

# Target Operating Model Strategic Assessment & Roadmap – Client Citations



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*You Think, We Deliver*

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A woman with long dark hair, wearing a bright yellow long-sleeved sweater and a large black wide-brimmed hat, is smiling and looking to her right. She is holding the brim of her hat with both hands. The background is a solid light blue color. The image is positioned in the lower-left quadrant of the slide, which has a background of four colored rectangles: pink (top-left), yellow (top-right), lime green (bottom-left), and red (bottom-right).

# Agenda

- Global Chemical & Polymer Distributor
- Automotive Tier 1 Supplier & Distributor of EV Batteries

# Target Operating Model Transformation & ERP Modernization Strategy

- Client Citation : Global Chemical & Polymer Distributor

## Context

**Client Profile:** A \$2.5B global distributor of commodity chemicals and engineering polymers. The client procures bulk raw materials (monomers, solvents, resins) from major petrochemical refineries (e.g., Dow, BASF, LyondellBasell), performs light manufacturing (blending, repackaging into totes/drums), and distributes to diverse industrial end-users.

**Engagement Title:** Target Operating Model Transformation & ERP Modernization Strategy.

## Business Problem

**Fragmented Landscape:** Four M&A-driven legacy ERPs and spreadsheet-based planning replaced end-to-end visibility.

**Inventory Blindness:** No global inventory view, trapping working capital through regional overstock and stockouts.

**Margin Leakage:** Absent lot-level landed cost visibility led to selling below replacement cost amid volatile commodities and freight.

**Compliance Risk:** Manual SDS and REACH management increased regulatory exposure across regions.

## Approach/Solution

**Approach:** Delivered an 8-week, "Business-Context-First" strategic assessment.

**Global Process Mining:** Led cross-region workshops (US, EU, APAC) to map Quote-to-Cash and Procure-to-Pay, with deep focus on formula management and bulk-to-pack conversions.

**Cost-to-Serve:** Modeled route-level profitability to pinpoint logistics-driven margin erosion.

**Architecture Strategy:** Evaluated consolidation of four legacy ERPs into a single Tier-1 cloud platform versus a two-tier ERP model.

## Deliverables/Outcomes

**Operating Model:** Built a centralized Global Supply Chain Hub—centralized procurement to unlock buying power, with regional execution for speed and compliance.

**ERP Fit/Gap:** Exposed key ERP gaps in potency-based pricing and HazMat logistics traceability affecting margins and compliance.

**Vendor Strategy:** Shortlisted SAP S/4HANA vs. Dynamics 365, supported by a clear TCO-driven decision framework.

**Roadmap & Value:** Defined a 3-year, \$15M transformation, prioritizing North America Financials & Inventory to capture \$4M in near-term working-capital gains.

# Demand-Supply Synchronization & Inventory Optimization Strategy

## – Client Citation : Tier 1 Electric Vehicle (EV) Battery Logistics

### Environment Context

**Client Profile:** A leading Tier 1 automotive supplier acting as the mission-critical link between global Lithium-Ion battery cell manufacturers and North American Electric Vehicle (EV) Original Equipment Manufacturers (OEMs). The client manages the high-value procurement, specialized hazardous material (HazMat) warehousing, and Just-In-Time (JIT) sequencing for battery packs to the OEM's final assembly gate line.

**Engagement Title:** Demand-Supply Synchronization & Inventory Optimization Strategy

### Business Problem

**Inventory Bloat:** High-value EV battery safety stock inflated the balance sheet, trapping hundreds of millions in working capital.

**Sync Gaps:** 30-day OEM forecasts were undermined by gate line jitter and last-minute sequencing changes, misaligning warehouse inventory.

**Lead-Time Risk:** Volatile international transit plus zero-downtime JIT demands forced chronic over-buffering.

**Profitability Exposure:** As inventory owner, the client carried full valuation risk—making inventory turns the primary profitability lever.

### Approach/Solution

**Approach:** Executed an 8-week “Synchronized Flow” assessment to align production, inventory, and logistics.

**End-to-End Visibility:** Mapped the gate line-to-grid digital thread—linking OEM production schedules to WMS and battery supplier shipping plans.

**Buffer Diagnostics:** Analyzed 12 months of plan vs. actual data to expose safety stock used as a workaround for poor visibility.

**Flow Redesign:** Led cross-partner workshops to shift from push-based replenishment to pull signals driven by real OEM consumption.

### Deliverables/Outcomes

**Control Tower TOM:** Implemented a real-time control tower ingesting OEM production signals directly into procurement, eliminating manual planning.

**ERP Fit/Gap:** Exposed gaps in sequence-to-order and real-time OEM connectivity, requiring **TMS/YMS integration**.

**Inventory Optimization:** Deployed a dynamic safety-stock model driven by live transit and forecast accuracy.

**Roadmap & Impact:** **Phased** cloud visibility rollout delivering 22% inventory reduction (**~\$45M released**) while maintaining **99.9% JIT reliability**.