

SYNERGY 2009 Breakout Session

May 13, 2009

Jerome Gerber, Regional Vice President / Volt *along with Taylor Corporation* *Implementation in a De-Centralized Organization*

Strategic Sourcing Initiative:

- ... Setting strategy at a category level
- ... Strong collaboration w/key stakeholders like HR,IT R&D and facilities
- ... Had to SELL Volt to all of his subsidiaries

Wanted to find a supplier to national coverage and accomplish 80% of spend consolidated within 24 months.

Consulting to maximize the value

Consistency in recruiting, screening

Volt did a study on every company to show where they could help to be more consistent.

Volt asked for Taylor to tell them CLEARLY what they wanted. Using Six Sigma methods – Volt built a matrix that worked

- ... Better workforce planning / recruitment
 - o Time to fill on time delivery, staff to plan
- ... Program Management
 - o Wanted to be able to see what they were spending at the push of a button
 - Volt gave them the data they needed to assist in making quick, strategic decisions
- ... They wanted to be sure their temp employees were being well treated
- ... Site Specific Customization
 - o “Do whatever you need to do for the specific site”
 - o Made the sites feel unique and special
- ... Retention
- ... Communication
- ... Strategic Business Alignment

All of these initiatives are used on a quarterly review as their matrix.

There was a core group who were part of the steering committee. They were the stakeholders.

- ... HR
- ... Procurement
- ... IT
- ... Operations
- ... Legal
- ... Hiring Manager

Volt designed communication directly for each of the stakeholders. Customized communication included Webinars, Six Sigma training, OSHA certification to name a few.

It was important to Taylor that Corporate was the first to implement to program and create the champions at corporate with Volt not having offices in Mankato.

That was phase ONE – top 3 locations.

Phase 2 was 40 locations using Volt’s offices.

Phase 3 was that Volt had to use partner suppliers for locations where they didn’t have offices.

Phase 4 – Europe

*The phased approach was the key to success.

It was about changing the mind-set and a new way of doing business. After realizing the difference in the work/value – the stakeholders came on board.

- ... Build a guiding coalition
- ... All stakeholder must be involved at every level
- ... Ensure the right balance between key business needs
- ... Do NOT think that everyone can do this –
- ... Do NOT expect perfection
- ... Not every organization is ready for this kind of transformation
- ... Do not play the blame game

Volt and Taylor have a solid engagement.

- ... Project champions
- ... Executive advocacy
- ... Open communication and respect
- ... Adaptability
- ... Embrace change
- ... Allocated IT and accounting resources
- ... Support in gathering Taylor information

Q&A

Q. The suppliers that Volt partnered with – did Volt handle the negotiations or did Taylor?

A. Volt did but Taylor was involved and told them that they had to work with Volt.

Q. On the background checks – did Taylor dictate?

A. Yes – HR was specific to what was wanted for background and for drug testing.

Recommendation – mirror your own internal hiring practices for background and drug testing.

Q. Who pays for this?

A. It’s a direct bill to the customer.