes time to socialize a new idea to build consensus. By making people aware of an opportunity, you also make them more likely to see the problems with the status quo. Each time there's another late shipment; each time there's another stockout; each time there's a new "emergency," you can gently remind the team of the benefits of SCSM. Eventually, you'll have a chance to get your pieces back on the board and get back on offense. To recap the key takeaways from this section: be prepared for some objections. Starting with the right business problem that delivers a compelling ROI will alleviate the majority of concerns. Stay patient. Leverage leadership when necessary, and most importantly, don't give up.

VII. Own the Outcome: Ensure Successful Adoption for Quick Wins

Congratulations: if you've made it to the go-live section of implementing SCSM, then you've made it past the hardest part. Performing the due diligence, constructing a compelling roll out plan, and gaining alignment through navigating all the organizational anomalies are the uphill sprints that make the next steps more of a downhill job.

While adoption gets easier from this point, you'll still need to keep your hands on the wheel, as the next stage is a critical period for ensuring adoption and nailing the business plan. Scientific studies have shown that it takes around two months to establish a new habit. Adopting SCSM is no different than going to the gym or learning a new language, and you can expect

for it to take about two months to build a routine that sticks. Fortunately, there are a number of best practices for ensuring success. Here's how you can control the outcome:

- **Leverage Leadership:** Demonstrate strong executive sponsorship with a clear directive that everyone is expected to participate in the new model. Deliver a message from the top simple and clear. The execs should be excited about the business case and more than willing to provide their support.
- **Active Management:** Ensure all leads, managers, and power users are actively engaged in the change. Positive actions include adding comments in the SCSM platform and using the dashboards to run regular meetings. Lead from the front here, and conduct your actions and meetings within the platform.
- **Go All-In:** Encourage mutual accountability with team members holding each other accountable by asking for and requiring all process steps be conducted within the SCSM platform. Whenever there's an email or a rogue Excel file, team members send a friendly reminder that everything should be captured within the SCSM system. Additionally, make sure there's a clean cutover to the new process. Some skeptics or cautious folks might keep using the old process or doing both "just in case." This is counterproductive. Redundancy will create confusion, burn people out, and inevitably lead to errors. A core part of the go-live is to incorporate a clean cutover.
- **Develop a Roadmap:** We've emphasized the benefits of starting small, but people are more likely to be excited and engaged if they know the project has more potential. We'll talk about this more in the next section.
- **Automate:** We'll talk about this in the next section as well, but automation is the key to exponential stickiness and ROI.

In addition to these guidelines, you can track the metrics outlined below to make sure everything is staying on track. Metrics will take two shapes: usage and operational.

- **Usage metrics:** Check for the number of processes being managed, the number of exceptions being tracked, and the number of active users.
- **Operational metrics:** These tie back to the business case and the ROI. Compare the actual metrics versus the targets you set in the rollout plan. It may take a month or more to see operational results, but you can track the usage metrics weekly. If the usage metrics are hitting the targets, then the operational metrics will follow. If usage metrics are low, look back at the best practices we discussed earlier in this section to identify the cause. Also, loop in your Customer Success Manager for help.



The final tip for making SCSM work is to maintain a sense of urgency during this period. The first 90 days of a project are the most important. This is when people are most excited and ready to try something new. Every organization experiences some kind of hiccup, but 99% of organizations will be successful. By identifying any issues early, you can ensure your team turns into another success story.

CORNING

When it comes to the supply chain, it's all about how quickly a company can take action. With Elementum's real-time insights, our supply chain will be able to react immediately, instead of waiting weeks or months after a problem arises.

- Cheryl Capps, SVP of Global Supply Chain

VIII. Reap the Rewards: Go Viral and Expand the ROI

Finally, you did it. You made the case for change, and now that change is underway. Your team is excited. There's less fire-fighting and more time to be productive. Leadership is also excited. Productivity gains have already translated to improved business metrics and an impressive return on investment. And, unlike right after go-live, when you needed to be hypervigilant to control the outcome, the habit has been established, and usage is self-sustaining. In fact, other teams and business units are starting to take notice. A new way of doing something doesn't seem so scary when another BU is already doing it. On the contrary, there's a growing sense of a fear of missing out. Where once there was opposition, now there's a rush to be included in the category of "innovators."

So, (besides patting yourself on the back for a job well done) what do you do now? You, the brave supply chain manager, who dared to break barriers and introduce a better means of conducting business. You run with it! Once an organization has momentum, it's in everyone's best interest—including your own—to stay the course and keep moving. In every manner, it's much easier to expand than to start. With an internal reference, you'll begin with the benefit of the doubt. Leadership will offer their support, and users will be eager adopters. As always, we'd like to share a few tips for making the most of this opportunity. Here are some lessons we've learned from our most successful customers:

- **Don't wait to expand:** Strike when the iron is hot. Your recent success just opened a window to be the great, new thing, and growth becomes a self-fulfilling prophecy. By adding new users and processes, people will assume success, and they'll work even harder to make success a reality.
- **Continue to prioritize new processes based on the criteria used in Section 5:** Look at the existing chaos, determine that the problem is worth solving, and get the right people involved. The journey will be easier at this point, but you should still prioritize the best options.
- **Automate:** In the beginning, it helps to start small and not depend on IT. However, there's nothing more transformational than automating manual processes. Automation amplifies the benefits (faster response times, faster resolution times, fewer errors, etc.), and it also eliminates the user adoption risk. Now that you have leadership on your side and the ROI is obvious, you can push for the resources to automate. Prioritize any process that starts with an alert from a transaction system (e.g. ERP, WMS, TMS, etc.). From here out, every new process brought onto SCSM should be implemented with automation from the start.
- **Recruit a team of SCSM leads:** With SCSM expanding, you've graduated beyond the scope of your Customer Success Manager. You know your system and your business better than anyone. Establish a center of excellence with qualified leads who will continue expanding to new processes and training new users. This role deserves a Director title, and should have company-wide visibility.

In your SCSM journey, you may also find that you enjoyed the discovery, planning, and implementation process. You enjoyed changing hearts and minds, and you also developed an extremely valuable set of skills oriented around supply chain service management. There will be many companies impressed by your accomplishments and eager to welcome you as their Director of SCSM, should you decide to rinse and repeat. However you decide to move forward, congratulations on a job well done!



IX. Customer Success Stories

To demonstrate the efficacy of SCSM and the Manager's role in making it successful, here are five customer success stories that you can leverage as motivation, testimony, or inspiration as you see fit.



STARBUCKS®

It was difficult to get clear information at certain instances. Elementum provided immediate visibility and access to everybody across the enterprise, from our most senior leaders to all our individual contributors. It also allowed us to collect this information in a much more uniform way.”

- Tyler Potter, Program Manager of Intelligent Supply Chain

Tyler Potter is the Program Manager of Intelligent Supply Chain at Starbucks. Before his team leveraged SCSM, it used a variety of different systems and tools to manage its vast supply chain network. Like most global companies, Starbucks' supply chain collaboration relied heavily on email and Excel files. The team worked hard to track all issues and ensure nothing slipped through the cracks. However, even in a world-class supply chain, Starbucks found that information was inherently siloed, which limited operational visibility and led to communication gaps. When COVID-19 arrived, Tyler and his colleagues recognized a unique opportunity to remodel the organization's supply chain operations in order to streamline its communication + workflows for a more optimized model. Starbucks had just begun to onboard Elementum in February of 2020. When the pandemic arrived shortly after, it didn't interfere with the company's strategy and rollout plan, but instead served to kick it into high gear. Starbucks began leveraging the platform to manage any service exceptions related to COVID-19. It found that the platform's single source of truth and clear workflows resulted in these exceptions being resolved four times faster than before. Tyler and his team continued working to build out more use cases. By the end of the first year, users were adept at handling a variety of processes using the platform, while also feeling comfortable enough with it to build organic use cases—a huge win from a managerial perspective. Meanwhile, Elementum continued to bolster operations in times of great, unexpected change. When Texas experienced massive power outages in January of 2021, for instance, Starbucks proactively handled them, resolving 18% of outages before they had a chance to impact the customer. Tyler and his team continue to use Elementum to maintain service levels and uphold the high level of quality attributed to the Starbucks brand.



GCC used Elementum to improve service levels and protect \$300 million in revenue. Using Elementum, we caught 74% of our incidents before they impacted the customer. Within that same time frame, we protected roughly \$300 million in revenue. As a customer satisfaction-driven business, having service-level expectations of up to 100%, [this] is huge for us.”

- Chris Peri, Supply Chain Manager

Chris Peri, Supply Chain Manager at cement manufacturer GCC, was certain on a few key facts. For one, he knew that the unique nature of his industry (which runs on a seasonal schedule upon strictly defined delivery routes) mandated his supply chain operations maintain tighter constraints, with less margin for error, than that required by most other companies. Secondly, Chris was sure that GCC could do better by its supply chain operations, and hence its business, by making the right strategic improvements. Specifically, Chris knew that GCC's traditional method of managing supply chain exceptions through Excel files, emails, and phone calls, contributed to delays in resolution and productivity. So, Chris began training a 15-person team on how to use Elementum's cloud-based platform. Within a week, these core users were able to successfully use the platform's primary functions. Meanwhile, management supported team members' progress through weekly team meetings, one-on-ones and a monthly executive review. The results of using Elementum were quick and significant. Within a few months,

the number of outstanding incidents dropped from 120 to around 70. Meanwhile, increased transparency and communication helped resolve 74% of issues before they reached the customer. As a result, customer satisfaction was not impacted, and more than \$300M of revenue was protected. Chris and his team took their dedication to working with the platform's users one step further, by running a survey to gather feedback. These efforts found that at least 70% of users appreciated the cloud platform's ease of use, reliability, centralization of information, and positive impact on response times and customer satisfaction. Perhaps most notable, more than 90% of users appreciated the increased accountability. As a committed user of Elementum, GCC looks forward to experiencing further benefits as it continues expanding the platform's use cases and users.



There's that saying 'when everybody's in charge, nobody's in charge'. Before Elementum, an email would go out to 20+ people and it would be unclear whose job it was to respond. Now it's so clear exactly who is responsible for what role and who is taking care of the issue, by when."

- Cari Talbot, Senior Director of Supply Chain

Ken's Foods is a fast-growing food manufacturing company that prides itself in the customer relationships that fueled rapid and renowned success. While Ken's Foods was eager to continue its expansion based upon high customer demand, it found itself working with the same technology and processes for handling customer issues as when it first started selling products on a commercial level. More specifically, any time that a customer had a question or complaint, the customer service or sales team would need to contact the supply chain team in order to trigger a fact-finding mission. Where to find the information on an order was scattered between different people and digital locations, leading to increasingly delayed resolution times. Cari Talbot, Senior Director of Supply Chain, knew that change was necessary. So she and her team turned to Elementum, relying on its single source of truth and streamlined workflows to replace the company's old systems. The improvements were immediate and significant. No longer would multiple parties end up working on the same issue; the platform made it clear who was accountable for what action. This improvement reduced the company's average resolution time from 2-3 days down to 2-4 hours. Sales was able to focus on selling instead of untangling crossed wires with supply chain, and customer service was able to quickly respond to inquiries. Thanks to the improved efficiencies and ability to identify trouble areas in their supply chain, the company projected saving hundreds of thousands in chargebacks and penalty fees in the first year alone. Most importantly from a managerial perspective, all the involved parties, from production to delivery, began working together seamlessly to not just meet their customer demands, but also to maintain the company's reputation as a solid manufacturer and preferred partner.



Elementum is a very easy to use and understand platform that has a structure that allows for a quick learning curve. It brings together data that's more understandable for the average user."

- Shawn Nielsen, Global Sales & Operations Manager

Shawn Nielsen is the Global Sales and Operations Manager at Blue Diamond, a leading supplier of almonds and related products. Shawn was aware of shortcomings in his company's supply chain before COVID-19 arrived; however, the pandemic's on-set magnified every operational shortcoming, making it impossible to not notice the need for change. Shawn understood the high stakes he'd inherited during that time, and he wanted to be as smart as possible when enacting change. So, he chose Elementum to address some of the most common and pervasive problems facing his company's supply chain, in tandem with constructing a methodical CAPA-based approach for rolling it out as a solution. Supported by Elementum's Customer Success team and Blue Diamond's Oversight team, Shawn helped train 25 different users in identifying different incident types (8 overall, with 30 subtypes). These users then received training on creating incidents instead of emails, with feedback loops that reinforced the platform's ease of use and long-term benefits. The training evolved into a reliable process that allowed

employees to identify and report incidents from anywhere, at any time, with minimal effort. From there, the platform's analytics drove actionable insights that allowed leadership to address root causes and bring about corrective actions. This new supply chain process established a clear workflow that allowed the platform's users to identify 275 incidents in the first four months, and set about resolving them in a thorough and efficient manner. Shawn and his team, meanwhile, focused on creating a culture of participation, not perfection, that gave employees room to improve their incident-reporting skills over time. Eventually, they discovered that reporting an incident was as easy as writing an email—with all the benefits of data centralization. The data-driven results and cost savings associated with using Elementum—not to mention its quick learning curve—has Blue Diamond moving forward with plans to introduce Elementum to nine other departments within the company and external users, including co-manufacturers and co-packers. And as far as the story is told by numbers: Elementum decreased Blue Diamond's average incident resolution time by 60 percent, protected \$250K of revenue from that first CAPA alone, and increased customer satisfaction overall.



By driving peer-to-peer accountability, Elementum makes it very clear what action needs to be taken and who owns that action. With that increased accountability comes an increased resolution rate: a critical change in our company.”

- Cait Risacher, Manager of Planning & Logistics

Cait Risacher, Manager of Planning and Logistics at Vitamix, knew all too well that while her company's supply chain managed to do many things right by its customers, it also was suffering some serious setbacks due to an overall lack of visibility between teams and across the company. Limited transparency between the sales team and supply chain contributed to backlogged orders, while chronic component shortages lacked clear accountability and ate up employee time to resolve. Outdated methods for tracking and reporting incidents further confused communication and delayed resolution. Cait saw her team battling the same issues, over and over again, while also doing damage control for the infighting that occurred without clear accountability on exceptions. So she and her coworkers turned to Elementum, not only to help remedy these long-standing issues, but to help with the increased pressure brought by COVID-19. Management knew that in order to make roll out successful, it would need to be introduced to eight different functions overall: Demand Planning, Supply Planning, Buyers (Direct & Indirect), Logistics & Distribution, Sales, Product Management, Production Support and Lean. While training and gaining alignment between these various departments was a sizable undertaking, the benefits turned out to far outweigh the costs. Elementum's single source of truth transformed communication between teams. Instead of finger pointing and going on hunches in order to resolve issues, Vitamix could establish clear peer to peer accountability, while also owning actionable data, that allowed its supply chain team to swiftly resolve its most common exceptions. By operating at a higher capacity than before, Cait's team began to spend less time problem solving exceptions (both in meetings and individually) in order to start working on other critical issues. Ultimately, Vitamix was able to protect \$50M of revenue on high-impact incidents, redirect company resources towards creating more efficient workflows, reduce time spent solving part shortage issues, and stay abreast of a 20% increase in demand over forecast during the height of the pandemic.

Getting Started

Elementum is committed to empowering the change agents of the world and to helping supply chain organizations thrive in any environment. It takes less than a day to configure your account and does not require involvement from your IT team. You can be up and running within a week. Visit www.elementum.com to sign up for a demo, or email us at info@elementum.com.

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