

Six Sigma[®] Supply Chain Service

Do you know how much the **variance** in your supply chain is costing you?

What you don't know **can** hurt you...

Using a Six Sigma methodology and our proven statistical modelling tool, GRA can help you identify, minimise and control the variance within your supply chain, leading to cost savings and performance improvements.

The Six Sigma Supply Chain Service focuses firstly on reducing process variation and then on improving the process capability, leading to cost savings and customer service level improvements.

Benefits of GRA's Six Sigma Supply Chain Service

- ✓ Identifies the processes containing greatest variance
- ✓ Quantifies the variance
- ✓ Presents techniques to minimise and manage the variance
- ✓ Prepares a cost/benefit analysis for improvement
- ✓ Delivers significant cost savings during the project
- ✓ Improves the service level to your customers
- ✓ Transfers the knowledge to your team

= INCREASED ROI



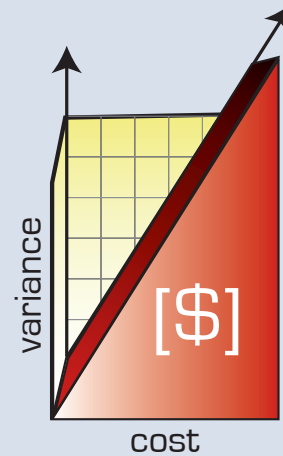
Six Sigma Supply Chain Service

Inventory can represent as much as 50% of the assets of a business. This extremely valuable investment is often subject to unrecognised and/or unmanaged variance. Inevitably, uncontrolled variance leads to significant financial losses and increased customer dissatisfaction.

Variance can be found throughout an inventory management system. Sources include:

- demand variance
- process variance
- supply variance
- cost variance
- constraint variance
- top down policies
- lead time variance

Just because something is variable doesn't mean it is not predictable and can't be planned for. Through improved variance management, GRA can help you unlock the additional value tied up in your supply chain. Unquantified variances cost your business money and customer satisfaction. **How much is it costing you?**



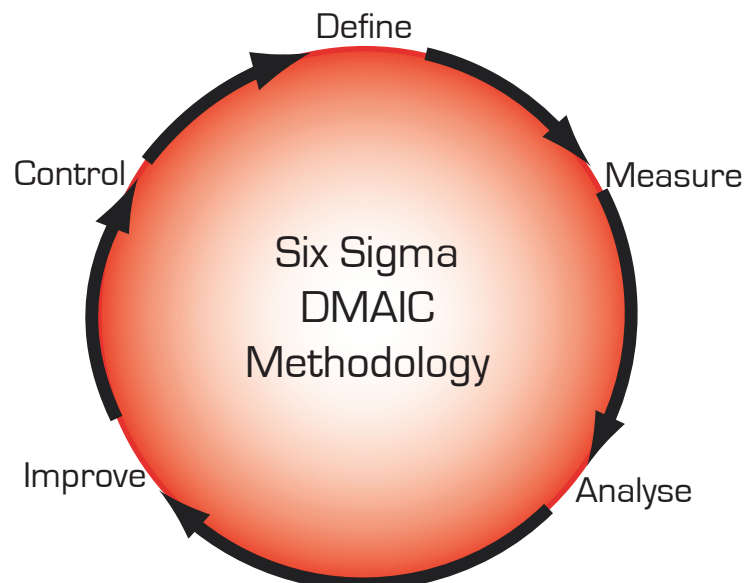
Case Study

A multi-national auto manufacturer came to GRA looking for ways to improve the imbalance in their inventory holdings. Using our Six Sigma Supply Chain Service, GRA found three major areas that needed to be addressed:

1 Their top-down **forecasting approach** was forcing error into the process causing the company to hold excess inventory.

2 **Promotional activity** was out of sync with supply creating demand that couldn't be satisfied. This led to sales opportunities being lost, and a warehouse full of inventory that couldn't be used.

3 Their **safety stock policy** was set by inventory class. This policy created excesses for some items and constant expediting for others.



REAL PEOPLE • REAL WORLD • REAL RESULTS

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Experts in Demand, Inventory & Supply Chain Optimisation