

Teaching Old Dogs New Tricks

The human side of the
intelligent supply chain

Yves-Michel Marti

www.egideria.com

CIES, October 5th 2001

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View from the Supplier

The bidding



- Big automotive portail
- All suppliers bidding in real time
- In 6 hours, 10 M\$ supply was made
- A War Room,
 - ◆ CEO + Finance +sales + ops
 - ◆ Several computers to monitor the bid
 - ◆ Several computers for running cost models

Lessons learned

- Incredibly violent :
 - ◆ « Gladiators of the 3rd millenium »
 - ◆ « Completely confrontational »
 - ◆ « It is war »
 - ◆ « Fight for survival »
- Won because focussed not on item price cuts, but on global customer value
- Must have a perfect IT system
- Must have a motivated team
- Living on internet time

Implementation

- The CEO personally led the pilot team
 - ◆ For the global vision
 - ◆ For getting committment of all
- Used a consultant from a big 5 company
 - ◆ For buying competencies
 - ◆ « a bandit »
- The French pilot team will train the British team
- Now an SAP success story

View from the Distributor

Manage cultural change

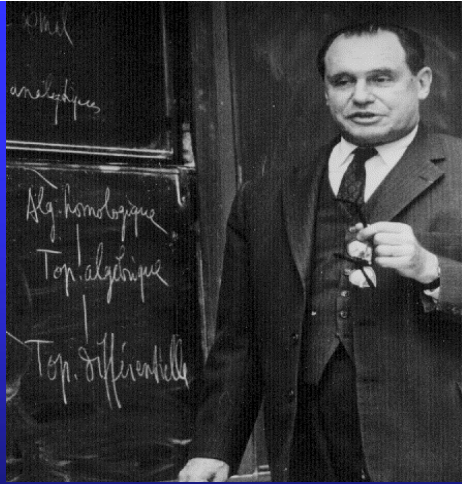
10% enthusiasts
(\$1 to convince)



10% hysterics
(\$1000 to convince)

80% don't care
(\$20 to convince)

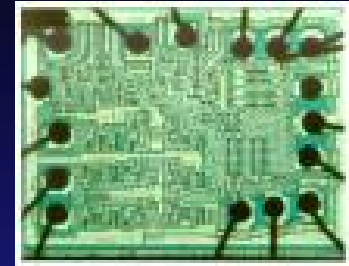
- What do you do if your budget is \$40 ?



Sharing Information

- BOURBAKI : A secret group that reshaped 20th century mathematics.
- Close friends, practical jokes
- Information sharing :
 - ◆ One writes.
 - ◆ Read aloud.
 - ◆ Violent collective bashing.
 - ◆ Rewriting is done by another.
- Innovation :
 - ◆ Ask young mathematicians to present outside of their specialty.

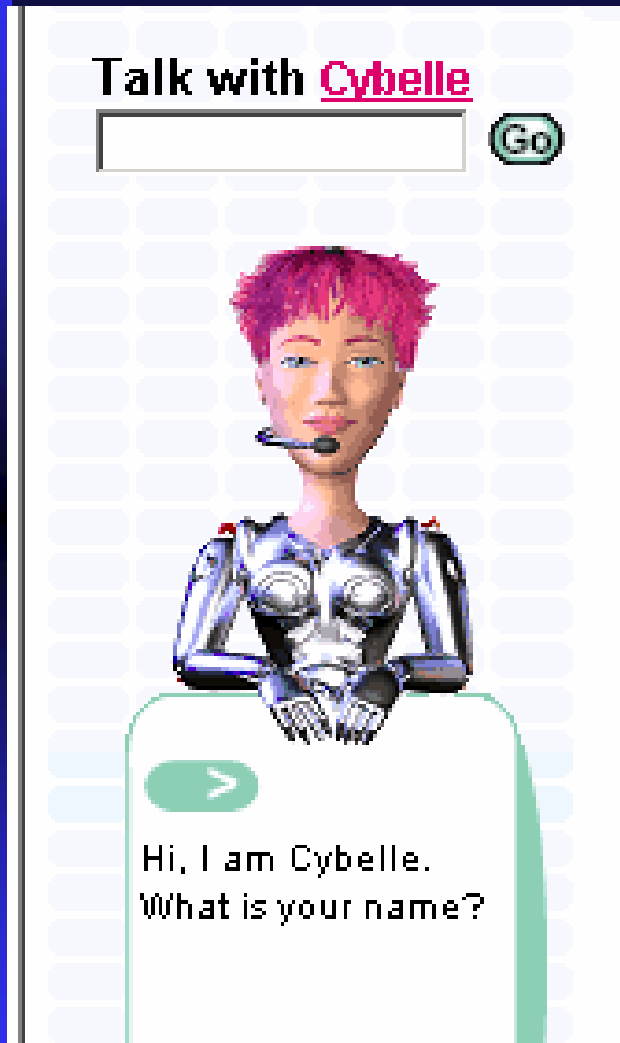
The intelligent chip will bring huge stress



- A chip on the product
- Will shift the flows of information
- Francis Bacon : information is power
- Winners : Customer, Back Office
- Losers : Store manager, Delivery man
- People in the organization will have less control of their lives and suffer more stress



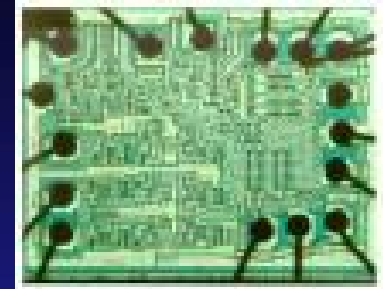
View from the client



I want to talk to a human being !

- Many web sites do not list a telephone contact
- Customer avoidance
- Good example : Xerox field technicians watch the customer and report

Don't treat me like some raw material !



- « We put a chip on the products ...
We'll put a chip on the customer »
- It's happening : Face recognition, CRM
- People are being treated like products
- Emotions make buy
- Storing data about customer emotion in their CRM file ?

Global View

Building trust networks

- Ram Ready : « Herding cats across the supply chain »
- The Moghol kings in India had 300 years of peace before the British
- Building trust
 - ◆ Exchange official spies (Hewlett Packard)
 - ◆ Flowery diplomatic letter writing between kings to prove affection (WalMart & Procter).



from Fighting cats

to Peaceful Maharajas