

Glazer's Case Study



What does Glazer's do?

Mike Adams, CIO & SVP Supply Chain, Glazer's Inc.:

We're a hundred-year-old family business. We distribute alcoholic beverage products from our headquarters in Dallas, Texas. We buy products from the supplier community, house it in our warehouses, and distribute it to our customers – retailers, package stores, convenience stores, groceries, hotels, restaurants, and more.

Krishnakant Dave, Principal, Deloitte Consulting LLP

Glazer's has some really interesting challenges. There's a lot of regulation, a lot of local and state governments that come into play for them. So we had to customize a few aspects of the solution for them in the end.

What changed? Why did you consider new SAP capabilities?

Adams: We started this about three and a half years ago. Our organization was on a journey to grow, and we knew our systems weren't able to support those goals going forward. So we looked at replacing our technology with a new ERP package, considered several, and concluded that SAP was by far the leader for what we needed. So we selected SAP.

What in particular were you looking for from SAP technology?

Adams: We needed to better serve our customers, and our ability to do that was rooted in our ability to provide information to them. The same was true with the supplier community – if we give them more information that's relevant to their business, we can be a more effective wholesale distributor.

Dave: We started by going into pilot mode, focusing on just one of Glazer's markets. We ended up building the entire functionality in that beginning pilot phase, including Finance, HR, and Payroll, as well as warehouse operations, order to cash, forecast to stock, plan to deliver, and all of the key business functions at the outset. Once that was all settled, we went ahead and implemented the rest of the solution for the rest of the organization.

You brought Deloitte along for the ride. Why?

Adams: We had several organizations come in and pitch the business. Deloitte came in and was very, very clear on how they were going to approach the project, which team members were going to be on the project, and exactly what they were going to deliver. Cultural fit was a big part of the decision, too. One of our biggest concerns was whether the cultures would match – after all, we would be bringing a large number of these people into our organization. Looking back over those three and a half years, you're talking about a hundred people working in tight quarters. You wouldn't know a Glazer's employee from a Deloitte employee. It worked.

What was the toughest aspect of this initiative?

Adams: Change management, hands down. Everybody says they don't mind change, but human nature is to resist change. We've overcome that with the people we've put on this project, and Deloitte's guidance on change management. They told us very early that it was going to be hard to change, so we put together a large team focused on change management. About three quarters of the way into the project, we said "we don't really need that group of people working on change anymore – this has become unnecessary overhead for us." Deloitte said no, you really need to keep these people focused on changing the organization. So we did, and as a result, ultimately our people were able to see the value in the technology SAP was bringing, the value in process reengineering, and the impact on people at different levels of the organization.

Dave: Agree completely. The biggest challenge here wasn't the technology, even though it was a complex solution. It was getting the entire organization to embrace a new solution and understand why it's important. That's why from the outset, we agreed that this was going to take a lot of communication, including what we called road shows, where we would go and talk to business leaders about what the new solution was going to look like. We would also have regular touchpoints with key business execs, not just in the corporate office, but in different geographies. They'd come in and we'd walk them through what the solution was going to look like, different aspects of the solution, and so on. A lot of communication, a lot of sharing, and of course seeking their input along the way. That's how we went about it.

Any other tips for someone considering embarking on a project like this?

Adams: There aren't a lot of companies that are able to change out an ERP system successfully. You have to have that leadership support for a change of that magnitude. This type of initiative also has to fit with your organization's risk profile – because it is a risk. For us, risk taking is at the forefront. We're making some bold moves in this industry that others aren't considering, and this is definitely a bold play.

What can you tell us about the results so far?

Adams: My expectations have been met tenfold. Not only in the solution Deloitte has helped us create, but in terms of our organization stepping forward and embracing change.

Dave: Glazer's will have their entire organization on a common platform, which will allow them to have complete visibility into all aspects of their business, right from the vendor community to the procurement side, all the way through to their customers. Also, because they've chosen to go with SAP HANA as a reporting platform, they'll essentially have real time visibility into all kinds of reporting aspects of their organization – critical business metrics.

Contacts

For more information, please contact:

Krishnakant Dave

Principal

Deloitte Consulting LLP

kdave@deloitte.com

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