Over Four Decades of Industry-led Collaborative Research

CAM-I Winter Meeting 2019

December 9-11, Tempe, Arizona

Strategy and Supply Chain Management
CAM-I Vision:
To be recognized as a premier collaborative forum for innovative, leading edge management solutions that create lasting value.
Invitation from the President of CAM-I

You are formally invited to the Consortium for Advanced Management International (CAM-I) Winter Meeting, December 9th to 11th, 2019. This quarterly meeting will be hosted by Arizona State University at Tempe, Arizona. We have an excellent line up of topics and speakers on Tuesday morning.

All meetings and interest group sessions will take place at McCord Hall Arizona State University, 450 E Lemon St., Tempe, AZ 85281. A networking reception will be hosted by CAM-I on Monday evening at AC Hotel Phoenix Tempe/Downtown, 100 E. Rio Salado Parkway, Tempe, AZ 85281. CAM-I will provide shuttle service from the hotel to the meeting site.

CAM-I has reserved a block of rooms at AC Hotel Phoenix Tempe for the discounted rate of $154.00 plus tax per night. This rate is available for booking through November 15, 2019.

At this meeting CAM-I will be launching a new project on Transformation Management. We will also have an exploratory group on setting up a Higher Education Center of Excellence.

Our quarterly meetings are the primary vehicle to further CAM-I’s mission – To serve as a collaborative forum of thought leaders who develop practical and effective management tools, techniques and methods to advance the way organizations manage costs, processes and performance.

CAM-I welcomes our first-time attendees and guests. Attendees will receive CPE credit hours for the meeting. More details may be found in the attached meeting notice.

I look forward to seeing you in December!

If you have any questions about our programs, please contact me anytime at ashok@cam-i.org or at (512) 296-6872.

Ashok Vadgama
President, CAM-I
Agenda

MONDAY, December 9, 2019
All meetings and interest group sessions will take place at McCord Hall
Arizona State University, 450 E Lemon St., Tempe, AZ 85281

8:15 a.m.  Registration / Continental breakfast
8:30 a.m.  Interest Group Sessions:
• Cost Management and Target Costing
• Integrated Risk and Value Management
• Performance Management
• Transformation Management
• Forecasting for Procurement of Complex Acquisition and Support Projects

Noon  Members Forum Lunch [by invitation only]
Others - Lunch [on own]
1:30 p.m.  Interest Group sessions continue
5:00 p.m.  Adjourn
5:15 p.m.  Networking Reception at AC Hotel Phoenix Tempe/Downtown, 100 E. Rio Salado Parkway, Tempe, AZ 85281

TUESDAY, December 10, 2019

8:15 a.m.  Continental breakfast
8:30 a.m.  Welcome
Lauren M. Pashia, Project Manager, The Boeing Company, CAM-I Industry Chair
Ashok Vadgama, CAM-I President
8:45 a.m.  “Digitization of Supply Chains: Opportunities, Challenges and Realities”
A research-based view & Update on “cost-to-serve” project
Mohan Gopalakrishnan (Dr. G)
Chair, Department of SCM, Arizona State University
9:35 a.m.  “The IMS ManuVation Program and World Manufacturing Forum Outcomes and Opportunities”
Dan Nagy, Managing Director, IMS International
10:35 a.m.  Break
10:55 a.m.  “Transformation: REI moves from a traditional Distribution Center Operation to a Sustainable Technology driven Omni-Channel Operation”
Brad Ziker, Director of DC Operations, Recreational Equipment Inc.

Noon  Lunch [on own]
1:30 p.m.  Interest Group Sessions continue
5:00 p.m.  Adjourn
WEDNESDAY, December 11, 2019

8:00 a.m.    Continental breakfast
8:30 a.m.    Interest Group Sessions continue
12:00 p.m.   Adjourn

Note:
An outline of each speaker’s presentation can be found under CAM-I General Session Presentations.
Meeting Site

Arizona State University
McCord Hall
450 E Lemon St
Tempe, AZ 85281

Hotel

AC Hotel Phoenix Tempe/Downtown

AC Hotel Phoenix Tempe/Downtown
100 E. Rio Salado Parkway
Tempe, AZ 85281
Tel. 1-888-236-2427 or (480) 642-6100

CAM-I has reserved a block of hotel rooms at a discounted rate of $154+ tax per night at our host hotel, AC Hotel Phoenix Tempe/Downtown, 100 E. Rio Salado Parkway, Tempe, AZ 85281

The rate is good through November 15, 2019 or once the block is full, whichever comes first. Rooms are limited. Reservations for the Event will be made by individual attendees directly with Marriott reservations at: 1-888-236-2427 or (480)642-6100.

Any reservations made after November 15, 2019 will be at the prevailing room rate, subject to availability.

Guests can also use the following link to book

https://www.marriott.com/event-reservations/reservation-link.mi?id=1563314677079&key=GRP
Registration

Register today at www.cam-i.org and click on “Meetings & Training” at the top of the page.

On Registration -
  • Please select two groups to attend for the two and a half days.
  • Select Orientation if you are attending for the first time.
  • Select Network Reception on Monday if you plan to attend.
  • Select Tuesday morning session.

Contact Info

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General Information

CPE Credits

NASBA
NATIONAL REGISTRY
OF CPE SPONSORS

Participants in this program will earn 1 CPE credit for every hour they are in attendance. The 2 1/2 day program qualifies for a maximum of 20 CPE credits.

Course Level: Basic to intermediate

Program Level/Prerequisite Knowledge: Participants should have a basic knowledge of cost, process, and/or performance management.

Preparation: No advanced preparation is required.

All Study is Group-Live

Learning Objectives and Program Description: Descriptions and learning objectives for individual general session presentations and interest groups can be found in the next section of this document.

CAM-I is registered with the National Association of State Boards of Accountancy (NASBA) as a sponsor of continuing professional education on the National Registry of CPE Sponsors. State boards of accountancy have final authority on the acceptance of individual courses for CPE credit. Complaints regarding registered sponsors may be submitted to the National Registry of CPE Sponsors through its website: www.nasbaregistry.org.

Sponsor ID# 103282

Contact Information

For more information about this program or for any questions regarding administrative policies such as cancellations, please contact CAM-I office at 512-617-6428.

Dress Code

All scheduled meeting and evening events are business casual.

Upcoming Meetings

- February 13 - 14 2020, 30 Finsbury Square, London, United Kingdom
- March 9 - 11 2020, Alexandria, Virginia
- June 8 - 10 2020, Seattle, Washington
- September 14 - 16 2020, Alexandria, Virginia
- October 19 - 20 2020, United Kingdom Venue TBD
- December 7 - 9 2020, Austin, Texas
Digitization of Supply Chains: Opportunities, Challenges and Realities
A research-based view & Update on “cost-to-serve” project

Mohan Gopalakrishnan (Dr. G), Chair, Department of SCM, Arizona State University

Learning Objectives

- This research presents a framework to maximize end to end supply chain profitability by optimizing the production strategy.
- The excel spreadsheet model is a useful prototype to help develop this framework which can then be expanded to more complex scenarios.
- While this work presents a framework, documenting cost per activity and implementing the model might be non trivial.
- The next steps would be to test the model framework with real data.
- The model can be embellished with additional constraints to make it more applicable to a wider range of businesses.
- Finally, the model can be set up to run various sensitivity reports to test the impact of model inputs on the product mix and profitability.

Speaking Tuesday December 10, at 8:45 a.m.

The IMS ManuVation Program and World Manufacturing Forum Outcomes and Opportunities

Dan Nagy, Managing Director, IMS International

Learning Objectives

Session attendees will learn how to access the IMS ManuVation advanced technology support program that helps companies transform their processes in response to the rapid and complex digitalization of industry and the identified Industry 4.0 technologies. The speaker will also share results from a recent World Manufacturing Forum global survey regarding trends, requirements, and recommendations for developing skills to meet unknown future demands. The speaker will describe how attendees may become engaged in its global networks in order to find new collaborations and solutions to their work challenges. IMS is a non-profit organization advancing the manufacturing sector through its programs and services.

Speaking December 10 at 9:35 a.m.

Transformation: REI moves from a traditional Distribution Center Operation to a Sustainable Technology driven Omni-Channel Operation

Brad Ziker, Director of DC Operations, Recreational Equipment Inc.

Learning Objectives

- Apply Technology to help meet the needs of changing patterns in customer demand
- Leverage technology to increase throughput
- Enhancing the Omni-channel effort to support growth
- Provide and apply the tools of continuous improvement to drive speed, increase efficiency and lower cost of operations.
- Sustainability, doing what is right for the environment and protect the outdoors

Speaking December 10 at 10:55 a.m.
Value Management - Organizations often struggle with defining and quantifying the value that they create. This is particularly true for internal business support functions. The nature of these functional areas is such that the activities and processes being performed are often hard to measure from a “value add” perspective and it is difficult to link any value being created to the resources providing the value. Aside from the nature of business support functions, value itself is difficult to define - it is inherently customer focused which makes objective measurement difficult; it changes over time; and the same output is often perceived very differently by different customers. There appears to be no single, universal answer to the question of quantifying value for a business support function. The nature of an organization (size, complexity, domain, etc.), how it organizes its support functions, and even its culture will affect how it defines and measures value. However, a well-defined value framework could provide a focal point and tool that can be used by all organizations to help define value while accounting for organizational uniqueness.

The group’s objective is to assist member organizations in understanding and quantifying the value business support functions bring to an organization. This will be achieved through the development of a framework that will enable member organizations to consistently define the value business support functions bring to an organization and thereby allow cost / value trade-offs to be quantified and considered. The starting point to this is The Value Analysis Process publication by CAM-I on June 2019. The methodology and application have been used by two CAM-I member organizations with more organizations to apply it shortly. Demonstrating the Value in Business Support Functions is led by the CAM-I UK chapter with support from US.

Defining Value for Services – The group will re-examine a 2014 CAM-I deliverable focused on quantifying value for service-based organizations. Historically, target costing and value analysis is more easily applied to the manufacturing of a product. Services can present nuanced challenges in quantifying the processes performed and the importance to the customer. The group will review project member’s value mapping experience to-date and further explore gaps in the existing body of knowledge around quantifying value. The group will expand on individual member case studies to include the surveying of wider member organizations. Results will inform training and/or a report deliverable that members can use when implementing at their organizations.

Marginal Cost – Marginal cost is a simple term to define but can be difficult to calculate within complex and large organizations. Many member companies need to have a clear understanding of marginal costs at granular levels across product/service lines. This information is used to support product pricing and marketing decisions. Current methodologies result in miscalculation of these costs resulting in incorrect business decisions. Through a member company use case, the group will work on a framework to define marginal costs that can be replicated across similar organizations.

Cost Management & Target Costing Maturity Curve – CAM-I has contributed significantly to the field of Cost Management & Target Costing but how can new member organizations self-assess where they are in terms of maturity and what next steps to take to improve their organization? The group will use the existing body of knowledge to create a maturity curve explaining the accomplishments along the maturity curve.

Chair: Anthony Pember, Phone: +1-703-637-2777 or Email: anthony.pember@us.gt.com.
Integrated Risk and Value Management

To be in business is to face a constant stream of potential risks that can disrupt daily activity and put the future of the organization in jeopardy. However, what if the organization were able to assess their potential risks for enterprise value? Robust organizations know how to take on measured risks that boost returns to stakeholders. If handled properly, it may even be possible to increase stakeholders’ perceived value when taking on incremental risk. The goal of the Integrated Risk and Value Management interest group at CAM-I is to explore this risk-value continuum, modifying existing thought and proactively to enable organizations to maximize value by optimizing risk.

Chair: Sean Catanese, Phone (314) 378-9611 or Sean.Catanese@kingcounty.gov.

Performance Management

Recognizing that organizations face many conflicting priorities to effective strategy execution, the PM Interest Group has developed the CAM-I Performance Management Framework (PMF).

The CAM-I PMF helps organizations to determine:
- WHAT initiatives to focus on to improve performance
- WHERE to best deploy scarce resources
- HOW to measure improvement to validate success

PMF is a holistic methodology that identifies and improves core business capabilities that influence any organization’s performance. To assist in strategy execution and improve performance, the framework:
- Conducts an organizational readiness assessment
- Identifies maturity gaps in business capabilities
- Recommends specific techniques to close maturity gaps
- Directionally suggests appropriate measures to track improvement
- Creates a performance focused culture by identifying key initiatives that will make a significant impact on improving performance

Recent publication (jointly with CPA Canada): The CAM-I Performance Management Framework Executive Overview – How to Evaluate and Improve Organizational Performance

Chair: Derek Sandison, Phone: (905) 301-0429 or dsandison@landmark.ca
Forecasting for Procurement of Complex Acquisition and Support Projects

(Using Defence procurement as a case study)

Many organisations have large budgets to procure new capabilities and support existing capabilities. The lifespan of these acquisition/build and support/run projects can run from a single year to 25 years and beyond in some cases.

Often these projects have a reputation for cost and time overruns, and variability of forecasting that present a major challenge to the Finance function in trying to manage the overall budget in any given financial time period. The finance function has to apply its own professional judgement to try and ensure the summation of these projects does not result in a sub-optimal utilisation of the budget so that taxpayers/shareholders money is not wasted.

The aim of this project is to, using as a case study the MOD project, leverage knowledge across the defence sector end to end, including industry partners, international defence organisations and bodies that review Defence budgets, to identify common root cause problems. The intention is to also leverage the wider CAM-I network to highlight common issues and learning to aid the overall objective of improving the stability and quality of financial management and forecasting for such projects.

The interest group will then move on to proposing solutions by identifying skills, knowledge, tools and techniques that could be applied to eliminate unnecessary barriers to effective financial management. Some of the solutions could be “quick wins” exploiting better communication of existing knowledge and information end to end through looking at the problems from different perspectives. The outcome should be to improve the quality of financial management, provide better stability to forecasting, and that we maximise the capacity and capability available to our Armed Forces in a timely manner from the budget available.

Chair - Rob Young, Phone 011-44-7826 510552 or Rob.Young252@mod.gov.uk

Transformation Management Interest Group

Improving accountability and management functions in a large organization, and operational imperatives for a successful transformation. One of the key portions of the transformation focuses on the audit, providing an accurate assessment of the inventory and real property.

Chair: Robert Patrick, Phone: (703) 695-3378 or robert.patrick@navy.smil.mil
Higher Education in the US and globally is increasing coming under pressure with competition for students from existing institutions as well as alternative education pathways, reduction in Government funding and push back from families on the actual value of Higher Education. Financial sustainability has never been more critical. CAM-I is uniquely positioned to provide expertise and guidance in cost, process and risk management. The proposed Center of Excellence will be established to act as a central community for Higher Ed managers to share, collaborate and help each other with various projects. Develop standards for cost management across Higher Ed. Share best practice with the membership base. Learn about analysis techniques and model interpretation.