

CASE: Partnering Growth in a commodity-based manufacturing organization

About the Client:

The client is a commodity-based manufacturing organization with a standing of over three decades. The client has a turnover of around 70 Crore with 97% of the turnover coming from exports. The client has a vision of scaling the business to 500 Crore of which 50% is projected to be from the domestic market.

Key Challenge:

The founders recognized that the current organization structure and systems are not conducive for the business leap. They believed there was a need to rethink the organization's capabilities and processes. The question was who could such a perspective? And more importantly what is to be done? These questions were put to the AIRA Consulting team.

Engagement with AIRA Consulting:

AIRA Consulting deployed their proprietary research process – JWP. AIRA Consulting team researched current product capabilities, met customers to understand the perception of the client, undertook a tour of the factory to understand the client's strengths, made sales calls with the sales team to understand capabilities and studied internal reports and documents. The exercise led to the clear enunciation of the strengths and areas of concern for the client. AIRA Consulting suggested key process and organizational changes for the client. This involved:

1. Creating robust internal sales systems that are needed to manage the sales processes in a consistent way for the domestic business across customer segments of corporate sales and channel sales.
2. Creating a process of estimating demand in a highly fragmented commodity where there exists no structured data on the current potential
3. Ensuring that the organization is run more through structured processes instead of personal intervention by the founders
4. Release personal time of the founders to focus on the strategic issues while leaving the day-to-day operations to a set of professionals with clear accountability
5. Ensure the transfer of responsibility of operations still affords complete control on the business levers through a process of data collation across all business sections.

The Project:

The client believed that the roadmap adequately addresses the need to address the opportunities of the future. But putting all the recommendations into a workable plan and ensuring that the entire organization implemented it in the right way is the key to success.

AIRA Consulting was enlisted as a partner to facilitate this transformation. The 10-month project has three distinct phases:

- Phase I – Research
- Phase II – Solution
- Phase III – Handholding.

In phase I, AIRA Consulting undertook detailed research of all the current processes with a view to finding gaps and opportunities for the transformation. AIRA Consulting, therefore, recommended restructuring of processes and creating new ones where none existed.

In Phase II – AIRA Consulting developed robust processes and tools to address process gaps and process deficiencies. AIRA Consulting also designed a delivery map complete with milestones of visible changes that the client must experience transformation. AIRA Consulting is working with the leadership to integrate the process within the organization as also with the IT systems.

In Phase III – AIRA Consulting is actively involved with the founder team in the recruitment of key people, induction, and training of the people on the new way forward and the internal processes are institutionalized. AIRA Consulting frequently reviews the implementation of the processes with the founder team and irons out any glitches. AIRA Consulting is in the process of developing a top management dashboard to ensure all business levers are reflected at a certain periodicity. This would give confidence to the founder team to focus on strategic issues while leaving the operational issues to the team.

The client team is very confident of meeting the projected figures as outlined in the initial brief