

## Taking Cost Improvements to the Next Level

A major national manufacturer with 21 manufacturing operations and 53 distribution centers in the Southeast, Midwest, and Southwest with an eye on the inevitable future down cycles, has taken advantage of the current positive market conditions to implement a significant “next level” improvement program to improve compressible cost performance by 12%.

After completing a detailed strategic analysis of the business, a Kepner-Tregoe consulting team collaborated with the client’s leadership and project teams to structure and implement more than 230 projects to deliver the projected benefits over a two-year period. The projects touch every major aspect of the business including distribution channels, product supply, logistics, manufacturing process and engineering, plant maintenance systems, back office, and capital project implementation.

The Kepner-Tregoe team used proprietary Strategic Project Management<sup>SM</sup> (SPM<sup>®</sup>) processes and portfolio management techniques to build a project office system and ensure efficient resource balancing and management. At the mid-point of the two-year project, cost savings are ahead of the benefit curve and well on track to meet the goals.

“Kepner-Tregoe played a key role in the execution phase of the project. With over 230 separate initiatives, project and resource planning was a daunting task. The KT team helped us pull together a structured, logical program for managing the implementation.” — *Vice President of Operations and Project Sponsor*