Tarsus Distribution successfully implements Netstock across seven teams

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tarsus distribution

Company Tarsus Distribution **Location** South Africa
Industry Wholesale Distribution **ERP** ACS Embrace

Tarsus Distribution is an IT hardware and technology company distributing a wide array of brands through the Southern African reseller network. Their dedicated resellers deliver the best possible service, support, and overall solutions to the small and mid-sized end-user at the best possible cost.

Challenge.

Facilitating user adoption and building trust of a new tool

Solution.

Adoption through Exco buy-in and the streamlined approach to training and onboarding

Result.

Successfully onboarding Netstock across seven teams

Life at Tarsus before implementing Netstock.

"It's somewhat ironic that as a technology business, and before implementing Netstock, we used spreadsheets," says Helene Liebenberg, chief operations officer at Tarsus Distribution.

"We spent our lives trying to make sure that these were correct. We wanted to keep our data from our ACS Embrace ERP separate from our forecasting tool (spreadsheets), which meant we had to start from scratch each month, and when managing up to 20,000 SKU's, this was no small task. We realized then that we needed a forecasting tool."

Leading by example.

The challenge for Tarsus was to get the buy-in from their team. Why would they want to use a new system when they have been working "successfully" on spreadsheets for 25 years? This was when the management team made it clear that they were taking the matter of forecasting very seriously by making it an agenda item at the executive level. Once they did that and personally started to express interest in the Netstock product and its features and functionality, the teams jumped on board.

The Tarsus approach to onboarding and training.

Tarsus employed a dedicated project manager to become the Netstock champion in the business and as the champion was responsible for:

o Managing the adoption of the new software across the business.

o Convincing and showing the teams that working with spreadsheets wasn't the most efficient way of managing inventory.
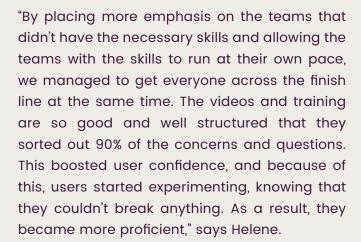
With Exco mandating the implementation of Netstock as the chosen **forecasting tool** for the company, the project manager had a direct reporting line to Exco, and this process was their recipe for success.

Each team within Tarsus has its nuances depending on the shipping rules and procedures related to their particular suppliers. Tarsus needed to formalize a process and adopted the following approach:

- The teams were categorized and broken into smaller, more manageable groups.

- Each team received the 'go-live' date three months in advance.

- Each team was briefed on the seven areas of Netstock's capabilities that were considered essential.

- The teams benefitted from Netstock's on-demand training videos and the customized in-house training developed specifically for Tarsus to become self-sufficient with the tool.

- Each individual was openly scored to determine their understanding by answering pertinent questions that addressed seven key areas of adoption.

- Individuals' abilities based on the seven areas were rated on a scorecard.

- Monthly evaluations continued, and if any team needed additional assistance that the scorecard highlighted, they received extra training.

"By placing more emphasis on the teams that didn't have the necessary skills and allowing the teams with the skills to run at their own pace, we managed to get everyone across the finish line at the same time. The videos and training are so good and well structured that they sorted out 90% of the concerns and questions. This boosted user confidence, and because of this, users started experimenting, knowing that they couldn't break anything. As a result, they became more proficient," says Helene.

Tarsus's inventory challenges.

Many distributors in the technology industry have seen an unprecedented increase in demand during the COVID-19 pandemic. Corporates and consumers wanted to be more mobile, replacing old desktop computers with notebooks, laptops, etc. Due to this spike in demand, there are global shortages of every component used in a notebook. The global electronic chip shortage is another component needed in so many technology products across the board. "Not only did we experience supply constraints, but our logistics have been negatively impacted. There aren't as many cargo ships arriving at our harbors as often as they used to, so we have struggled to book cargo space on vessels, making it even more difficult

to forecast. Netstock sits in the middle of this chaotic environment managing our forecasts, and under the circumstances, we are doing an unbelievable job.

When your supply is at an all-time low, having a tool like Netstock has been invaluable in forcing us to have the discipline of looking at our inventory diligently. Our product teams would meet weekly to discuss forecasts, open purchase orders, ETA's, and aged or excess inventory. When your supply chain is under pressure due to global, and environmental impacts that are out of your control, having a forecasting tool like Netstock has helped immensely.

Netstock on its own cannot solve all the problems. It has to work in conjunction with the effective implementation of your S&OP processes. Once you have set up this foundation, Netstock can control that environment for you," continues Helene.

The benefits of Netstock.

Netstock's **item classification methodology** forced Tarsus to consider what their bread and butter items were. It helped them focus on what items they must have in stock to maintain momentum on their core revenue run rate. Further, it forced them to keep reevaluating those critical items to always have what they should have in stock.

"We now use the Netstock dashboard to focus on our critical items, and we are confident that once the supply constraints ease, Netstock as our forecasting tool will allow us to maintain the momentum, and we won't end up with excess stock or stock-outs," says Helene.

Return on investment.

The IT hardware distribution industry is highly competitive, exceptionally fast-moving, and margins are constantly under pressure. For Tarsus, the ability to hone their focus by having complete data visibility on the Netstock **dashboard** to attend to potential problems on their top-selling items quickly has been invaluable.

"If you are looking at the Dashboard KPIs every day and addressing issues before they happen, you are being proactive with your planning, and there can be little to no surprises. More importantly, the system tells us why we have overstocked or why we have excess so we can dig deeper and ask the important questions. We can instantly see if there has been a drop in our customer service levels (Fill rates). That lack of accuracy impacts a customer, and being able to locate the problem so quickly has been the most significant benefit," Helene concludes.

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