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CASE STUDY

CONCENTRATING ON CORE COMPETENCIES

BACKGROUND

CHH's customer is a manufacturer of safety critical equipment, designed to communicate the vital statistics of the user, whilst in hostile environments.

As business increased this customer was running out of space for core operations and needed a trusted partner to take some of the non core activities off their hands.

ISSUES

This customer needed an outsourcing strategy which would align with its business strategy. This demanded finding a partner with a culture fit, encompassing best in class quality, control and flexibility. This would then allow the business to adapt to market conditions, focusing on core competencies and ensuring continued profitable growth .

They needed someone who understood the constraints of time to market, that quality and reliability was imperative, had the ability to see and understand the full supply chain from raw material to final product and how the whole solution was integrated.

RESULTS

After looking at a number of other cable assembly manufacturers, CHH was chosen to deliver a better quality service, with security of supply and greater value.

Both parties work in close contact to monitor the whole system, quickly reacting to any changes, and seeking opportunities for improvements.



Future plans include the outsourcing of other activities where CHH have the relevant skills and knowledge.

BENEFITS

This arrangement provides cost advantages to both companies that helps them both to remain competitive and allows each company to better concentrate their efforts on their core business competencies.

Concentrating on core competencies and working in partnership ensures high quality, reliability and reduces total acquisition costs.