Gartner for Supply Chain

Supply Chain Strategy for Optimal Inventory

Industry: Construction

Revenue: Approx. \$3 billion

Employees: 2,500+



Mission-critical priority

The client's regional supply chains were not working in sync, which resulted in increased costs, excessive inventory and reduced profitability.



How Gartner helped

The client used:

- Supply chain maturity of its function to increase visibility into business needs.
- **Maturity assessment** to benchmarked its performance to identify gaps between its current and desired future state to develop a well-defined improvement plan.
- MTO strategy in one of its regional operations, achieving significant reductions in inventory and costs.



Outcome

With support from Gartner for Supply Chain, the client:

- Identified improvement opportunities and developed change strategies to upgrade organizational capabilities.
- Developed a well-defined improvement plan and projects needed to initiate the transition from MTS to MTO.
- **Piloted the new structure** in one region, achieving an \$8 million inventory reduction.

