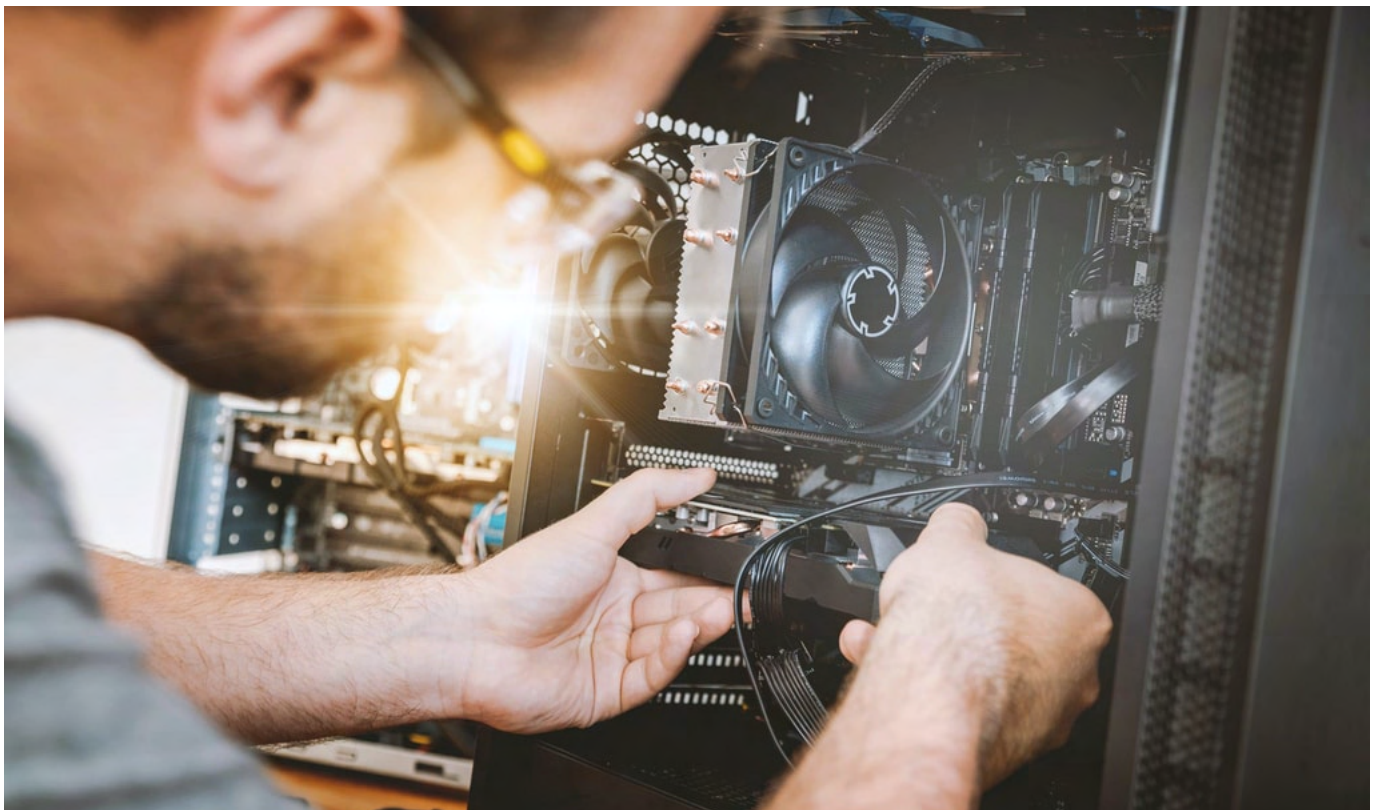


CASE STUDY: MCCHRYSTAL GROUP SERVICES

Transforming a Distributed Sales Organization

Global Engineering Design Consultancy



Technology company saw growth in performance and revenue once McChrystal Group had created clarity around the company's strategy and improved internal communications.

Why this industry/problem set is relevant in the world today:

McChrystal Group partnered with a technology company that was struggling with unprecedented changes to the components distribution industry. Whereas the industry had traditionally been dominated by low margin, high quantity contracts, emerging customers were now looking for suppliers that could provide small-scale, highly-tailored solutions. As the needs of customers change, it is essential that companies adapt their strategies to meet these needs. With the assistance of McChrystal Group, the company was better able to align around a new strategy.

Challenges

- The customer base had shifted and the company was no longer delivering to large wholesalers but directly to small, specialist customers who demanded tailored solutions.
- The increasing power of suppliers led to a disruption to the traditional fulfilment model, requiring a new approach to supply chain infrastructure.
- The company had a strongly entrenched “command and control” culture which led to entrenched silos across business units and limited communications.
- There had been inconsistent focus and follow-through with previous strategies, leading to company-wide confusion about the company’s goals and way forward.

Solutions

- Through a series of one-on-one senior leader interviews and cross-departmental workshops, McChrystal Group was able to provide greater clarity around a new strategy. Not only did our work ensure that the right plan was in place but also that all teams understood their role in the plan and were committed to a singular vision.
- We enhanced their internal communications structures and processes to allow senior leaders to communicate deeper into organization. Through the introduction of a new communications forum, teams were able to share challenges and lessons learned in real time, leverage the network to execute against emergent opportunities, and demand disciplined messaging and accountability.
- McChrystal Group carried out a number of workshops to clearly delineate decision-making authorities between key leaders and their teams. This helped eliminate barriers to execution by establishing local freedom to operate and empowering front-line team members.

Impact

- Recognition of partner value resulting in **\$23 million gain** in 2017 margin due to winning exclusive supplier relationships
- Improved performance leading to outperforming core competition; company realized a **28% increase** in stock price from 2015, while their primary competitor’s stock price only increased 7% in the same time period
- **\$30 million growth** in top-line revenue due to centralization of expediting resources
- **50% increase** in solution selling (the desired outcome) over the course of the engagement with the company