

The background of the slide is a photograph of a steel manufacturing facility. It shows long rows of large, cylindrical coils of steel on both sides of a central aisle. The facility has a high ceiling with a complex network of steel beams and structural supports. The lighting is bright, creating a sense of depth and scale. The overall color palette is dominated by metallic grays and blues, with a slight orange glow in the center where the aisle leads away.

Steel manufacturing business model analysis

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The Problem

- **Challenges:** Inefficiencies in business operations.
- **Areas Affected:**
 - Demand planning and forecasting
 - Procurement
 - Inventory management
- **Impact:** High operational costs and suboptimal performance.

The Solution

Key interventions:

- Studying critical stages of the business model using detailed analytical methods.
- Isolating critical value drivers.
- Scaling back or completely eliminating inefficiencies.
- Tying processes together for real-time information transmission.

Solution Approach

How the solution was reached:

- **Analysing Demand Planning:** Identified inefficiencies in forecasting models.
- **Reviewing Procurement:** Evaluated procurement processes for optimization.
- **Evaluating Inventory Management:** Addressed excess inventory and stockouts.
- **Linking Processes:** Implemented an end-to-end system for seamless integration.

Results of Analysis

- **Savings achieved:**

- Initial savings of 5-10% per process.
- Overall savings approaching 50%.

- **Overall financial impact:** Hundreds of millions of dollars saved.

Conclusion and Recommendations

Conclusion:

- Data analytics is a powerful tool for uncovering and addressing inefficiencies.
- Significant cost savings can be realized through comprehensive process optimization by scaling back or completely eliminating inefficiencies.

Recommendation:

- Continued use and enhancement of data analytics techniques.
- Further integration of real-time information systems.
- Regular and rigorous inspections and to uncover hidden inefficiencies.