

How to Create a Future-proof Logistics Target Vision

From Strategy to Results in Four Steps

Customer Case Study

How to Create a Future-proof Logistics Target Vision

General Background

From strategy to results in four steps

Volatile customer demands, the pressure of the competition, and the need for cost reductions determine the logistics market environment. Logistics managers are required to define a strategic direction to refine own competitive advantages. We were asked by a client from the telecommunications industry for assistance in creating a Logistics Target Vision addressing three major challenges: the **adaption of logistics processes and supply chain setups** to meet customer and modern best-practice requirements, the **integrative harmonization** of legacy and current logistics IT, and a **proactive change management** within the logistics organization.

Based on a true client case, we want to outline how the process from a first capability evaluation to a feasible roadmap for a Logistics Target Vision can be created. Learn how Camelot developed a future-proof Logistics Target Vision with our four-stage strategy project approach:

From strategy to results in four steps:

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1 Step 1: Transparency creation

In the first of the four steps of the Camelot approach for a Logistics Target Vision, it was all about creating transparency. Together with our client, we assessed current processes and identified potentials.



FUTURE REQUIREMENTS

We reviewed the current business strategy, assessed the market requirements as well as brought in best-practices and future trends to determine their impacts on supply chain and logistics. Conducting surveys and interviews helped our client understand customer requirements.



FIT GAP ANALYSIS

The main goal in this phase was to quickly identify gaps between our client's current and future business capabilities. Therefore, we compared their future requirements with the final results of the transparency phase. In addition, a holistic logistics assessment can form a part of this phase.



TRANSPARENCY ON THE CURRENT SITUATION

The following topics were subject of the review:

1. Business processes incl. overall cost and performance situation
2. Flow and volume analysis with our in-house developed Camelot Logistics Analyzer incl. infrastructure and assets
3. IT landscape and master data management
4. Organization with roles, responsibilities, and resources

Step 1 deliverables

Having completed this step, we identified future market demands and requirements, understood our client's capabilities, and determined which gaps needed to be closed or further strengthened.

2 Step 2: Definition of strategic directions

In the second phase, we defined the strategic directions: the framework that would guide our client into the future. The individual characteristics of the different organizational units were taken into account.



STRATEGIC OPPORTUNITIES

Previously identified gaps were matched against our Camelot Maturity Model. As a result, we created an opportunity overview and the strategic directions. Increased flexibility for B2C deliveries and the re-design of the IT architecture towards an integrated system landscape formed part of the strategic opportunities here.



ENVISIONING WORKSHOPS

The goal of this phase was to develop the recommendation for the strategic directions. This was developed through a series of envisioning workshops based on the strategic opportunities created. This process outlined the potential benefits of selected opportunities. This included initial strategic options, and critical decisions to be addressed in the following design phase. It was key to focus on the most important strategic decisions and not be distracted by incremental process improvements.

Step 2 deliverables

At the end of this phase, a recommendation for these strategic directions, including strategic options and expected benefits, was developed to obtain top management approval before proceeding to the design phase. Relevant open key decisions and issues were listed in an initial prioritized backlog.

3 Step 3: Target picture design

In the third phase, the previously created strategic directions were further transformed into target pictures – the core elements of the Logistics Target Vision. This was achieved by following an agile approach that allowed flexible re-focusing of workshop objectives according to the resulting outcomes.



TARGET PICTURE DESIGN WORKSHOPS

In the design workshops, we identified and evaluated key design and solution options to realize the strategic directions. In a collaborative approach involving representatives from all business units, the target picture elements for the future system architecture, a streamlined distribution network, and an improved service partner strategy as well as the logistics operating model were developed.



DECISION WORKSHOPS

Based on the target picture design, critical design questions had to be addressed. These were needed to align with the targeted future business capabilities. Here, for example, the focus was on omnichannel aspects and flexibility in the delivery service to achieve the required customer centricity as well as greater independence from external logistics service providers. We supported this task with cross-industry best practice examples, pragmatic first-hand experience and expert advice.

Step 3 deliverables

With the completion of this phase, the Logistics Target Vision of our client was outlined to support the required capabilities with a modular logistics process, a future-ready system architecture same as the to be logistics operating model.

4 Step 4: Development of the implementation roadmap

In the fourth and final phase, we broke down the created Logistics Target Vision into feasible implementation steps.



ROADMAP DEVELOPMENT

In creating the implementation roadmap, the measures developed were consolidated and prioritized as well as adjusted according to the identified dependencies. To accelerate the achievement of the targeted business impact, possible MVP (Minimum Viable Product) states were defined for processes, systems and applications.



BUSINESS BENEFIT EVALUATION

With the input created from the design workshops and the external expertise provided, an integrated business impact evaluation was created together with logistics and financial controllers. This outlined the high-level cost and service benefits as well as the expected effort to achieve board approval.



PROJECT SUMMARY

In a final step, we summarized and documented the findings and recommendations for the Logistics Target Vision. In addition, we advised on the next steps for implementation as well as the necessary change management to achieve the targeted transformation. This was presented to and approved by the client's executive board.

Step 4 deliverables

After having completed all four steps, a roadmap of prioritized implementation activities with a high-level business benefit calculation was created. The project results and recommendations towards the implementation and change were documented and management approval was given.

Realized results – key facts

Overview of selected customer benefits achieved based on the created Logistics Target Vision:



Camelot Management Consultants

We are a global management and technology consulting firm focusing on value chain management. Our mission: turning our clients' value chains into a competitive advantage and creating lasting impact where our clients need it most. By combining our industry focus, value chain process expertise, and technology know-how, we guide our clients from strategy to sustainable technology adoption.

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Why CAMELOT

- Expert for logistics and value chain management with first-hand industry experience mastering logistics challenges.
- Integrated consulting approach, supporting clients from strategy, business processes, and IT
- Our fit-gap analyses and logistics assessments are supported by self-developed tools like the Camelot Logistics Analyzer to generate insights faster.

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