



## Public Utility Supply Chain Technology Roadmap

### Highlights



- Aligned business and technology initiatives through a unified Supply Chain Technology Roadmap
- Prioritized Supply Chain initiatives and documented key dependencies and timelines over a three-year time horizon
- Developed business cases documenting expected business benefits used to justify budget allocations
- Achieved broad executive and business support for the Roadmap developed in an accelerated 10-week engagement

**The Challenge:** Facing a general rate case review, the supply chain and IT organizations of a major utility needed to develop a comprehensive business and IT plan to support budget requests related to the development of operational capabilities. Spinnaker was engaged to facilitate the development of a comprehensive Supply Chain Technology Roadmap that:

- Prioritized potential business capability improvements
- Outlined technology solutions required to support these improvements
- Laid out the three-year plan to evolve its business capability through a series of technology programs and projects

The scope of the effort included all supply chain processes across the following functional areas:

1. Supply Chain Planning
2. Sourcing & Procurement
3. Logistics & Warehousing
4. Reporting & Metrics

The client needed to develop and approve the roadmap in a compressed timeline in order to meet regulatory review milestones and turned to Spinnaker to help execute the project in an expedited fashion.

**The Approach:** Over a period of 10 weeks, Spinnaker and a core team of client associates engaged in a formal planning process to develop the Supply Chain Technology Roadmap. The

approach leveraged standard Spinnaker methodologies that were customized to suit the specific functional and organizational requirements of the client.

- 1. Capability Identification:** Leveraging industry models and internal expertise, the team developed a capabilities framework to identify and describe core supply chain processes relevant for the client's business.
- 2. Capability Assessment:** The team solicited input from the supply chain organization and internal customers via a series of guided workshops. During the workshops, the participants identified and prioritized functional pain points and assessed process maturity using an interactive, web-based meeting facilitation tool.
- 3. Roadmap Development:** Based on the output from the workshops, the core team and supply chain leadership prioritized capability areas for development, identified key supporting technologies, and developed a sequenced roadmap of technology initiatives.
- 4. Review and Approval:** The team presented the sequenced roadmap, including preliminary budget estimates, to senior management for approval prior to inclusion in the client's rate case.

**The Solution:** The Supply Chain Technology Roadmap laid out a series of initiatives across Supply Chain Planning, Sourcing & Procurement, Logistics & Warehousing, and Reporting & Metrics over a three-year time horizon. Key business process and technology milestones were identified for each, and dependencies among the different initiatives were identified. Seven major capability initiatives were identified including:

1. Basic Planning
2. Advanced Planning
3. Warehouse Management
4. Mobile Track and Trace
5. Operational Procurement
6. Strategic Sourcing
7. Reporting

For each initiative, the Strategic Objectives, Issues Targeted, Benefits Delivered, and Technology Implications were identified and utilized to support the client's internal business case requirements.

**The Results:** The project delivered a comprehensive Supply Chain Technology Roadmap and key inputs into the client's upcoming General Rate Case and 2010 Operating Plan. Additionally, the following project objectives were achieved:

- Successfully developed the business cases and acquired funding for the first wave of improvement projects
- Utilized the Supply Chain Technology Roadmap to align technology initiatives with specific business process objectives
- Identified critical relationships and dependencies among programs and projects
- Involved a wide range of business and IT stakeholders in the process of developing the


- roadmap and obtained wide-ranging organizational alignment behind the result


Spinnaker continues to work with this client to provide program management, supply chain best practice alignment and program management support as the individual improvement projects are implemented.

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**About Spinnaker:** Spinnaker is a supply chain services company that helps clients grow, manage risk, reduce costs, and improve customer service by developing world-class supply chain capabilities. Our services help clients develop the right supply chain strategy for their business challenges and implement the process and technology solutions to improve Demand/Supply Planning, Procurement and Sourcing, Logistics and Warehousing, and Reverse Logistics business performance. Spinnaker offers a unique service delivery model that combines the strength of deeply experienced management and technology consultants with a seasoned team of business process outsourcing (BPO) and 3rd-party logistics (3PL) professionals. Founded in 2002, Spinnaker has offices in Boston, Columbus, Denver, Houston, Memphis, Pittsburgh, London, and Singapore.

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