



## COMMUNICATION CONUNDRUM

### **Abstract**

When you're a leading Australian telecommunications firm serving millions of customers, stock availability is critical but excessive inventory should be avoided. That's why Infosys Portland helped design and implement comprehensive sales and operations planning processes and helped the client reduce inventory levels with no negative service impacts

Infosys Portland's client is a leading telecommunications firm in Australia. It provides fixed and mobile telephony, internet, and cable TV access to over 10 million customers, and has revenues of over AU \$9 Bn.

## A problem of excessive stock

The client has a large network of franchise outlets through which it sells its communications devices and services to businesses and consumers. However, planning processes across the multiple sales channels were not robust and data integrity was a significant issue. Due to this, multiple retail and warehouse locations

were carrying excessive stock levels, and the franchised dealerships suffered from poor service levels.

The company had low visibility into the stock levels and little ability to optimize. There had been many previous attempts to identify improvement opportunities but none of them led to any significantly

positive uplift. In addition, a significant quantity of redundant stock was being written down each year. In an attempt to get a grip on these challenges, the firm turned to Infosys Portland for help with developing a robust sales and operations plan.

## Diagnosing and delivering

An Infosys Portland team conducted an inventory diagnostic for the client using an optimization tool which quickly identified surplus stock. As an early outcome, the client organization immediately cancelled and saved AU \$5 Mn worth in surplus stock. The tool also helped quantify the ideal levels of inventory — by stock keeping unit (SKU) and location — to achieve the desired

levels of service and identify the 'size of the prize'.

Concurrently, the team also conducted a supply chain planning capability assessment which rated many of the processes as lacking maturity. Based on the learnings from this assessment, the team developed a new sourcing and operations planning (S&OP) process across multiple

divisions and created S&OP reporting, training material, and a pilot plan for roll-out of new processes. In addition, the team provided several specific recommendations to improve the client's management of stock in retail channels, in both company-owned and franchised outlets.

### Inventory management tool use to identify surplus stock

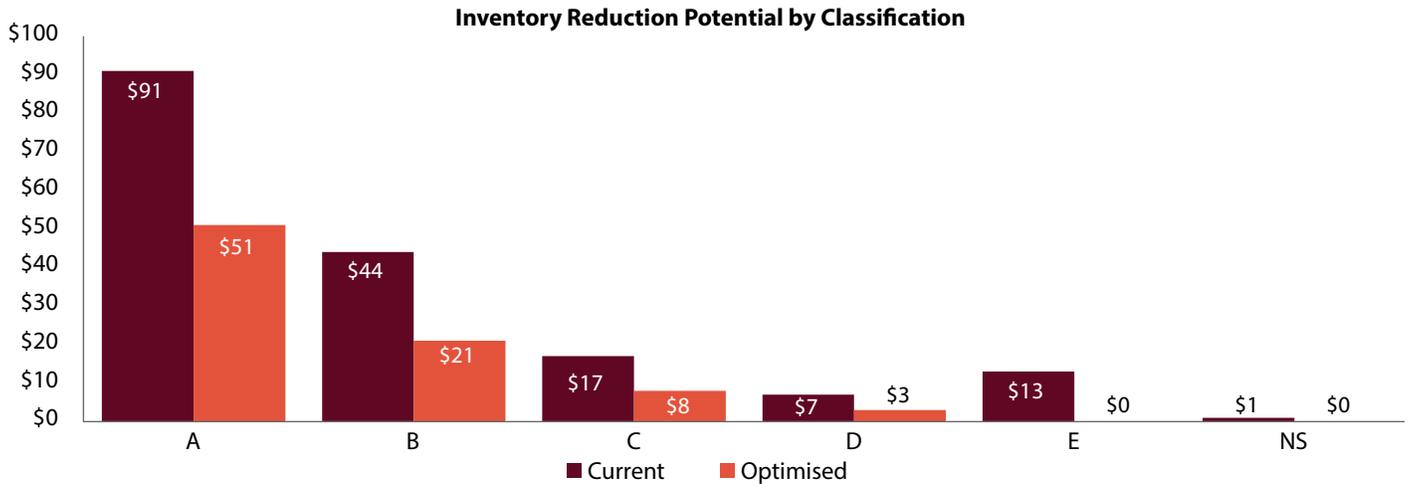


## Planning that works

The Infosys Portland team's comprehensive S&OP process redesign spanned multiple divisions of the client organization. Its implementation was a huge success. With the new, improved planning

processes, the client was able to greatly reduce inventory whilst also improving customer service and reducing stock write downs. These outcomes are a great testament to how an agile consulting team

with in-depth domain expertise can tackle complex challenges and deliver significant business outcomes.



## About Infosys Portland

Infosys Portland is a subsidiary of Infosys BPM Ltd., a part of Infosys Ltd. Its mission is to improve the efficiency and effectiveness of its clients' procurement and supply chain activities. We achieve this by providing thought leadership, specialist subject matter expertise, a global delivery model, and best-in-class technology solutions. By increasing the value delivered and improving the of procurement and supply chain operations, our clients are able to achieve more for less.



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