



## Exceptional Leaders International

### SUCCESS STORY

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## Building Products Company Improves Operational Efficiency

### BACKGROUND

The decision to file Chapter 11 Bankruptcy can be painstaking in itself, and the navigation through bankruptcy and out the other side is a journey best taken with a trusted partner who can help guide the business back to success. The client in this success story was a publicly held, clinical stage, life science biopharmaceutical company. Their focus was on the discovery, development, and commercialization of radiopharmaceutical products for use in diagnostic imaging and treatments in oncology.

### SITUATION

The goal was to improve operational efficiencies in both manufacturing and distribution. The company wanted to better understand their current IT situation as well as the potential benefits of moving from older proprietary technology to a modern manufacturing and distribution system.

Using extensive lean-six sigma manufacturing experience and a deep understanding of modern Enterprise Resource Planning (ERP) systems, the E.L.I. Partners' first step was to evaluate the client's use of information technology. Was the current system properly supporting current needs? Could it support future needs? To find out, the E.L.I. Partners applied a comprehensive analysis of IT strategy, process model, application architecture, infrastructure, operations, and organization.

What they found was a huge opportunity. The E.L.I. Partners' detailed financial model projected that, under the most conservative assumptions, the company could realize a potential savings of hundreds of thousands of dollars per month in operational efficiencies.

### SOLUTION

The E.L.I. Partners guided the client through selection methodology focused on articulating and, more importantly, validating their specific business-critical needs for the upgrade. There would be cultural and operational changes, and the E.L.I. Partners ensured the client was aware of the nuances upfront. A detailed Request for Proposal was developed with more than 2,400 requirements spanning 52 major processes. Working closely with the executive team, the E.L.I. Partners guided the evaluation of each bidder's proposal, resulting in the optimal selection of an ERP application. After the selection, the E.L.I. Partners assisted the client in negotiating the contracts and obtaining significant discounts on the software and implementation contracts.

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Other solutions included:

- Negotiation with multiple vendors of software, hardware, implementation services, and hosting services.
- Creation of a governance structure and a program management office to oversee the successful implementation of the program.
- Selection of a customer implementation team and training in project management leading to approximately a dozen of the clients personnel becoming certified as Project Management Professionals by the Project Management Institute.

## RESULTS

Subsequent feedback from the client a year after the implementation confirmed that the benefits had exceeded the E.L.I. Partners' conservative payback projections. The selection of SAP as the base ERP system was completed, and the E.L.I. Partners were able to successfully implement the financial and distribution systems in approximately seven months across the entire geography. A second phase of the project involving the manufacturing operations began immediately afterwards and was successfully completed in approximately 20 months with a complete outsourcing of the systems hosting and management. And the ROI envisioned in the financial modeling done as part of the assessment was more than doubled in actual fact post-implementation leading to a less than 16 month payback of the system.

*This success story took place before the referenced E.L.I. Partner joined E.L.I. It is used here as an example of the types of services we offer and to display the experience and talent of the E.L.I. Partner. The formation of E.L.I. was driven by a desire to bring multifunctional expertise together in one firm.*