From MacGyver to Marie Kondo:

simplifying customer complexity

Jonny LeRoy

Chief Technology Officer

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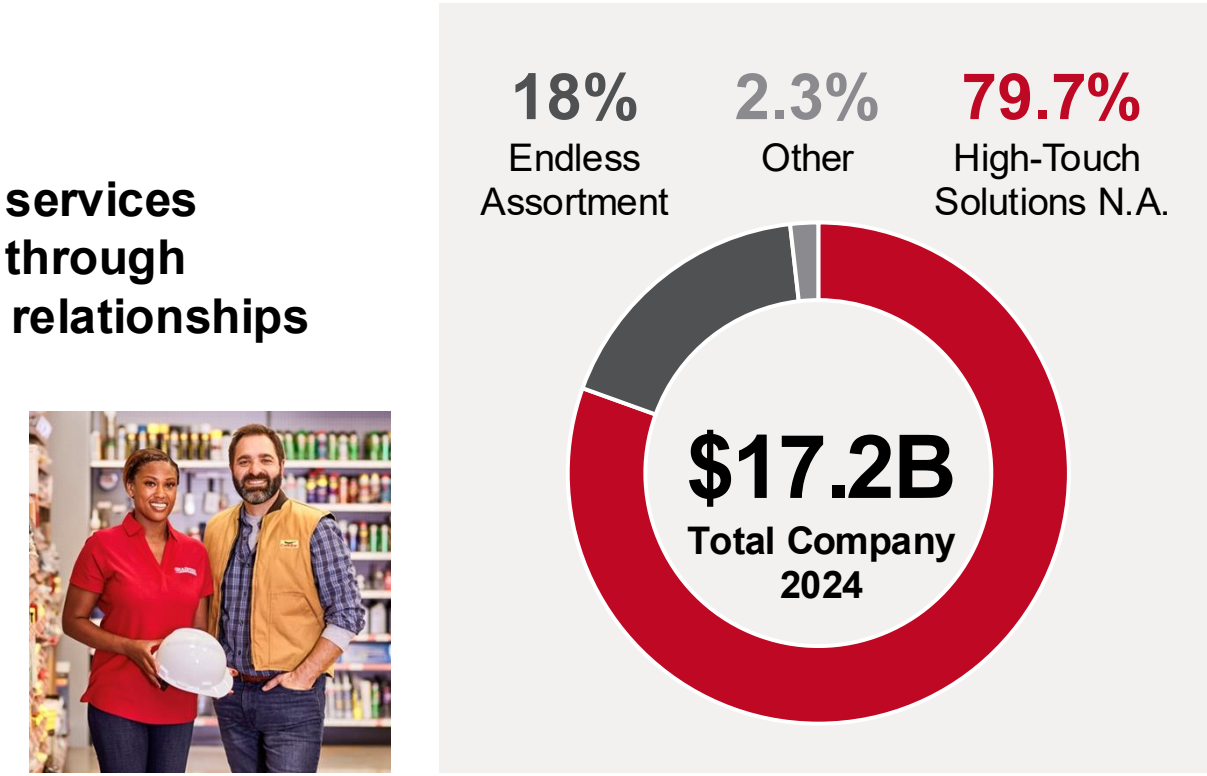
Low Sensitivity

GRAINGER®

Leading broad line distributor of MRO products and services determined to ensure We Keep The World Working® through innovative technology solutions and deep customer relationships



1927
Company founded

Largest
MRO distributor in North America

52 years
of consecutive dividend increases

>4.5M
Active customers

>26K
Team members

>30M
Products offered globally

34
Distribution centers

It looks like our business model is to **ship products** to our customers …

… but our real value is to **remove complexity** from their operations

Simplify their **operations**
Simplify their **procurement**

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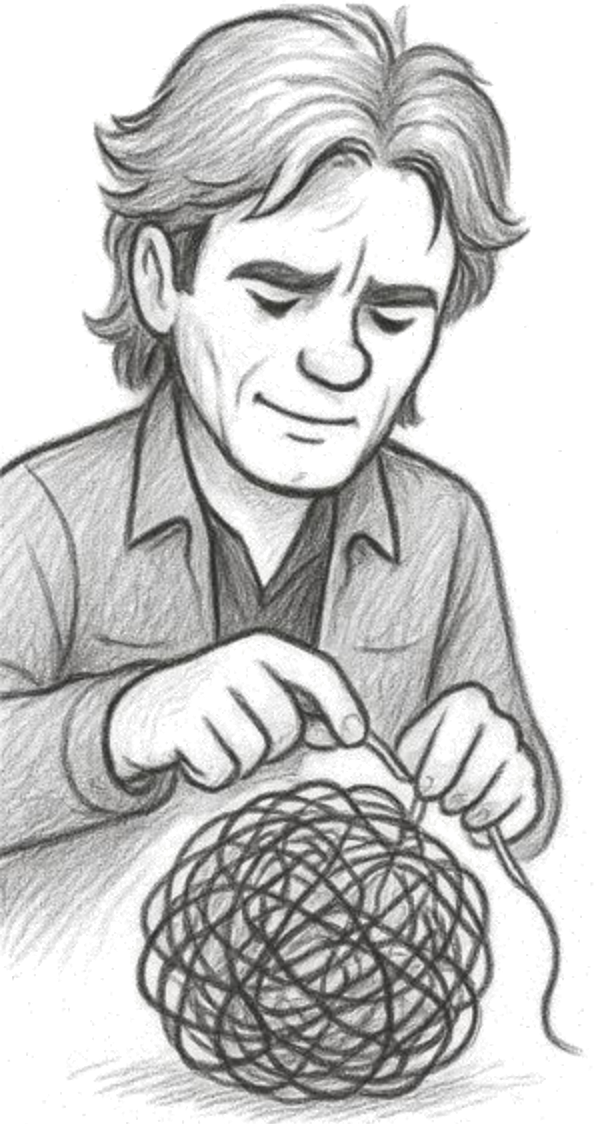

Meet **MacGyver**

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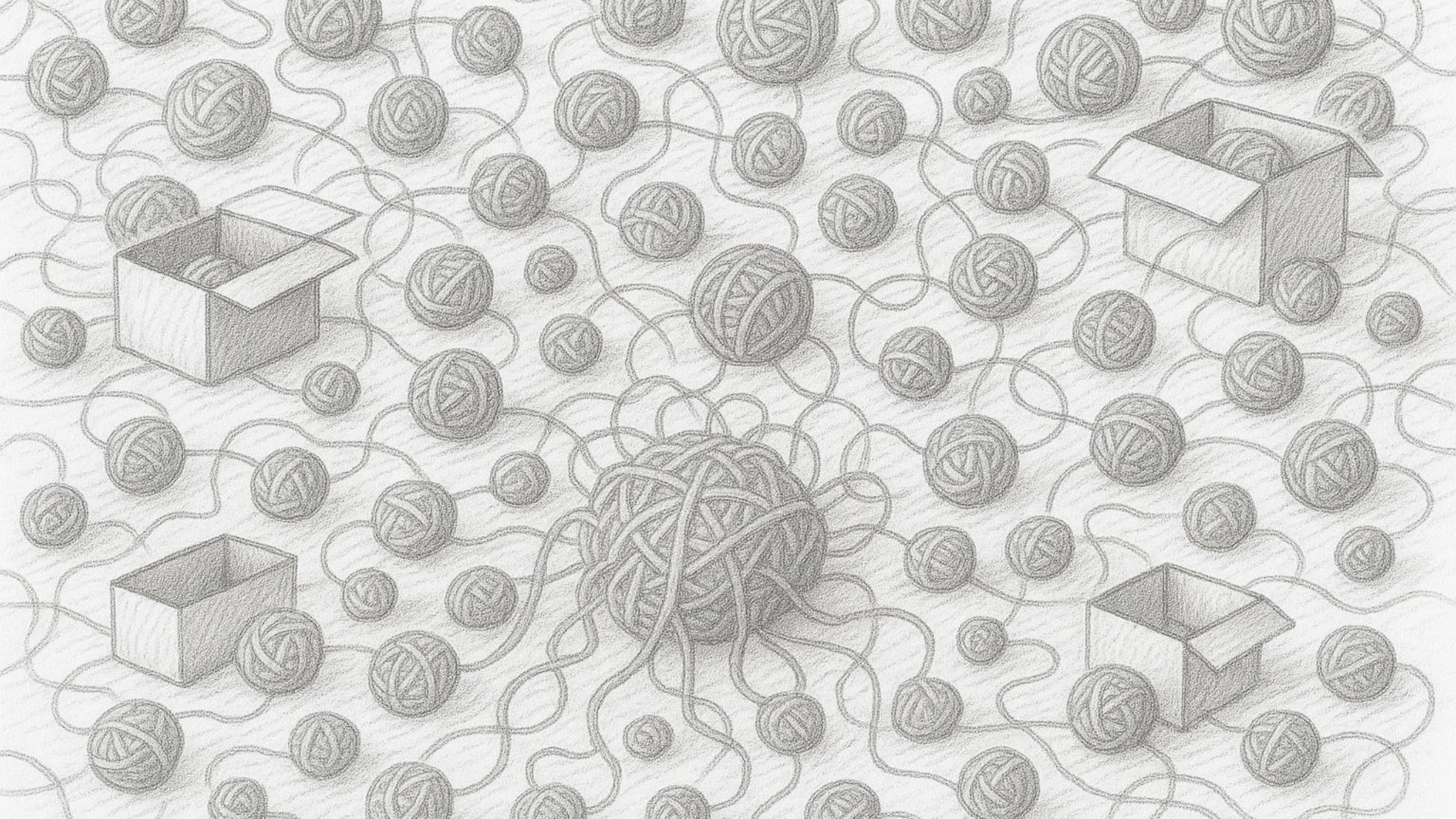

meet Marie Kondo

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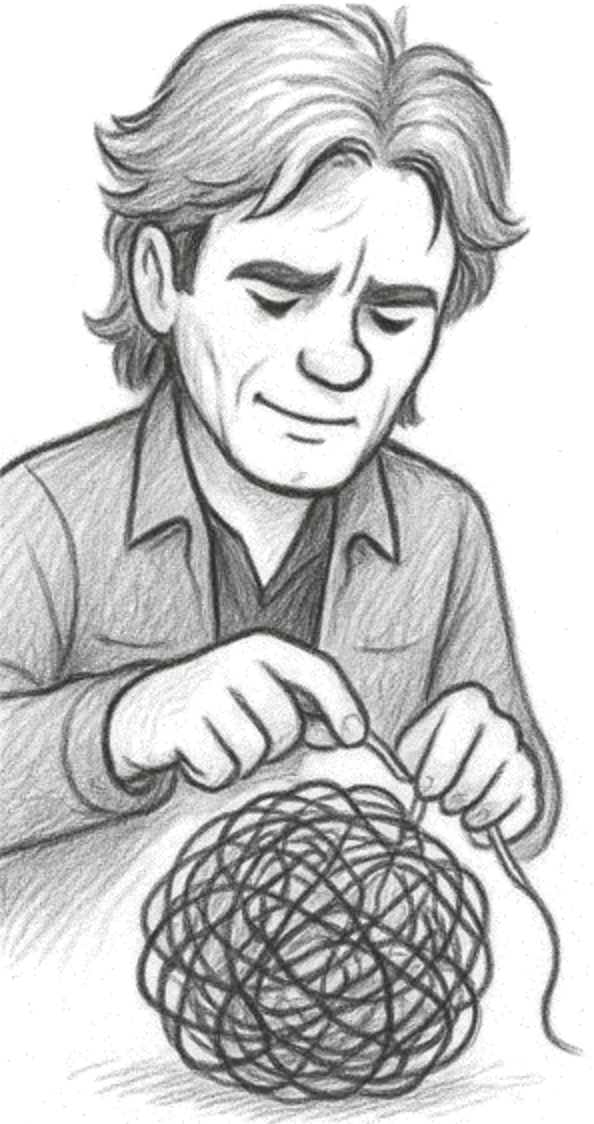

From MacGyver

How we remove complexity from our customers without importing complexity into our own systems and processes

to Marie Kondo

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Simplifying **Strategy**

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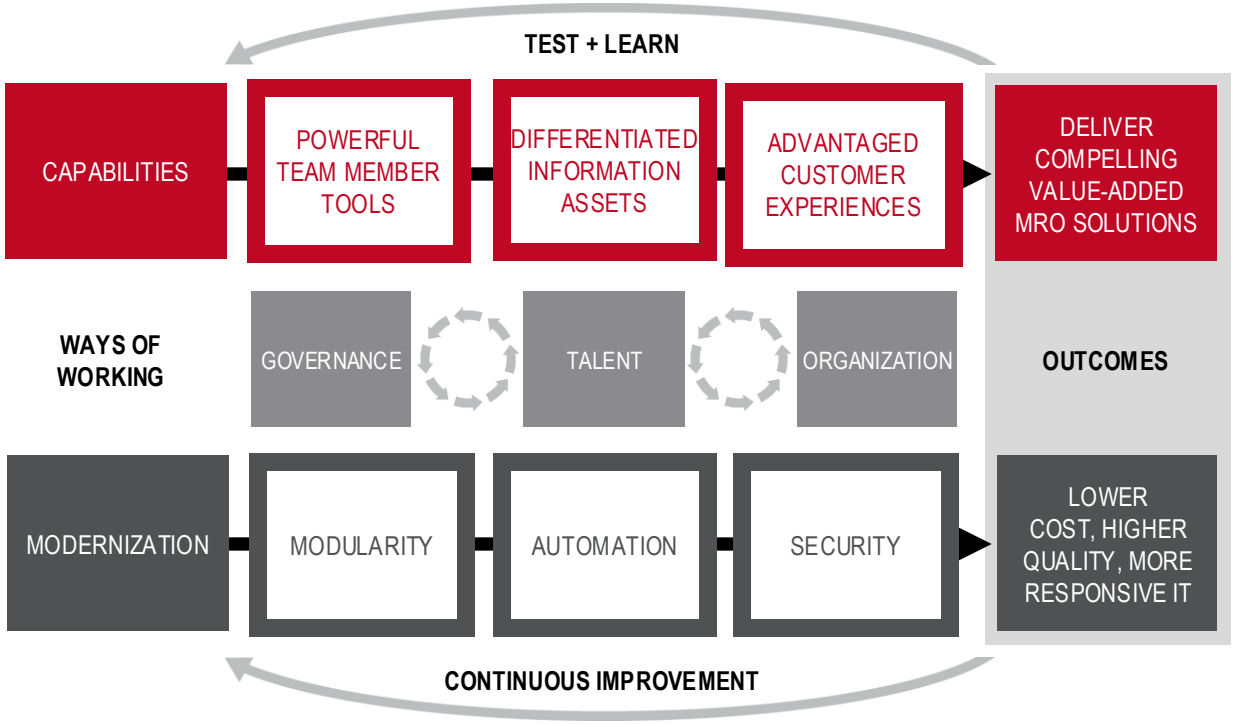
Simplified view of our technology strategy:



1.Create advantage

+

2.Reshape our landscape

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Key insight:

Leadership is saying the same thing over and over again

(a bit like parenting)

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How we drive advantage:

Know our Customers and Products better than anyone else

and use that knowledge to create competitive differentiation

CIM

Investing in building our own Customer and Product Information Management systems

PIM

These systems are foundational capabilities that underpin the rest of our technology landscape

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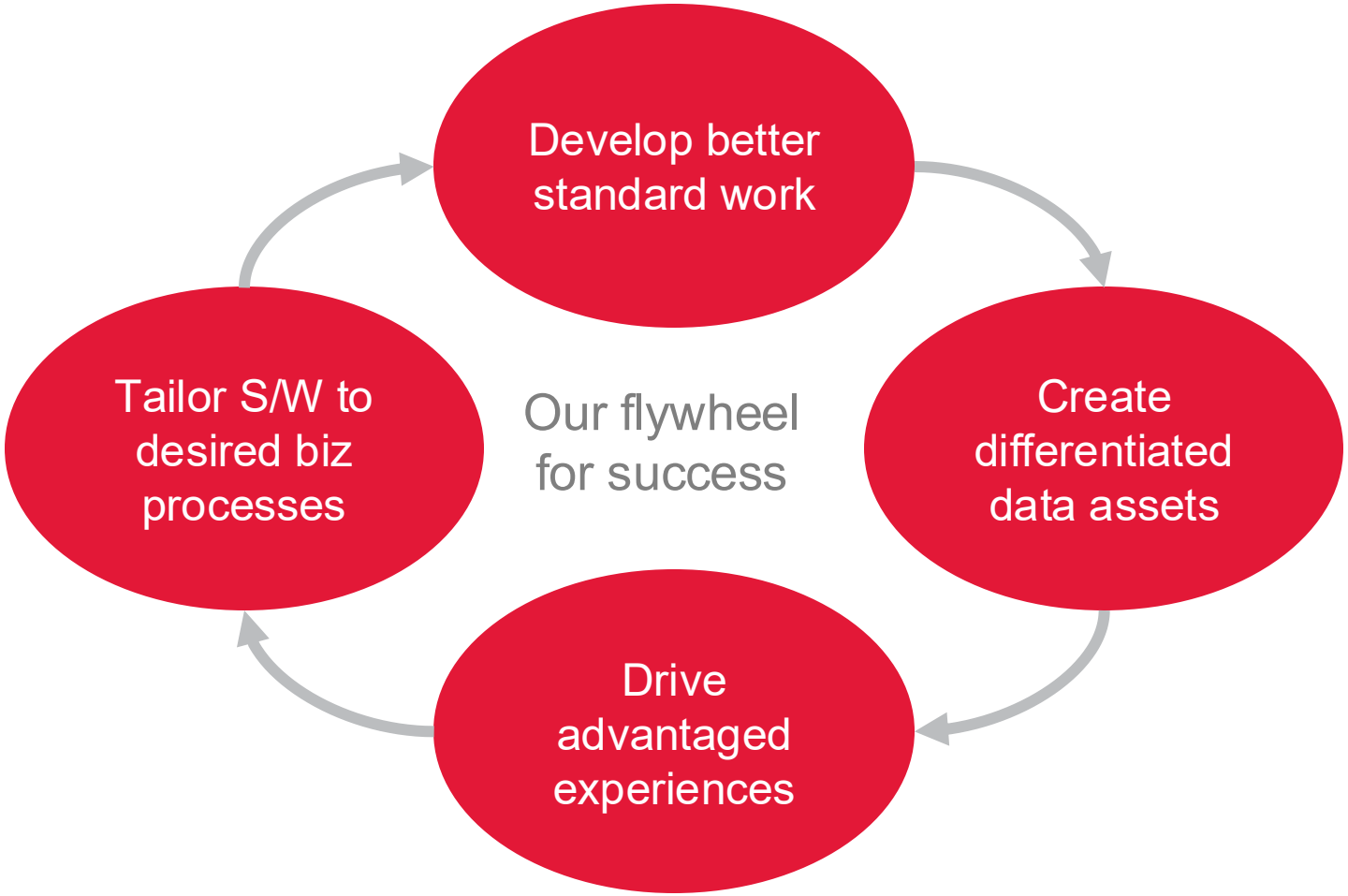
Our blueprint for custom software success



- **Reimagine the process**
- Build **custom software** to fit the new process

Iterate, iterate, iterate

- This drives better **business outcomes**
- And generates **advantaged data assets**

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Key question for business partners:

“How might you want to operate if you were unconstrained by our current technology?”

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Key insight:

Evolve business process and strategy hand in hand with the technology

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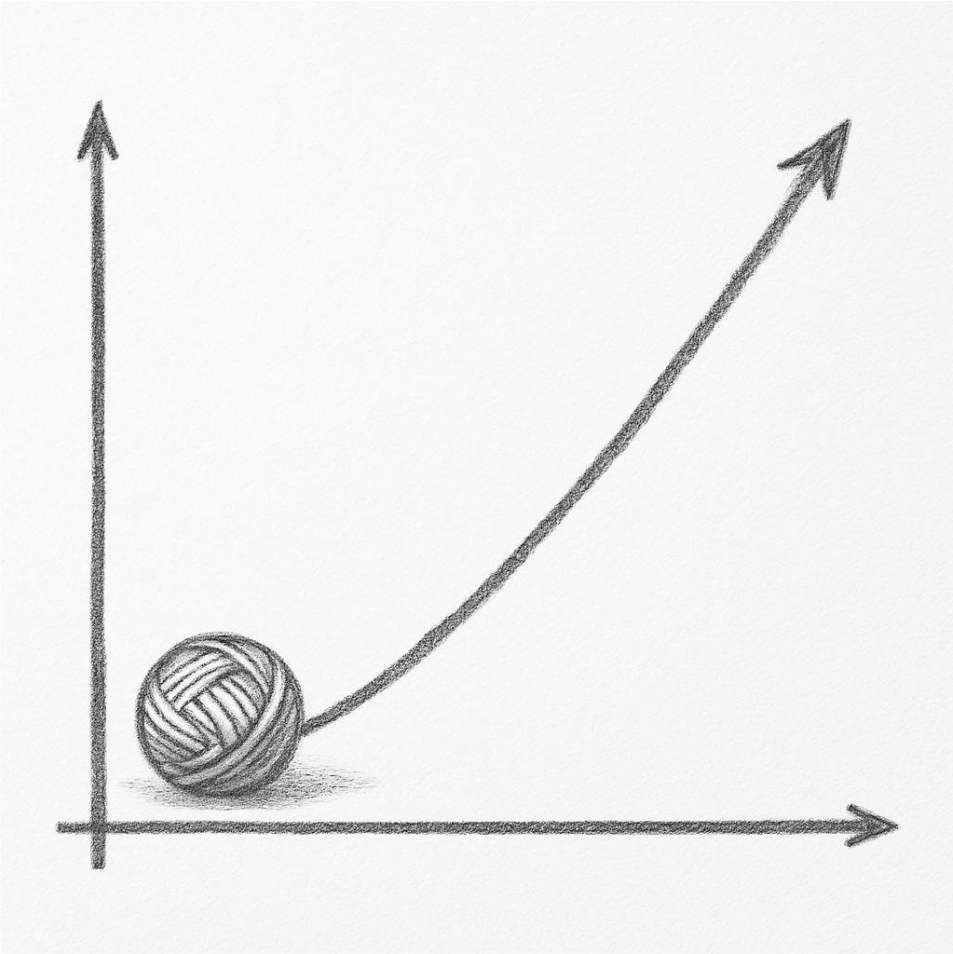
Measurable business impact of this work



Technology improvements in product information and merchandising contributed to major measurable* business impact:

- Substantial YoY website **CSAT** improvement
- Major contributor to ongoing **revenue** growth
- Fewer technical product **support calls**
- Reduced number of **returns**

* We have strong internal metrics, but don't share them publicly

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Simplifying **Architecture**

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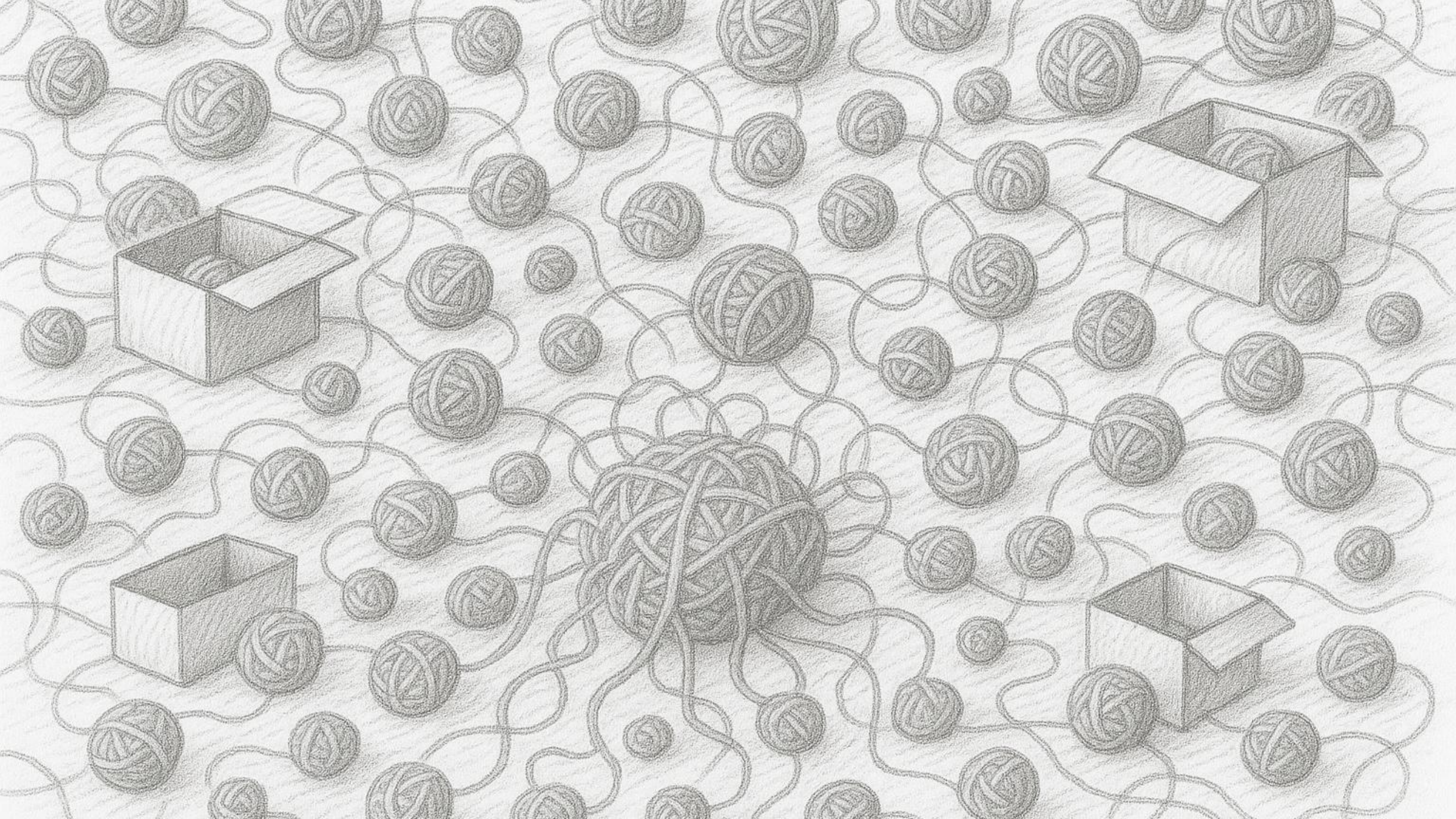

The Unix philosophy for Enterprise Architecture

THE GUIDING PHILOSOPHY

- Do one thing and do it well
- Write programs to work together
- Test early and often. Refactor.
- Build and use tools to lighten the task.

SCALED TO ENTERPRISE ARCHITECTURE

- Modularity + single responsibility
- APIs, Events …. (and MCP)
- TDD + CD
- Invest in platforms and DevEx

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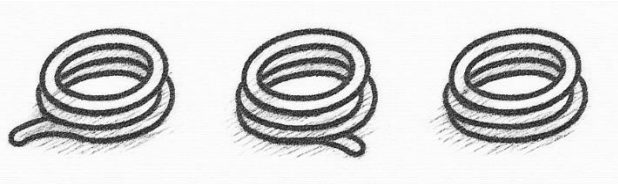
Modularity and automation increase speed of delivery



Delivery of features in our modular, well-tested, highly-automated, new components is

3-5x faster

than when features touch our legacy ecommerce monolith

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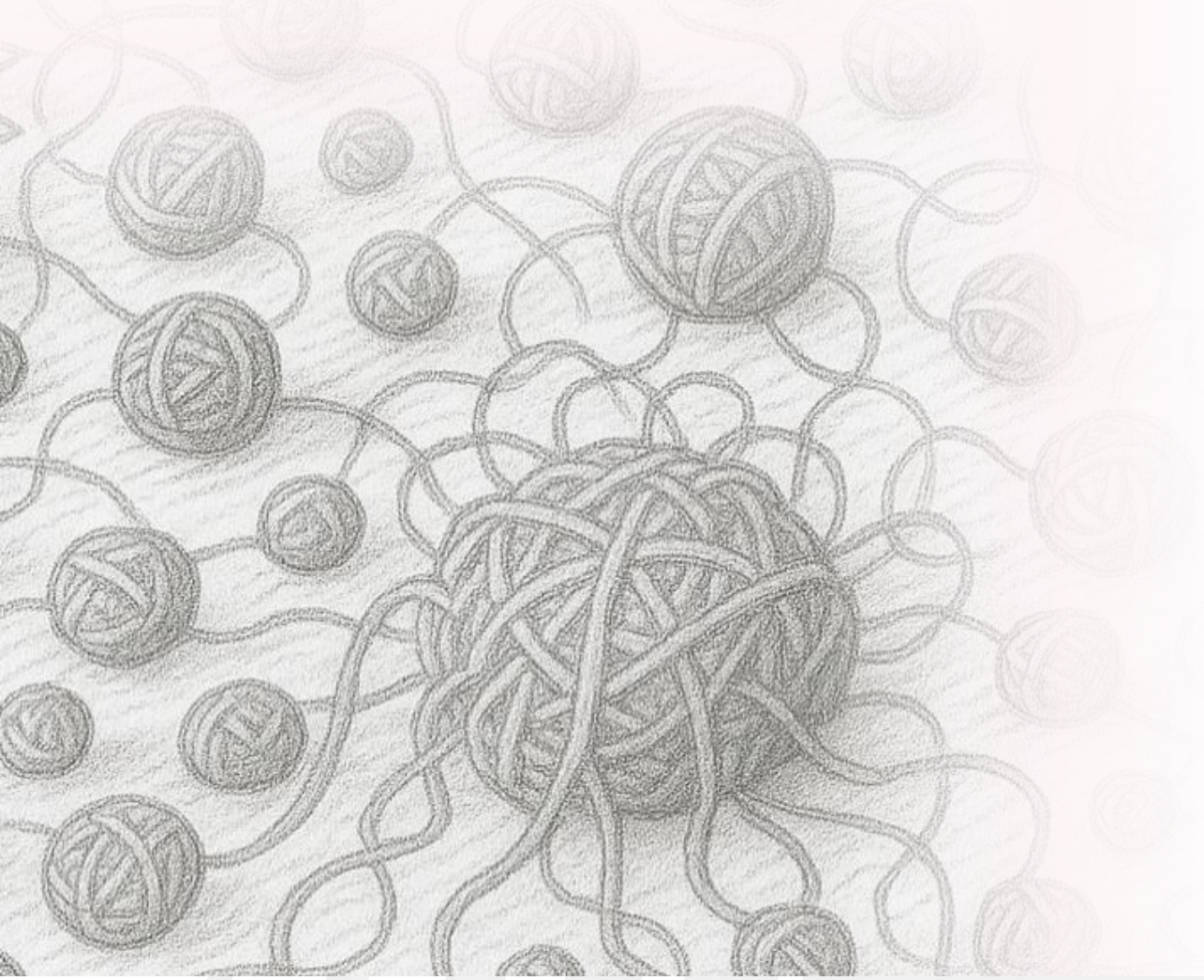
“Smart endpoints / dumb pipes” applied to SAP



Unbundle capabilities to make SAP a highly reliable transaction processing engine?

Take Marie Kondo’s advice:

- Does this bolt-on serve us?
- Does it give us joy?
- Does it fit with our Enterprise Architecture strategic intent…?

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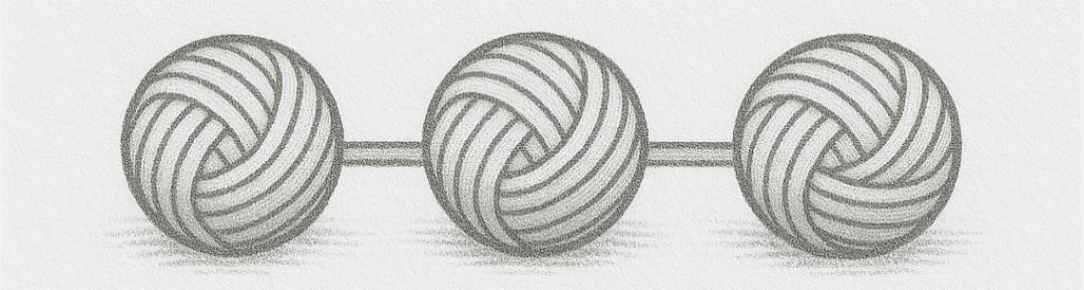
Even SAP got in on the continuous delivery game …

BEFORE: Deployments were complex, monthly, business impacting events

Investments in automation



AFTER: Regular, low-impact, intra-day deployments

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Key insight:

Get used to living with “transitional architectures”

… forever!

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Simplifying **Engineering**

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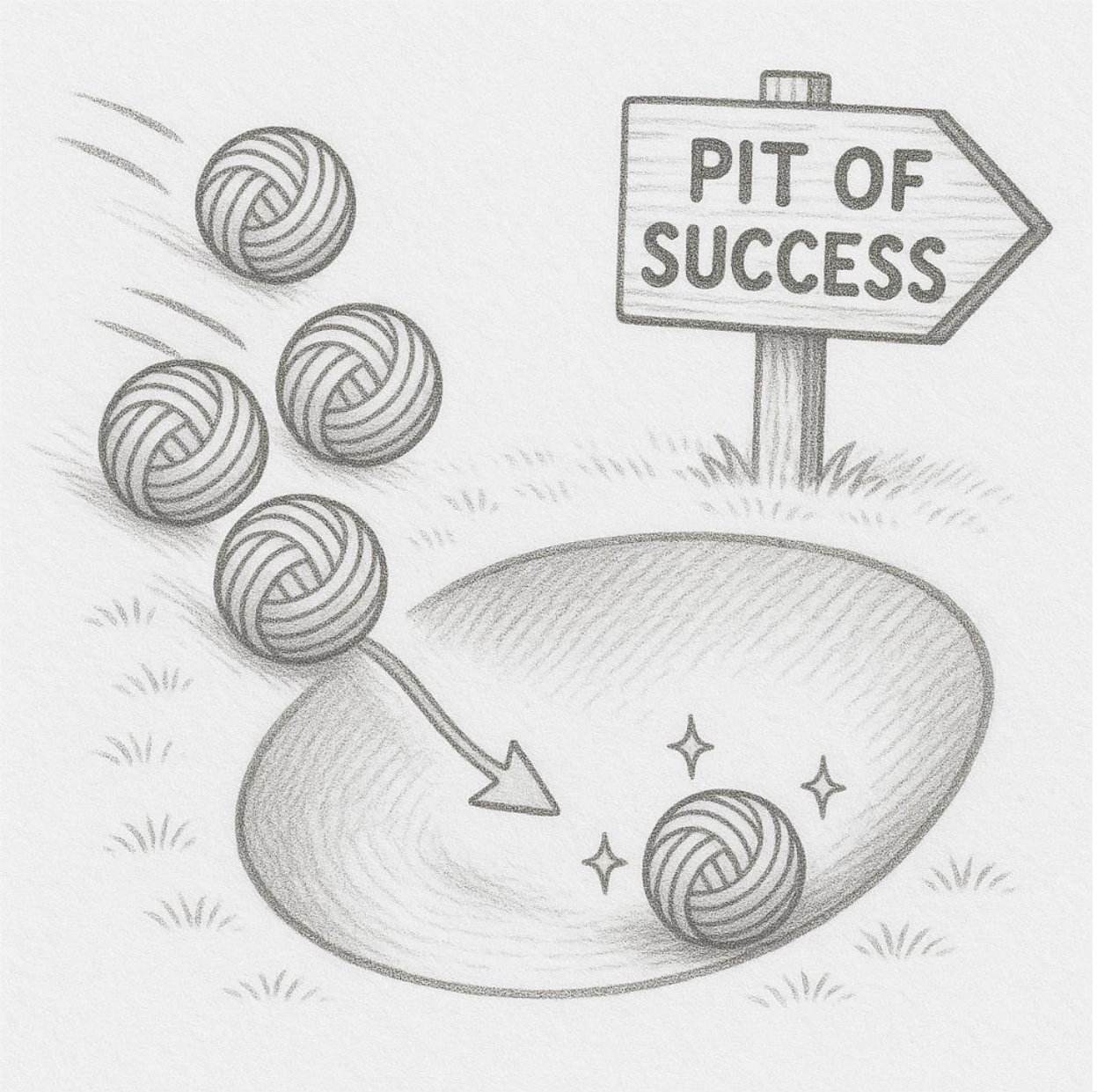

Building the “**pit of success**”

- Sensible defaults
- Platform tooling / paved road
- Simple metrics (DORA)
- Focus on regular CI reviews
- Supported by coaching / DOJOs

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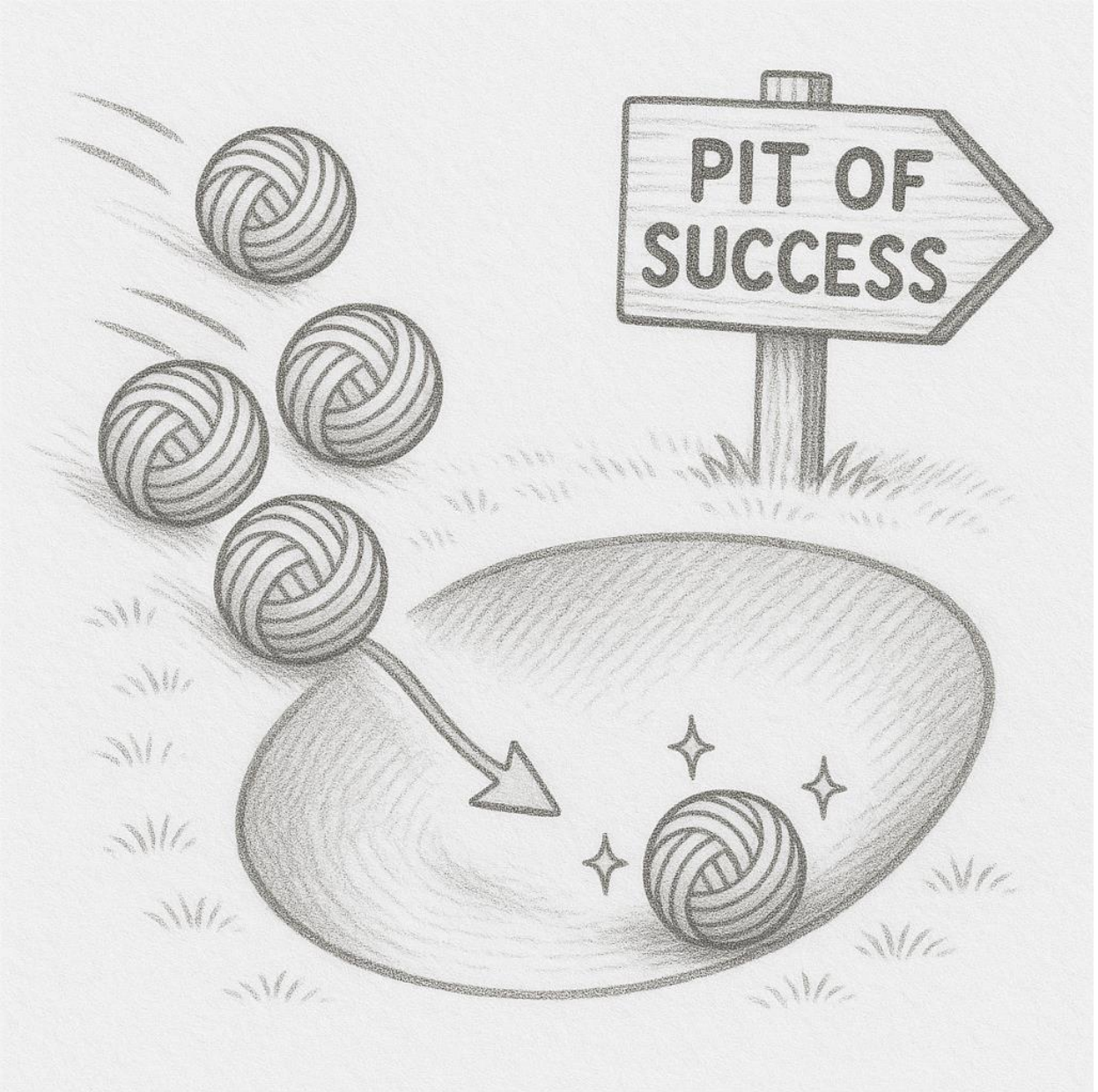

Building the “**pit of success**”

- Sensible defaults
- Platform tooling / paved road
- **Simple metrics (DORA)**
- **Focus on regular Continuous Improvement reviews**
- Supported by coaching / DOJOs

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Key insight:

Instilling a continuous improvement culture takes real leadership focus

(it’s harder than just funding platforms and coaches)

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Key insight:

Leadership is saying the same thing over and over again

(a bit like parenting)

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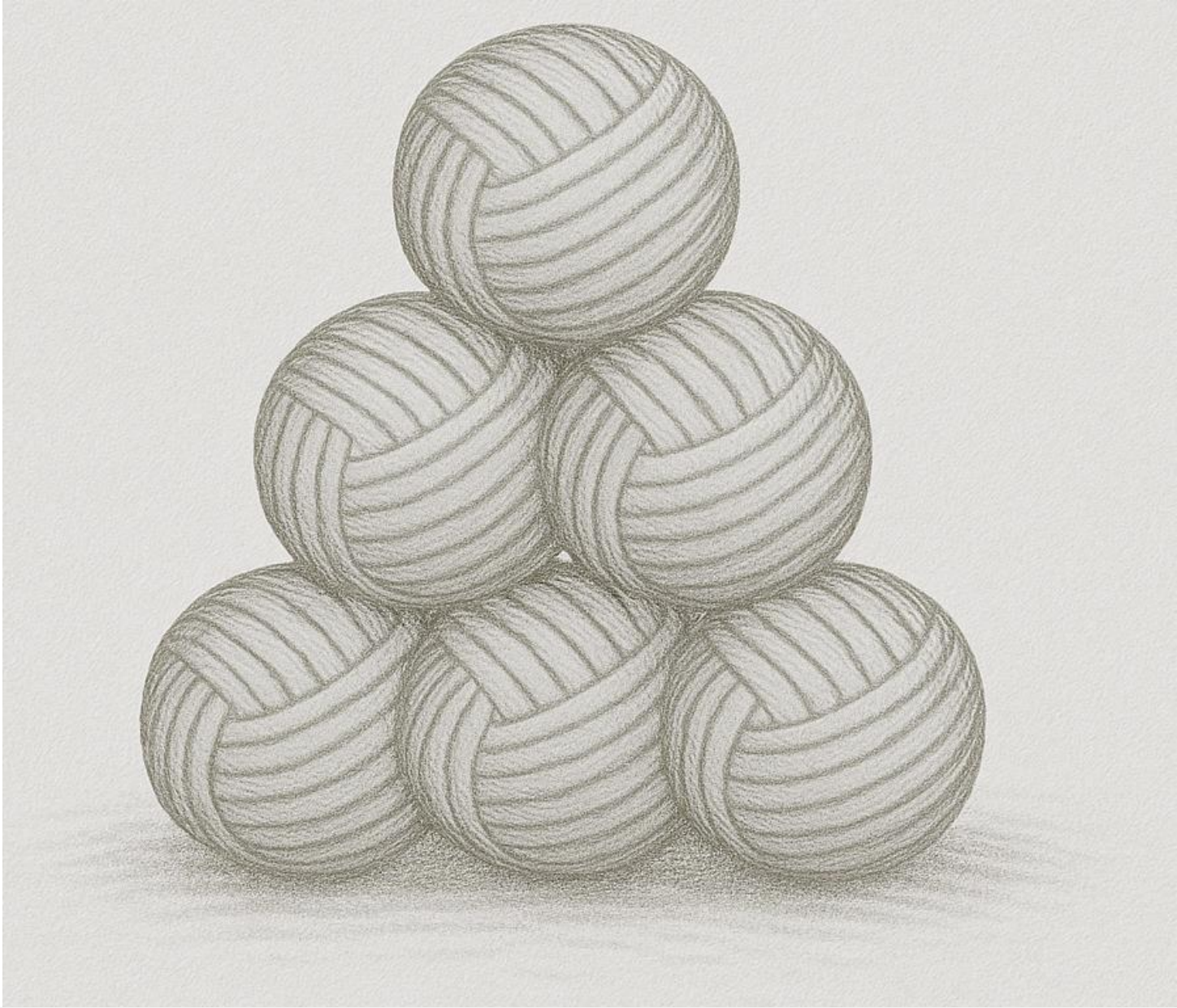
Simple!



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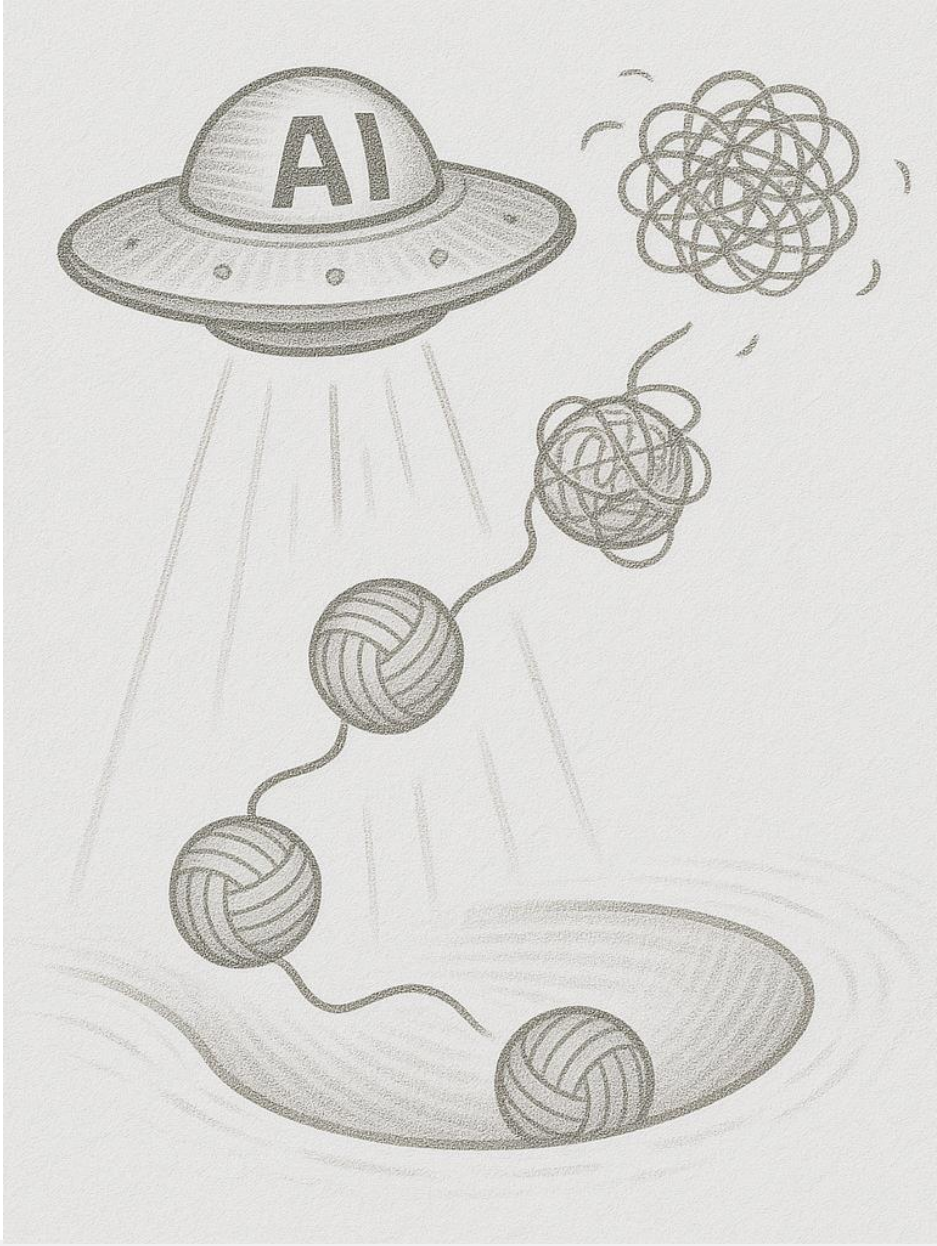
But things change in technology …

How we leverage AI without adding (too much) **complexity?**



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Simplifying AI

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The customer value proposition doesn’t change

(ship reliably, remove complexity)

… but how we do it can change

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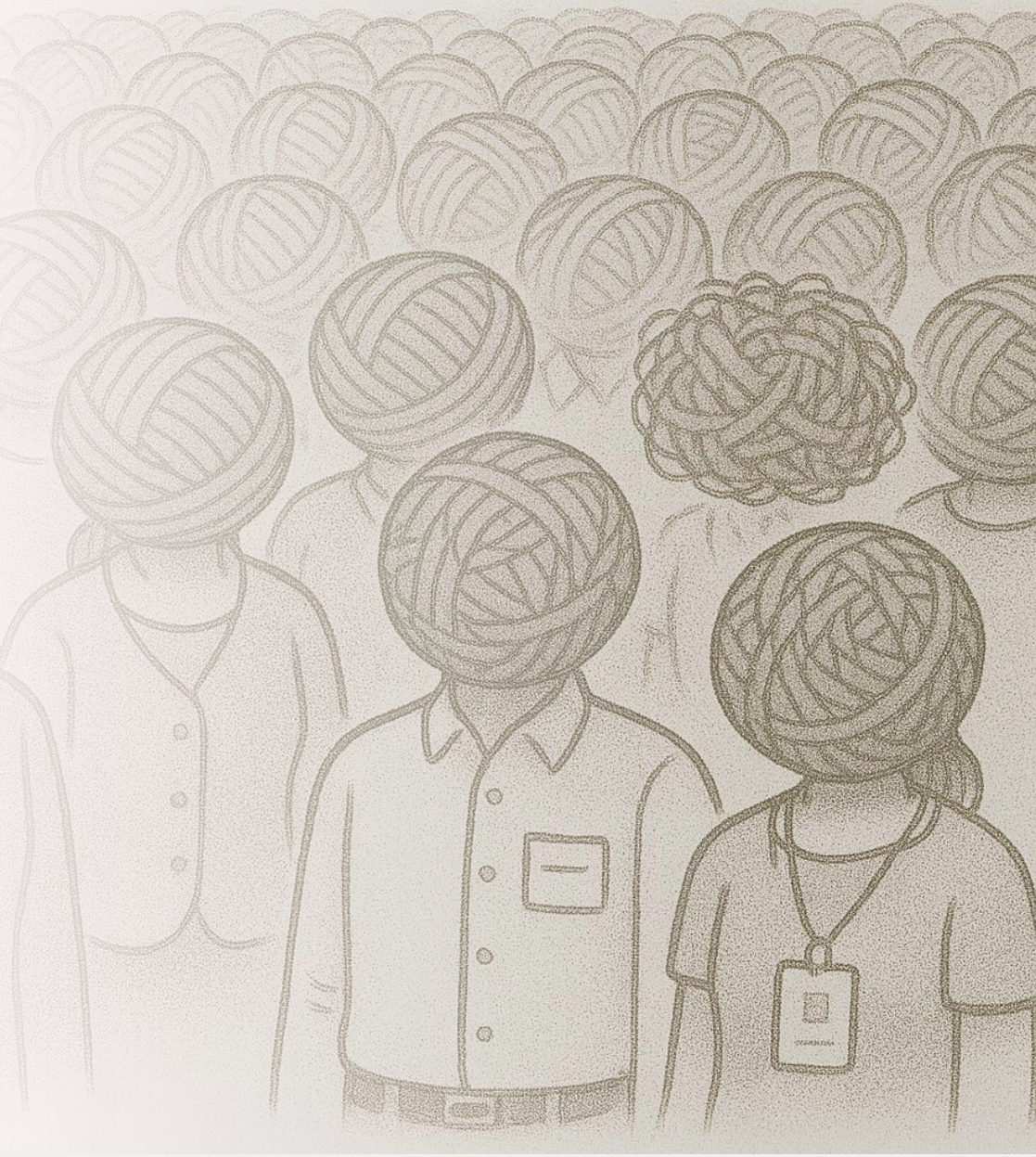
Key question for business partners:

“How might you want to operate if you had access to unlimited interns?”



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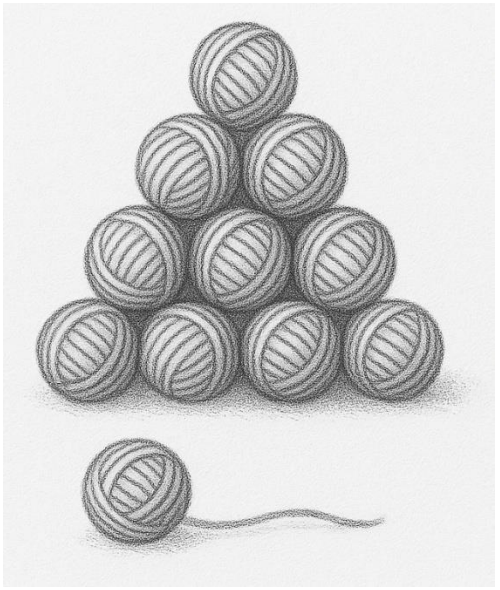

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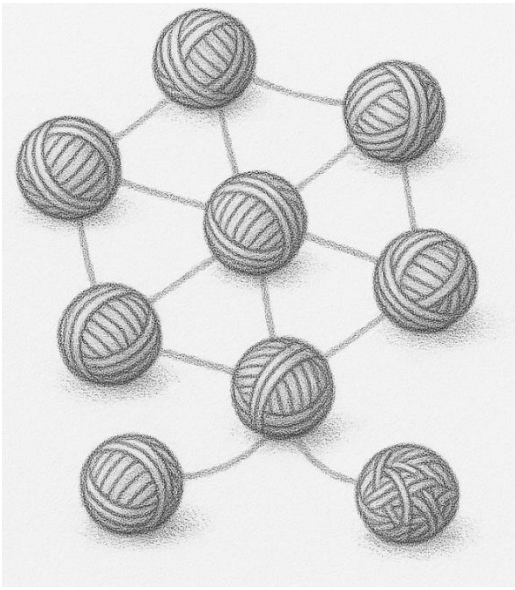

Deliver outsized advantage

+

Improve service and productivity

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Key insight:

Don’t fear shadow AI

(but do have sensible guardrails and governance)

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Key insight:

Rethink your processes before sprinkling with AI pixie dust

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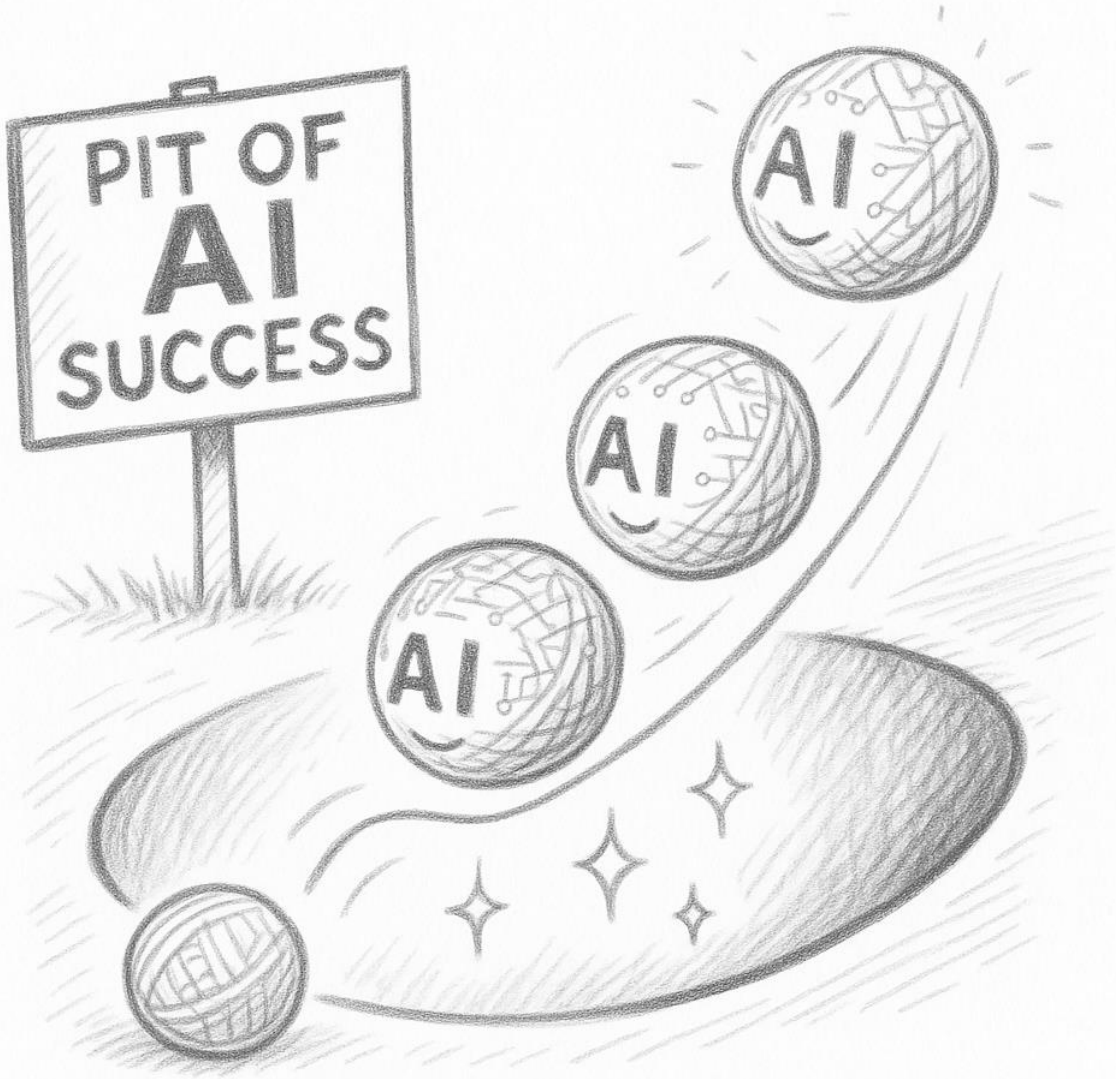

Building the “**pit of AI success**”

- Clarity on processes
- Differentiated data
- Safe access to models
- Guidance, governance, support
- API and event ecosystem

- Evolve intelligent assets
- Track the external landscape

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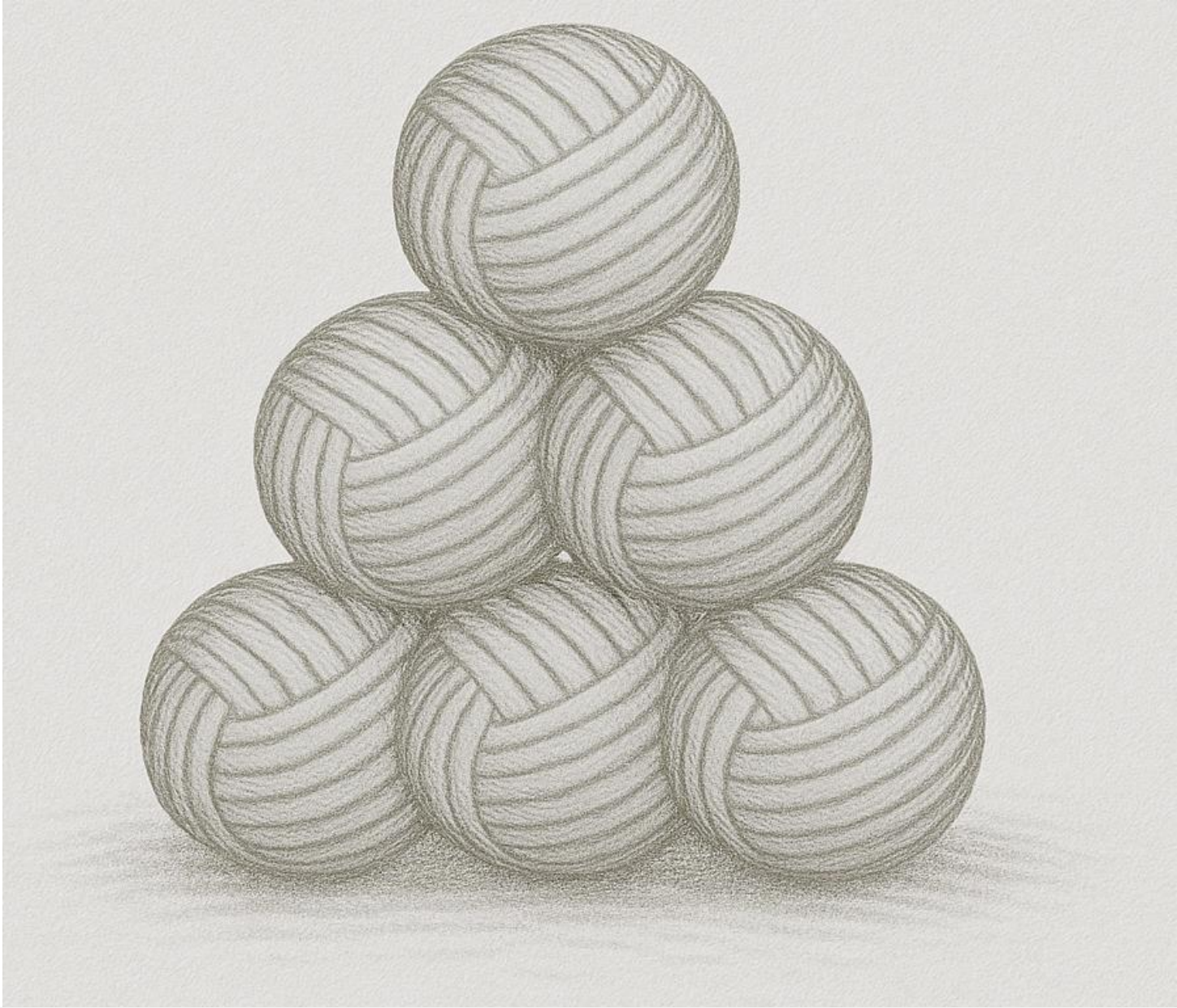
Simple!



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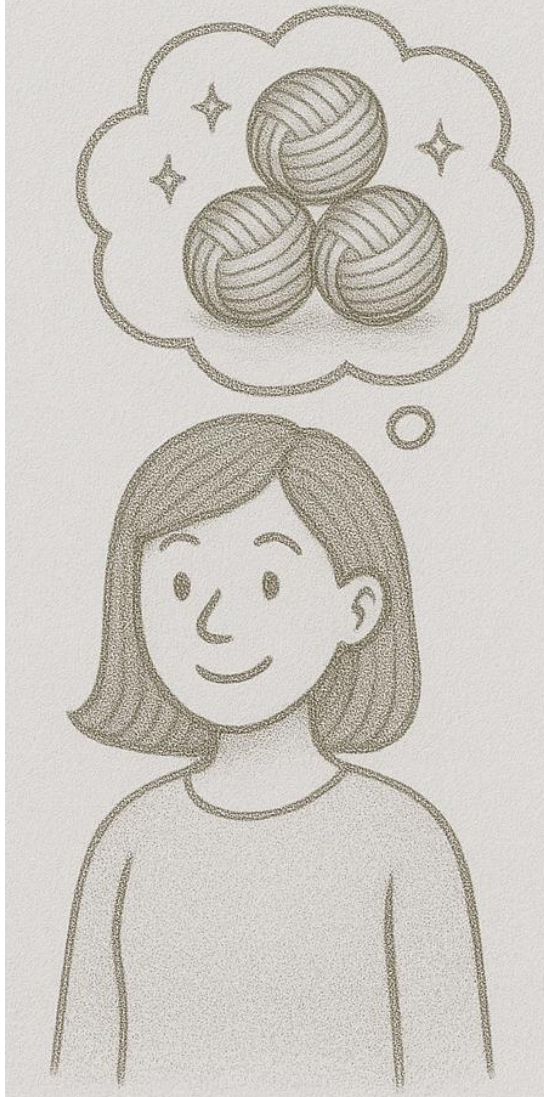
Leadership lesson from parenting:

Your kids copy what you DO not what you SAY …

How are you modeling the cultural traits you want in your organization?



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