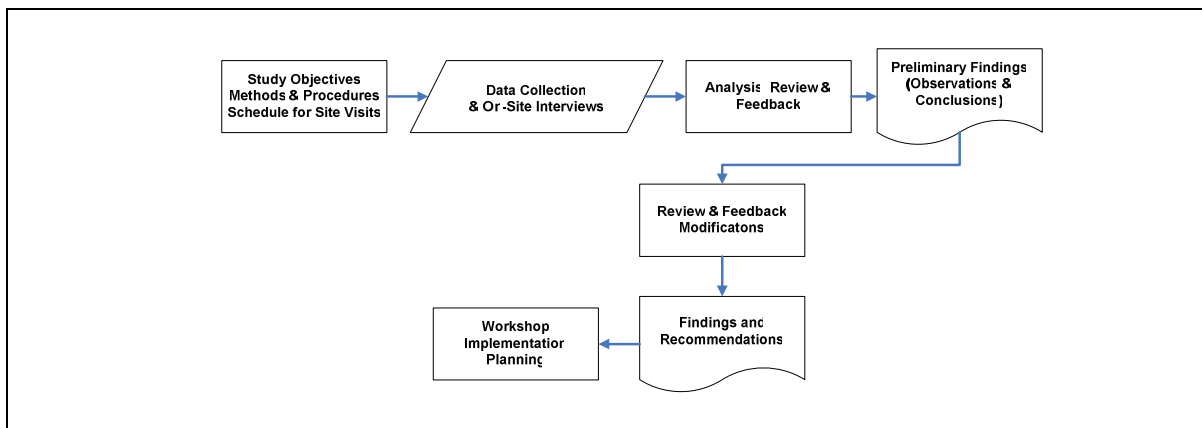


Case Study **Delphi Indirect Material Management Program**

Client	Setech (Delphi)
Locations	Delphi North American Production Facilities
Department	Process Control & Logistics, Purchasing
Project	Assessment of Indirect Material Management (IMM) at 21 manufacturing sites
Deliverable	Report of findings, workshop, recommendations, implementation
Participants	Setech management & site staffs; Delphi maintenance, purchasing & finance
Staffing	Principal, cost analyst
Duration	Twelve Weeks
Implementation	Reorganization of Setech staff; validation of Delphi business case

Background Delphi's finance department built the business case for Setech to acquire the company's mro inventory and operate & staff the IMM program for general stores. At the local level, implementation issues dogged the program. The study, funded by Setech at Delphi's suggestion, was designed to identify shortcomings in the rollout process.

Approach MartinCompany involved Setech and Delphi management in the study design, data analysis and interview questionnaires. The Delphi statement of work and Setech's reporting systems and communications processes were scrutinized for gaps and disconnects. Findings and recommendations were developed with Setech executives for a workshop with Delphi management.



Hurdles Delphi's corporate finance, PC&L and purchasing staffs developed the statement of work. The expectations of their counterparts at production facilities were not fully integrated into the SOW. Setech's staff orientation, skills and training was hard pressed to offset the departure of long-term Delphi employees in key positions .

Benefits Local facilities input was recognized and incorporated into the recommendations. Setech's staff matured in the position and the report helped them understand issues and expectations at the plant level. At the corporate level, the limitations of the business case were exposed and countermeasures implemented to boost support for the cost-reducing aspects of the program .