



M+C McDaniel + Cullen
— SUPPLY CHAIN CONSULTING —

Sales: Dealing with Modern
Supply Chain Organizations

M+C

Our Approach



M+C is a team of supply chain professionals and thought leaders that successfully assess, design and implement supply chain value opportunities.

We are trusted advisors to our clients and bring holistic solutions.

We believe that People + Process = Value

We have deep industry experience

We believe that great analytical and commercial acumen skills differentiate the supply chain in your organization

Strategic Projects



Organization Capabilities



Implementation Support



Course Overview

Three Focus Segments

- Defining Modern Supply Chains
- Providing the Voice of Procurement
- Strategies to Navigate the new reality

An Experience Repository

- One Day Class- Interactive, short/simple group assignments
- Supply Chain Practitioners Perspective
- Q&A wrap up, presentation feedback

Discussion

- Providing Real World Examples
- Provide Insights for improving your engagements with Supply Chain

COURSE GOALS



Broadly Understand the Dynamics of Modern Supply Chain Organizations

- What is the Customer Supply Chain Organization trying to accomplish?
- What happens “Behind the Curtain” before and during the Supply Chain process?

Provide the Voice of the Procurement.

- What did I look for in Global Account Management?
- How to approach the Supply Chain organization?
- Learn the roles and objectives of everyone in the process.

Assessing the Maturity and Organization model of customer Supply Chain.

- Each customer is different, that presents a challenge and opportunity.
- Every conversation matters!
- Listening, proactive intelligence gathering, broader relationships base PLUS Technical skills.

The New Negotiating Behaviors in Supply Chain

What You Might Feel ...

“Sometimes we get very little feedback from our bid results from Procurement. How do we use the process to get more info about our competitors?”

“What do I do when I feel “frozen out” during the procurement process?”

“How do we succeed in a buyer market?”

“In the past, we just had to focus on the operations/business contact, now we aren’t sure who is making the decision.”

“We have great products, technology and service but they views us as a commodity.”

“Some customers are challenging our cost.”

Exercise

Example

At your table, quickly discuss where you think YOUR primary CUSTOMERS fit in the SC Maturity continuum and Organization Structure

Or,

Have your account managers review each key account in terms of their Maturity and Structure, and discuss challenges, issues, etc.

Searching for: Do you focus at the right level and on the right decision maker?

The Basics Of Sourcing and Category Management

The Backbone of a Modern Supply Chain Organization is the Strategic Sourcing and Category Management Process

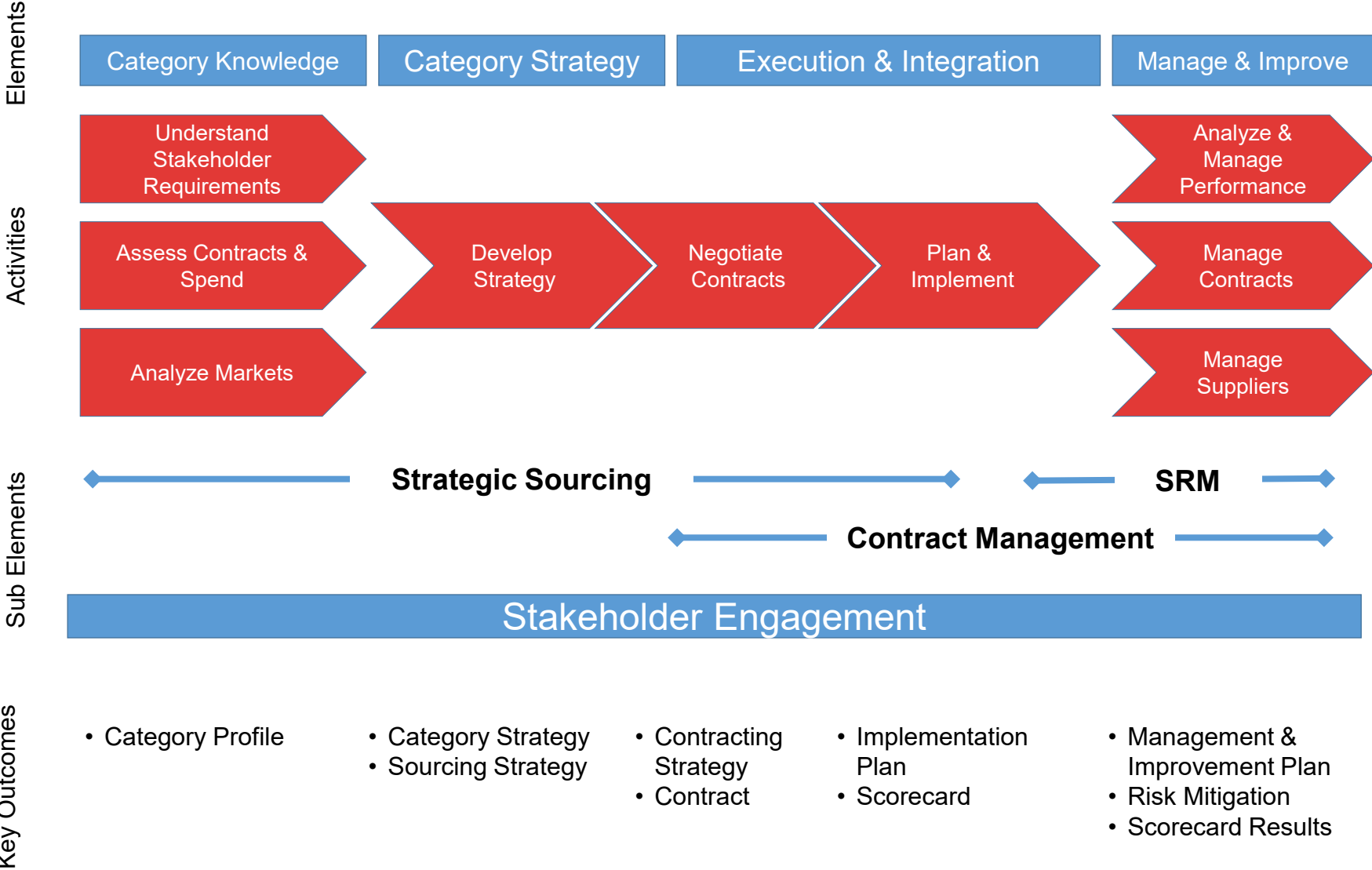


- What You Need to Know to Get Started

Category Management Framework

- The Supply Chain Language

Category Management



Supplier Performance Management – Know Where You Rank

CATEGORY SEGMENTATION

STRATEGIC

Attributes: High Criticality, Complexity and risk, High Collaborative Opportunities

Approach: Relationship Management (RM) + Performance Management + Contract Management **Executive Level Engagement**

PREFERRED

Attributes: High criticality, dependency and risk, Moderated collaborative value opportunities

Approach: Relationship Management + Performance Management (PM) + Contract Management. **Business Leader Engagement**

APPROVED

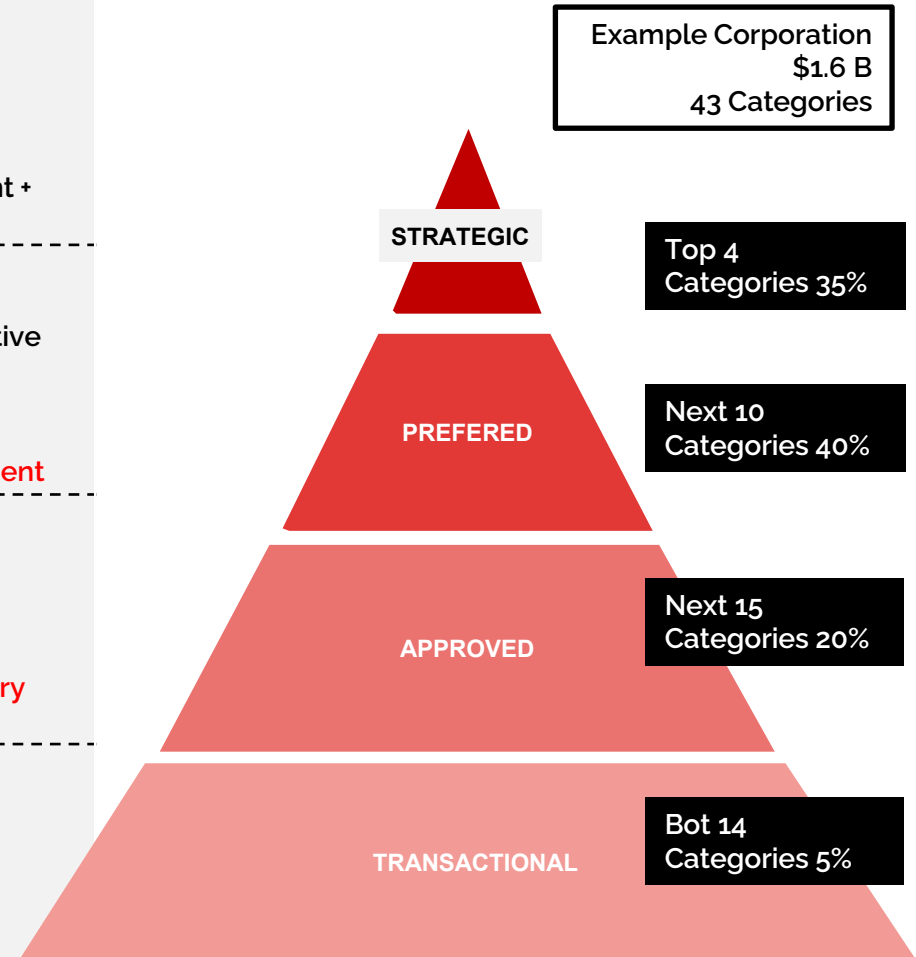
Attributes: Medium Criticality, low collaborative value opportunities
Medium – Low impact on switching

Approach: Contract Management + Performance Management **Category Manager or Local BU Engagement**

TRANSACTIONAL

Attributes: Low criticality. Low impact on switching suppliers

Approach: **Management by exception**



Prework Example

Description	Response	Additional Comments
Name of Individual(s) involved in this contract and are attending the session.		
Customer Name and Brief Description of the services provided		
1 = Responding to RFP 2 = Recently Awarded Contract 3 = In Run Phase 4 = Within 1 Year of Expiration		
S = Strategic P = Preferred I = Important T = Transactional		
Y / N If yes, please bring to session		
Y / N If yes, please bring to session		
Describe up to 3 key challenges when dealing with Customer or Contract Owner Focus on relations with the Procurement/SCM organization where applicable		
Level 1 They are tactical, operations make most decisions, I can sell around Proc, they mostly ask about "price, not value", their biggest value is getting you a PO Level 3 Somewhere in the Middle Level 5 Their CEO talks about their Supply Chain on the Analyst Calls, Supply Chain will engage on items beyond unit price (technology, service level etc), You view Category Manager as your key commercial contact in the customer organization		
D = Decentralized C = Centralized COE = Center of Excellence		

We have Learned

Customer Has Built

- Total Cost of Ownership Model
- Should Cost Model
- Analysts, Analysts, Analysts
- Supplier Segmentation
- Confusing Organizations
- Open door for value creation
- Open door for collaboration

Your Counter Measures

- Tell your value story better
- Know where you Fit
- Ask, Ask, Ask
- Improve your own analytics
- Take Opportunity to be a point of alignment in Customer
- Engage Your Own Supply Chain Group
- Understand & Improve your internal cost structure
- Map customer stakeholders, relationships for targeted discussions

Next Steps

- Questions and Clarification Discussion
- Agreement on level of Prewrite/Prep required
- NDA/CA
- M+C Proposal
- Timing & Location(s)