

We set up an offshore “center of excellence” to outsource all supply chain functions of a \$100 million portfolio company leading to huge operations cost savings

About the client

A US-based leading Kitchen and Bath Remodeling company with revenue in excess of \$100 million dollars.

Client situation

The client needed complete outsourcing of all of its key supply chain functions like Procurement, Design, Bill of Material preparation, Buyouts, Direct buying, Vendor Management and Financial Audits

Our Solution

We conducted an elaborate knowledge transfer process from onsite. It comprised Magistral’s proprietary process of knowledge transfer with steps like SOP preparation, SOP sign-off, dry run, wet run, meeting SLAs and process stabilization. This process takes care of any hiccups that may occur in terms of quality and timelines arising due to new resources and processes.

The team of 20+ analysts along with a Manager and a Senior Manager helped in

- Preparing BoM for all its B2C projects related to Kitchens, Bathrooms and Home interiors
- Creating the buyouts-ordering the exact amount of material required on-site for a specific job
- Audits as per the retail price guide and calculate the discount percentage
- Kitchen and bathroom re-facing solutions
- Creation of field measure drawings via SketchBook
- All indirect procurement activities
- Financial audits
- FP&A

Outcomes

- Successfully delivered 4000+ projects on bathroom solutions, 2500+ kitchen refacing, 2000+ audits, and 1500+ field measure drawing
- Error-free buyouts were generated and reviewed from time to time to provide more efficient audits
- Material cost reduction in the tune of more than 20% due to effective procurement policies
- Engineering manpower cost reduction in the range of 60-70%
- Quality improvements from 10% rejections to 4%

