

Session 2A

Implementing a Successful CMS Program: Understanding Corporate Culture and Change Management

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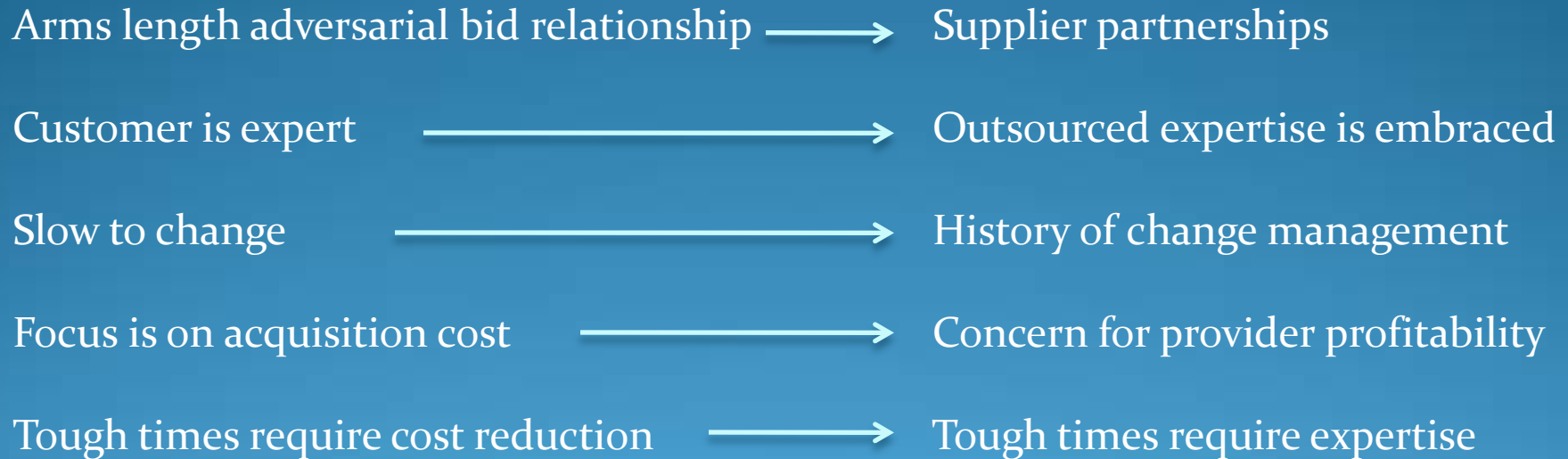
Will CMS work for my company?

Three important components to evaluate how well CMS may work for your company:

1. Self assessment of the company culture towards change
2. Evaluate the feasibility of CMS using quick indicators
3. Develop the business case for improving chemical management

Self assessment of the company culture

Implications for introducing and implementing a CMS program



More Difficult → *Easier*

Evaluate Feasibility of CMS: Initial Indicators

Key Data to Collect

- Chemical Purchases
 - Company spend on chemicals
 - # of purchase orders
 - # of suppliers
- Degree of sourcing flexibility
 - Sole source/regional/any vendor
- # of FTEs that touch chemicals
- Logistics costs
 - Warehouses, transportation, on-site mgmt

Evaluate Feasibility: Other Indicators

- Customer stakeholders must be considered
- Program should have buy-in on the front end and at all levels
- Identify and Share
 - Drivers
 - Priorities
 - Goals
- Cost Assessment
 - Item price only?
 - Item price and use-volume?
 - Total cost is accepted?
 - Internal costs and total cost is accepted?

Develop the Business Case

- Does the level of services and support match an acceptable program cost?
- Does the total of products and/or numbers of products justify a program?
- Is there urgency to act?
- Is there commitment throughout the company?

Based on a customer's self-assessment, a program can be rapidly implemented that is based on capabilities and mutually developed with the cost offset by the value.

Questions & Answers