



Gartner for Supply Chain

Supply Chain Strategy for Optimal Inventory

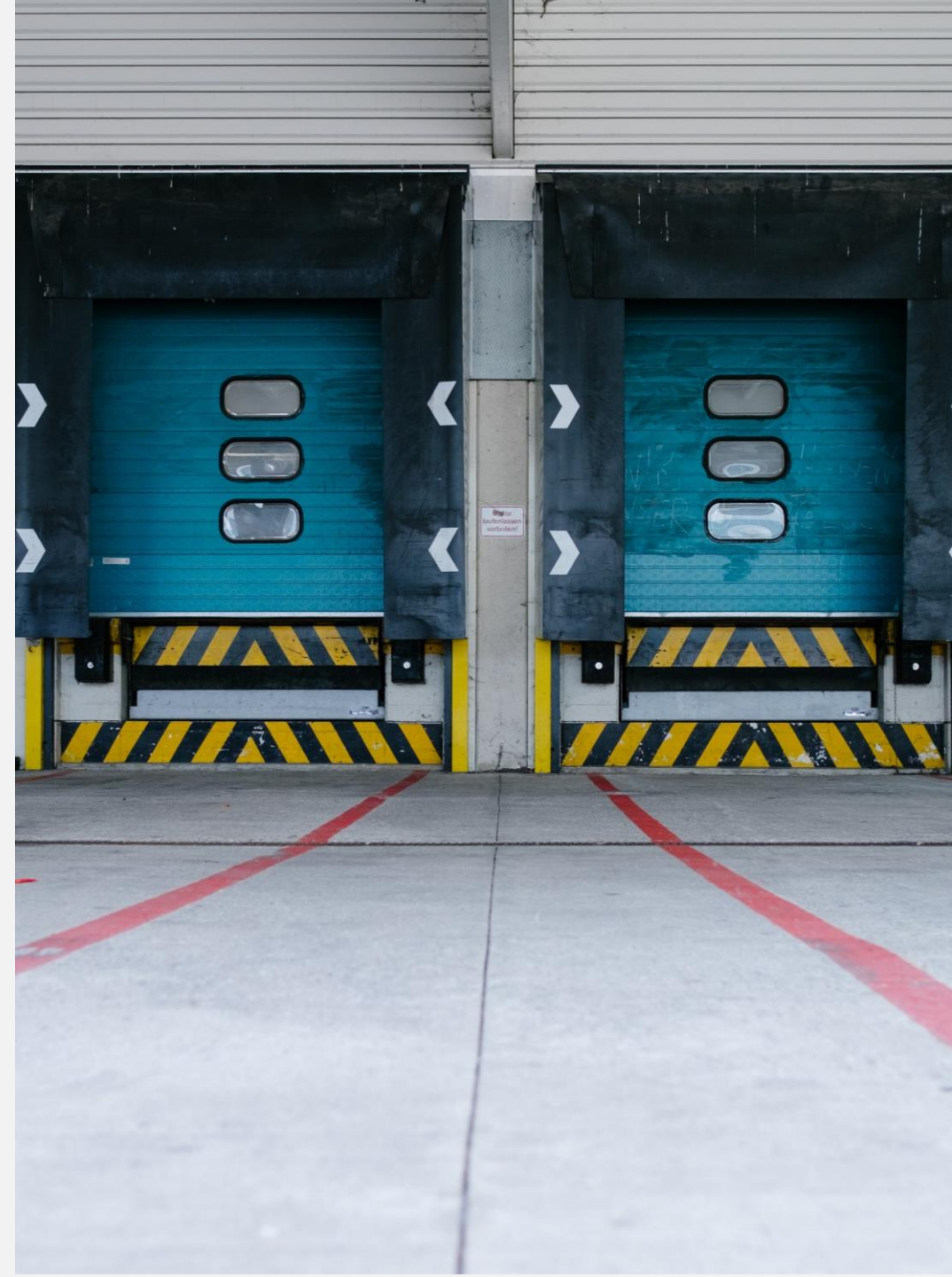
Client Success Story

A large enterprise construction company's regional supply chains were operating at cross-purposes, due to the lack of governance from the global center. This resulted in high costs, excess inventory and reduced profitability. Gartner's expertise in demand and supply planning helped the client transition from a "make to stock" (MTS) to a demand-driven "make to order" (MTO) process, which helped it achieve \$8 million in inventory reduction.

Industry: Construction

Revenue: Approx. \$3 billion

Employees: 2,500+





Mission-critical priority

The client's regional supply chains were not working in sync, which resulted in increased costs, excessive inventory and reduced profitability.



How Gartner helped

Gartner helped the client assess the maturity of its supply chain function to increase visibility into business needs. Additionally, the maturity assessment helped our client benchmark its performance to identify gaps between its current and desired future state to develop a well-defined improvement plan. By leveraging ongoing Gartner advisory calls and meetings, the client piloted an MTO strategy in one of its regional operations, achieving significant reductions in inventory and costs.



Mission accomplished

With Gartner for Supply Chain Leaders, this client:

- Identified improvement opportunities and developed change strategies to upgrade organizational capabilities
- Developed a well-defined improvement plan and projects needed to initiate the transition from MTS to MTO
- Piloted the new structure in one region, achieving an \$8 million inventory reduction.

Achieve your mission-critical priorities with Gartner for Supply Chain Leaders

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