

The background of the entire page is an abstract watercolor wash in various shades of blue, ranging from deep navy to light sky blue. The texture is organic and painterly, with soft edges and blended colors.

CLARKSTON CONSULTING **2019-2020** Citizenship Report

LEADERSHIP STATEMENT

For nearly 30 years, Clarkston Consulting has differentiated itself through a dedicated commitment to our mission to be the most effective and highly sought-after integrator of business solutions for our core clients, promoting business growth and market diversification, while providing a rewarding and stimulating environment for our stewards.

Though our devotion to this mission remains resolute, the means for achieving have evolved just as the world around us has evolved. Effectively driving growth, transformation, and differentiation now demands a mindset of corporate social responsibility in order to best serve our clients, our stewards, and our business. This report shares how we've committed ourselves to the ideals of Corporate Social Responsibility (CSR) across three critical areas: **Our Stewards, Our Communities, and Our Clients.**

2020 has proven to be a year of radical change for both the world and the United States. The novel coronavirus pandemic has forced change in how we live, communicate, work, and interact with family, friends, coworkers, and peers. Centuries of racial injustice and discrimination have been brought to bear, casting a light on how both individual and organizational systems of thinking, operating, and acting have contributed to inequality and racism.

As the fight for racial justice persists and the wake of the COVID-19 global pandemic continues to permeate, it's more critical than ever to reassert our dedication to upholding the responsibilities we have to each other. These responsibilities are plain but, backed by conviction and action, their impact is profound. They are responsibilities to enable an environment for every voice to be heard and respected, to create opportunities for all to learn and grow with purpose, and to support and strengthen our communities and our people however we can.

As we enter a new decade, it's now more evident than ever before – the challenges of today's world cannot be solved by any one person, organization, or entity. These challenges - be they social, economic, health, climate, or otherwise – require a comprehensive, committed approach by each and every organization in the position to drive impact.

In our work with clients and peers, we live by an ideal that permeates all we do – your purpose is our purpose. As a global community, the new demands for shared purpose have never been clearer. We are more committed than ever to supporting and partnering with our stewards, our communities, and our clients to realize sustainably-driven growth and development.



TOM FINEGAN
CEO + CO-FOUNDER



PAUL GARRISON
PRESIDENT

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CLARKSTON AT A GLANCE

WHO WE ARE

Clarkston Consulting is a life sciences, consumer products, and retail consulting firm, headquartered in Durham, North Carolina, with stewards serving global companies in the United States and beyond. Since our founding, we have been adamant in the execution of our core values: brilliant client service, business focus, differentiated performance, diversity, entrepreneurial spirit, ethics and integrity, flexibility and adaptability, initiative, professionalism, and teamwork.

Our mission is to be the most effective and highly sought-after integrator of business solutions for our core clients, promoting business growth and market diversification, while providing a rewarding and stimulating environment for our stewards.

**2018
+
2019**

**Forbes Best
Management Consulting
Firms**

**TOP 100
HEALTHIEST
EMPLOYERS**

**RECOGNIZED
BY VAULT
FOR:**

**Best Boutique
Consulting Firm**

Diversity

**Interactions
with Clients**

**Formal
Training**

Firm Culture

**Firm
Leadership**

97%

**26-Year Client
Satisfaction Rate**

**2019
GARTNER
MAGIC
QUADRANT**

**for SAP S/4HANA
Application Services,
Worldwide**

**2019
READERS'
CHOICE**

**CGT Consumer Goods
Technology's 2019
Readers' Choice Survey**

**6.3
YEARS**

**Average tenure with the
firm**

**VENDOR
EXCELLENCE
AWARD**

Estee Lauder, 2017

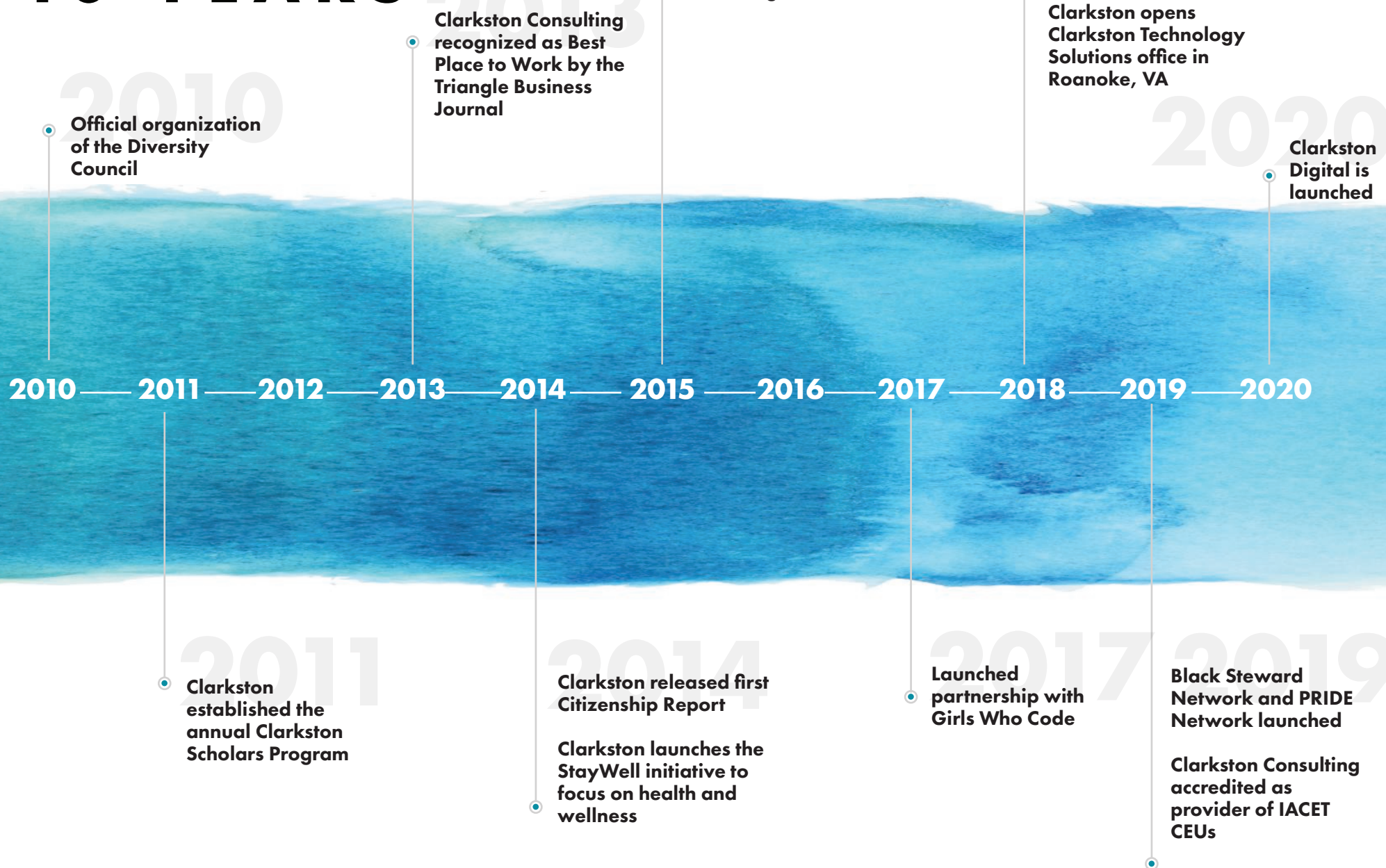
15.5

**Average years of
experience**

**2019
GARTNER
MARKET
GUIDE**

**for Digital Business
Consulting and
Implementation Services**

THE LAST 10 YEARS



HOW WE DO BUSINESS

STEWARDS

At Clarkston, we use the term “steward” instead of “employee,” as it reflects our entrepreneurial roots and the role that each person plays in the future of our firm. We think of the word “steward” in the nautical sense – a steward on a ship is responsible for the vessel and the direction in which it is going. All of us have ownership in our firm’s future and use the word “steward” to continuously and consciously remind ourselves of that responsibility.

CLIENTS

Our clients are more than just customers, they’re our partners. We aim to be trusted advisors for each of our clients and to build strong, long-lasting relationships with them.

OUR CORE VALUES

Brilliant Client Service	Business Focus	Differentiated Performance	Diversity	Entrepreneurial Spirit
Ethics and Integrity	Flexibility and Adaptability	Professionalism	Teamwork	Initiative

Our core values are a driving force in decision-making at all levels at Clarkston. From the people we hire to how we deliver our services to how we promote and develop our stewards, our core values are the scale by which we weigh each decision and path forward.

In support of our core values, we leverage an array of tactical and operational mechanisms to empower them in our jobs, our work, and ourselves. Upon joining Clarkston, each steward is designated a Partner Advisor to help them navigate their career at Clarkston.

This relationship provides a ready-made mentor for the steward and provides support to them in their client projects, their personal lives, and career decisions. As a leader in the firm, the Partner Advisor also serves as a voice for their advisees in the strategic direction of the business. This gives stewards a direct line of communication to Clarkston leadership and enables them to take ownership and agency in the firm’s culture and future.

Having a strong company culture, one that reflects our core values and is shared by all our stewards, is extremely important to us. We host various firm building activities each year, such as our bi-annual company meeting, to bring our stewards together and re-align on our strategic plans and goals for the future.

CORE VALUES COMMITTEE

Our Core Values Committee (CVC) is dedicated to ensuring that our core values are integrated into how we do business every day. The committee’s mission is to remain steadfast in our pursuit of excellence and differentiation by addressing and maintaining topics that materially impact our employees and our culture. Some of their current key initiatives are around improving knowledge sharing, facilitating greater collaboration, and strengthening formal and informal internal recognition.

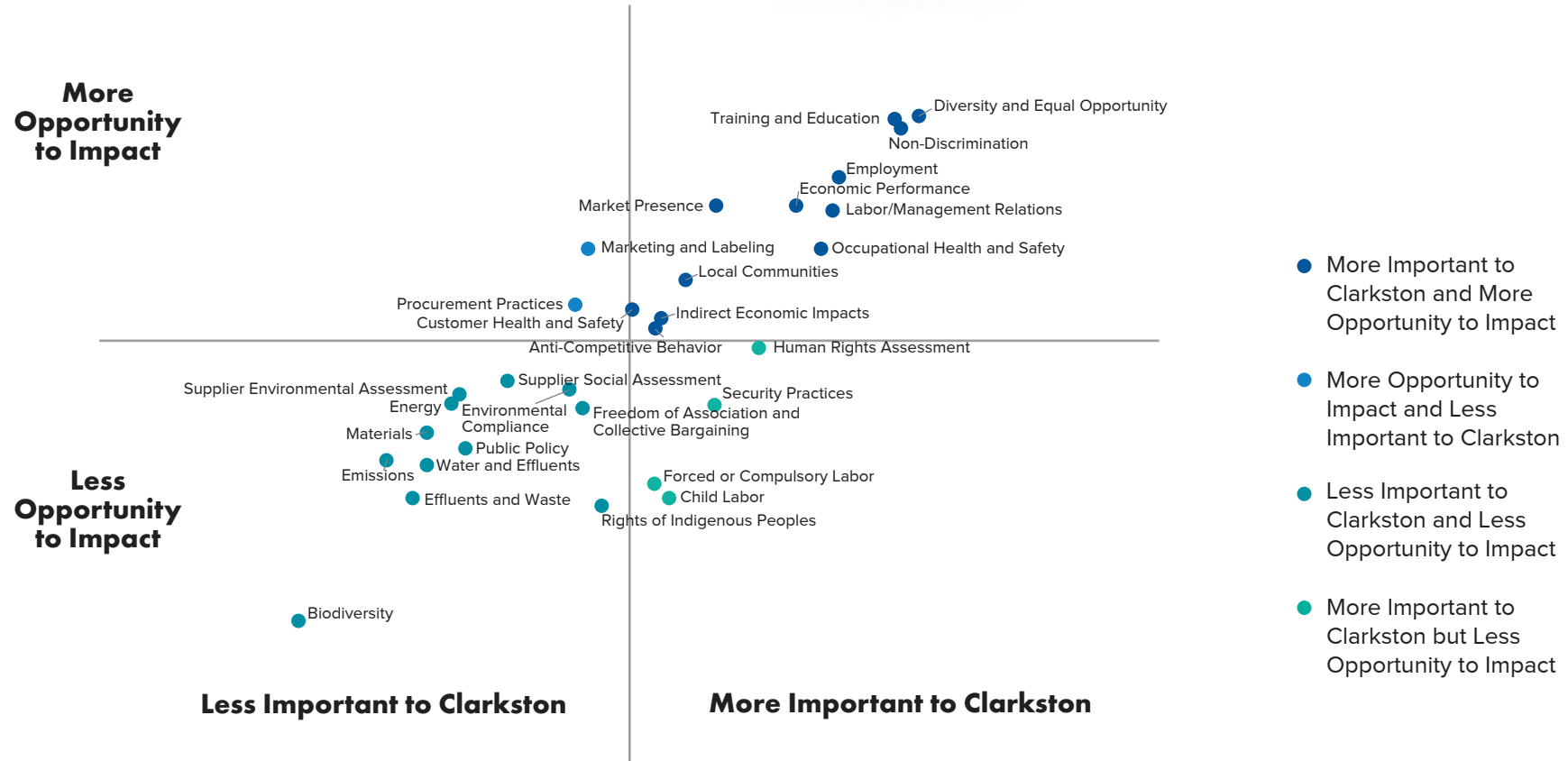
ACTIONS DRIVING OUTCOMES

Our Actions Driving Outcomes (ADO) committee is a cross-functional set of leaders from the partner group and serves as an operating committee. Their mission is to drive alignment of Clarkston’s services to the needs of the industries we serve, to provide guidance to the business’ transformation, and continuous improvement of the firm. They meet throughout the year to drive service innovation and to ensure professional development and knowledge sharing priorities align with the future of the business.

CITIZENSHIP REPORT STRATEGY + APPROACH

At Clarkston Consulting, we've always been committed to doing the right thing. It's a mentality that we've embedded into how we do business every day, from how we work with our clients to how we help our stewards grow. Today, we are more committed to that mentality than ever. Putting together this report gave us the opportunity to reflect on the work we've done and the progress we've made. Throughout the following pages, we detail our progress and performance in 2019 and outline our goals and commitments moving forward.

We believe doing the right thing means understanding what is important to our clients, our firm, and our stewards. As part of this report, we engaged relevant stakeholders through interviews and surveys and used that data to identify material topics. Through this process, we've identified three main areas of focus for our firm: **Our Stewards, Our Communities, and Our Clients.**



OUR FUTURE GOALS

Learning

Goal: In 2020, train 70% of stewards in a new skill with 25% of those being utilized in that new skill.



StayWell

Goal: To see 90% participation in wellness activities (out of those who are eligible to participate) by 2025.



Brilliant Client Service

Goal: Continue to deliver brilliant client service and maintain or exceed our current client satisfaction rate through 2025.



A photograph of Cory Jackson, a Black man with glasses and a beard, smiling while speaking at a clear acrylic podium. He is wearing a dark suit jacket over a light-colored striped shirt. The background consists of blue curtains and a decorative blue lattice screen. The title "Our Stewards" is overlaid in large white text.

Our Stewards

Cory Jackson, a manager at Clarkston, speaking at a recent company meeting in Denver, Colorado.

We are defined by our people. We believe that our ability to repeatedly exceed our clients' expectations depends on the well-being of our stewards. To us, ensuring this wellbeing means that we must provide employee health and wellness programs, consistent and equitable career experiences, and ongoing training and education.

CAREERS

At Clarkston, we are proud to create more than just jobs, but to create long-term career opportunities for the stewards and people that drive our business forward. Our industry-leading retention rate (nearly double that of the industry-norm) reflects our broader organizational mindset towards employment – we believe in helping our stewards develop, grow, and progress to their fullest potential. Our leadership is largely organically grown, with the majority of partners and executives having served the firm and our clients for years before taking on leadership roles.

As a firm, we've also invested in business models that create opportunities for our local communities. Clarkston Technology Solutions, a division of our implementation SBU, was created to provide onshore operational and application managed services for enterprise systems. Based in Roanoke, VA, the onshore model provides businesses with best-in-class services and support while creating job opportunities for the city and surrounding rural areas. In January 2019, we furthered our investment with the purchase of a new office building set to become an innovative, high-tech headquarters for the growing business. The expanded footprint will allow us to further increase headcount and offer greater opportunities for the local community.

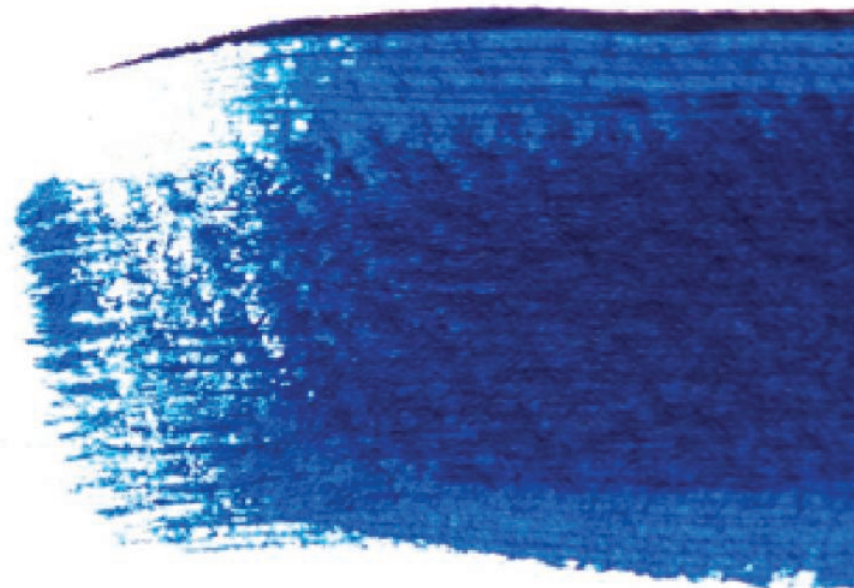
STEWARDS HEALTH & WELLNESS

Wellness

Ensuring that our stewards are safe, happy, and healthy has always been a top priority at Clarkston. Launched in 2014, StayWell is our dedicated, steward-led wellness team, that helps build, implement, and promote programs that support our benefits strategy and overall health goals.

StayWell's mission is to promote a culture of health within the firm by providing opportunities for our stewards to engage and support each other's wellness goals, drive positive health outcomes, and mitigate rising costs of health plans. Our approach to wellness is holistic and based on our four pillars of wellness: physical, mental, financial, and social health. Every activity, tool, or resource we offer through StayWell falls under one or more of these pillars.

In April 2019, we partnered with our health plan provider to more seamlessly integrate and further grow StayWell. In October 2019, we were named one of the Top 100 Healthiest Employers by Springbuk and 6th Healthiest in the Triangle (Raleigh, Durham, Chapel Hill) by Triangle Business Journal. Looking to 2020, we will continue to prioritize our stewards' health and wellness goals and provide them with the tools and resources to accomplish them.



BENEFITS

We offer a robust, comprehensive benefits package to all of our stewards. These benefits include medical, dental, vision, and life insurance, 401(k), paid leave, and wellness to take care of our stewards' and their families' wellbeing.

In 2019, we expanded our family leave policy to be more inclusive of all Clarkston family types. In addition to the 8 weeks of paid medical leave for birth moms, we now offer up to 4 weeks of paid parental leave to care for a child after birth or adoption. This parental leave time can be taken all at once or divided within a year after birth or placement. Clarkston also introduced a \$5,000 reimbursement benefit to offset the costs of the adoption, surrogacy, or infertility processes, including:



**Agency and
placement fees**



**Legal fees and
court costs**



**Medical expenses
for the child prior
to adoption**



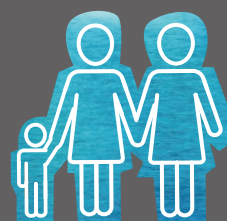
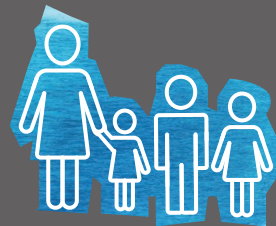
**Medical expenses
related to
surrogacy and
infertility services**

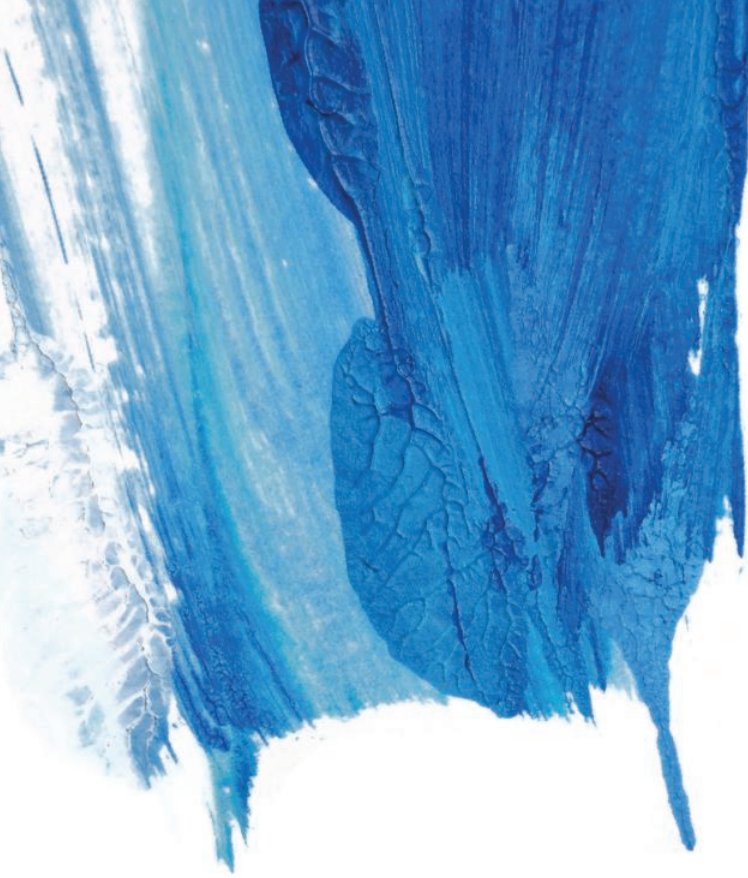


**Travel expenses
for both the
adopted child and
adoptive parents**



**Travel expenses
for the surrogate**





DIVERSITY, EQUITY, + INCLUSION

Clarkston was founded with a belief that the firm has a shared responsibility to create and maintain an environment of inclusion and mutual respect. We are committed to ensuring our firm is rich in diverse skills, competencies, strengths, personalities, and cultures as well as fostering an inclusive environment that embraces and leverages these unique contributions of our stewards to further our purpose - because their individuality is not only welcomed but embraced.

- **We embrace diversity in how we stand as a firm.** With diversity as a core value since the inception of our firm, our firm's leadership and Diversity Council focus a concerted effort in developing and supporting initiatives to provide opportunity, equity, transparency, and authenticity to our stewards.
- **We embrace diversity in how we support our stewards.** Through the creation of our steward-led support networks and the development and execution of our IDEAs (Inclusion, Diversity, Equity, and Action) seminars, we create environments to support each other and learn from one another's perspectives.
- **We embrace diversity in how we engage with our community.** Whether it's through our work with Girls Who Code to close the gender gap in technology, or our partnership with Momentum, a coding bootcamp that provides equal access to resources and skills to enable life-changing careers in technology, we are committed to enabling more equitable opportunities for learning and development.



We believe as a firm that cultivating a spirit of belonging not only makes us better stewards and better firm but is also a differentiator in our ability to support our clients. We strive to make continuous, positive growth as a firm and stay on the leading edge of innovation to best serve our clients and community.

Consistent and Equitable Career Experiences

Our people and the culture we create together makes Clarkston a great place to work and it is vital that all stewards, regardless of ethnicity, gender, orientation, or any other dimension of diversity, realize consistent and equitable opportunities through their tenure. In 2018, Clarkston launched Consistent and Equitable Career Experiences (CECE), a CVC-backed initiative, to assess our processes and culture with equity and inclusion in mind. The CECE team focused 2019 on understanding and promoting the black steward perspective through launching a series of initiatives including: the development of the Clarkston Black Steward Network (Clarkston BSN), development and execution of partner-focused inclusivity training, and succession planning.

Intentional Recruiting

Diversity in college recruitment informs the overall recruitment strategy by ensuring that we are reaching a wider spectrum of students who may be interested in pursuing a career with Clarkston. In 2019, Clarkston began dedicated efforts to recruit prospective talent from historically black colleges and universities (HBCUs), as well as women's colleges. These intentional recruiting efforts sparked meaningful conversations about careers in consulting with students who are traditionally underrepresented.

In addition to recruiting students from HBCUs and women's colleges, our Diversity Council also reviewed our recruiting efforts at other universities. Leveraging a program advisor, we adopted new approaches to ensure a more intentional focus to diversity and inclusion, including: (1) identifying diversity and minority-focused campus groups and organizations that recruiting teams should leverage (2) recommending posting and event advertising locations – such as offices dedicated to minority education and development, (3) reviewing recruiting strategies, and (4) sitting in on candidate review sessions to mitigate bias and balance perspective.

In 2020, Clarkston's HR and Diversity teams partnered to take a more detailed review of our current candidate recruiting processes to ensure equity and reduce the unintended effects of unconscious bias. The three streams in which Clarkston is focusing on from a DE&I perspective include:



Candidate Sourcing

Increase Clarkston's partnerships with organizations, groups, and boards that focus on diverse talent pools and ratify an employee referral program focused on women and minority groups.



Candidate Recruiting

This phase includes the blinding of resumes on initial resume reviews for experienced hires, implementing specialized unconscious bias training for stewards participating in the recruiting process, and leveraging tech platforms to assess candidate job descriptions for biased language.



Candidate Tracking

Implementing a more robust Human Resources Information System/Applicant Tracking System that allows candidate tracking at a more granular level to allow Clarkston to assess progress in diversity recruiting efforts.



Clarkston Black Steward Network (BSN)

The Black Steward Network functions as part of the CECE (Consistent and Equitable Career Experiences) initiative started in 2019. The support network serves as a safe space for black stewards to have discussions regarding the improvement of the Clarkston experience, seek advice, and create a sense of community amongst stewards. So far, the support network has successfully held monthly touchpoint calls and held periodic in-person meetings. In 2020, the support network plans to continue to serve as a conduit to drive CECE initiatives, find more effective ways to share information with our growing community, and host events aligned with our purpose of creating equity in career experiences.



Clarkston Pride Network

The PRIDE Network strives to create an inclusive environment for individuals of all sexual orientations and gender identities within Clarkston. The PRIDE Network helps shape the culture of diversity and inclusion within the firm by providing support for Clarkston's LGBTQ+ stewards and allies through engaging and constructive conversations to better connect with our clients. The network has multiple initiatives that include a health and employee benefits review and update through the LGBTQ+ lens, a core value alignment assessment with vendors and partners, development of inclusive language training, and a supporting queer stewards training. Looking forward, the PRIDE Network will be focused on further training efforts for all levels of the firm, empowering LGBTQ+ recruiting efforts, and launching a PRIDE Network newsletter.

IDEAs Training

As a people-first organization with a core value of diversity, equity, and inclusion, Clarkston developed the IDEAs (Inclusion, Diversity, Equity, and Action) Seminar Series. In order to better understand one another, create a culture of diversity and inclusion, and best serve our clients, the program focuses on better understanding the science behind bias, how we are naturally wired to fear differences, and how we can recognize and manage our biases, particularly in the workplace. Unlike other trainings, this seminar focuses on creating a safe space and impactful experience.

To date, 44% of the company has participated in the training. In 2020, Clarkston will continue to build and deliver diversity training programs focused on inclusive language and inclusive leadership.

TRAINING & EDUCATION

In today's world, industries and technologies are constantly being disrupted and we aim to equip our stewards with the skills and knowledge necessary for today's market needs. We support each of our steward's learning goals and help them develop their talents through a variety of internal and external learning opportunities. In 2019, 69% of our stewards were trained in a new skill and 27% of those were able to leverage that new skill set on a project. Our learning programs include both core and elective skills; the former covers soft skills while the latter includes subject matter and technology training.



Supporting Early Career Growth

We support both formal and informal apprenticeship at our firm; we nurture an environment where less experienced stewards feel at ease to reach out to subject matter experts for support who are motivated and equipped to support their fellow stewards. Additionally, we also have a focused learning program for our stewards who are early in their career (less than 3-4 years of experience). Within this program, we work with each individual steward to develop a learning plan and partner them with a mentor who can help them reach their learning goals.

Portability of Training

A learning pod is a group of learners that are committed to learning about a specific area or topic by following a curriculum of self-study, instructor-led, group study, and application-based materials. Very similar to a running club, there will be varying degrees of knowledge within the pod; however, everyone has a chance to share, contribute, and learn. It is a safe environment to ask questions and learn from others' experiences and training.

Bootcamp

For incoming college recruits, the firm offers an intensive eight-week training program that focuses on developing key skills necessary for future consulting roles. The program completely immerses the new stewards into Clarkston by providing them key consulting skills, such as relationship building, conflict resolution, presentation skills, as well as other technical skills. To simulate client work, bootcampers are given a real client project for which they have to gather requirements, work out a problem, and present to an executive team.

Academy

In 2014, we launched our Academy program, created to onboard new stewards that come from industry roles. The Clarkston Academy is a three-week training program for industry professionals with 3-7 years of experience. It maintains an immersive learning environment but is focused towards a more experienced audience and covers the core consulting skills as well as Clarkston's services and methodologies.

Leadership Experience

The Leadership Experience (LE) is a 9-month program designed to promote and accelerate the growth of our stewards who are currently demonstrating the highest leadership potential. This blended learning program includes participant-led discussions, expert lectures, external training, self-study, and action-based learning (ABL) activities. Unlike many leadership development programs, this program is open to stewards at all levels.



A group of five people (three women and two men) are smiling and posing in a warehouse setting. They are surrounded by large blue bins filled with various school supplies like pencils, pens, and markers. One man in the back is holding up a small object, possibly a phone or a small box. The woman next to him is holding a clear plastic bag filled with supplies. The woman on the far right is holding a pencil. The overall atmosphere is positive and community-oriented.

Our Community

From left to right: Mackenzie Cramblit, Patrick Stone, Hannah Fawzi, Carrie Ledgerwood, and Christina Farrell backing bags of school supplies at the Goodwill Foundation in Durham, NC.

We value our communities and aim to give back and support them as much as possible. Our firm partners with various organizations throughout the year, such as the Ronald McDonald House, Open Table, the Susan G. Komen Race for the Cure, and Habitat for Humanity. We also encourage our stewards to be involved with local organizations in their own communities and offer Charitable Matching of up to \$1,000 per individual, per fund, per calendar year. In 2019, we were able to support 62 organizations and 30 educational institutions through our charitable matching program.

SUPPORTING DIVERSITY, EQUITY AND INCLUSION IN OUR COMMUNITIES

Clarkston is committed to moving the needle on closing the gender gap in technology. With that in mind, Clarkston supports various groups such as AWESOME and the Network of Executive Women. In 2017, Clarkston began partnering with Girls Who Code and participating in local clubs.

During our Girls Who Code club visits, we provide students with an overview of who Clarkston is as a firm and what services we provide. After introducing the firm, we focus on our individual career journeys and what steps to take in middle school and high school to be successful in the tech industry. We walk them through our background from schooling to internships and talk them through what a typical day as a consultant looks like.

Clarkston's Write Your Future program challenges the young women of Girls Who Code to deliver on a project for a client that involves research, design, and execution of a technology solution to solve a real-world problem. The project teams are comprised of 3-4 girls who will partner with Clarkston stewards and a client from the life sciences or consumer products industries.

In 2019, nearly 60% of our firm participated in Girls Who Code initiatives by giving their time, treasure, and talents. We aim to continue to grow this partnership and increase our firm's participation.



CLARKSTON SCHOLARS

In 2011, Clarkston launched the Clarkston Scholars Program, a \$10,000 scholarship for one sophomore attending a four-year college or university undergraduate program in Pennsylvania, majoring in a life sciences-related field of study. The scholarship provides exposure to the life sciences industry through mentoring with Clarkston Consulting and participation in Life Sciences Pennsylvania (LSPA) events over the course of the two-year scholarship award period.

ENVIRONMENT

As a professional services company, our environmental footprint mostly consists of the greenhouse gas (GHG) emissions we generate through travel and the consumption of energy at our various office locations. In 2019, our firm emitted approximately 1,675 tons of CO₂e (calculated using the Greenhouse Gas Protocol) from business travel. In order to reduce our emissions, our teams look for opportunities to collaborate virtually and reduce travel intensity.

We are using this time in 2020 to re-evaluate how we approach business travel. Looking forward, we aim to reduce the amount of travel required by promoting remote work and virtual collaboration. In 2020, we are also rolling out our steward-led sustainability network. This group will encourage stewards to participate in various environmentally-friendly initiatives around a variety of topics, such as waste reduction and green travel. This group will also help develop firm-wide initiatives around reducing business travel and the company's carbon footprint. In a survey sent out in 2019, more than 90% of Stewards surveyed said they would be interested in being part of such a group.





Our Clients

At Clarkston, our clients goals are our top priority.

At Clarkston, we make our client's purpose, our purpose. Our dedication to brilliant client service and delivering the right solutions has earned us the industry's highest client satisfaction rating. We know that as a professional services company we have a unique ability partner with a variety of companies and organizations, and this is not a role we take lightly.



LEARNING / IACET

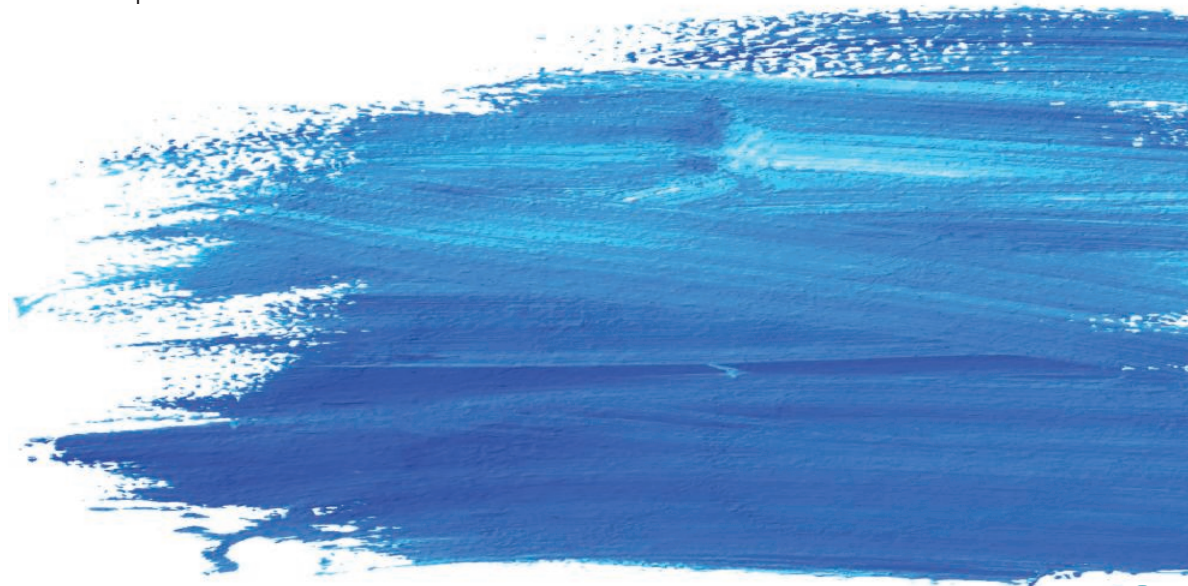
In early 2019, the International Association for Continuing Education and Training (IACET) awarded Clarkston Consulting status as an Accredited Provider of Continuing Education Units (CEUs). With this designation, Clarkston's qualified learning, development, and corporate training programs provide attendees with CEUs across a variety of both core business and functionally aligned subject areas. Additionally, in 2020 Clarkston was approved as a registered continuing professional education (CPE) sponsor on the National Registry of CPE Sponsors by the National Association of State Boards of Accountancy. For Clarkston, attaining these designations has been a strategic imperative in order to continuously meet the demands of the evolving business landscape for Clarkston clients.

Clarkston's continuing education program includes offerings for clients and employees around hard and soft skills in management, strategy, quality and regulatory, supply chain, sales and marketing, SAP, and data science. A sampling of courses includes leadership development, diversity, strategic innovation, program and people management, process design and analysis, digital marketing, laboratory operations and technology, data integrity, and operational excellence.



INFLUENCING THROUGH OUR CLIENT WORK

We are proud of our ability to influence positive outcomes for our clients and society through our consulting work. On the following pages, we share some case studies highlighting some recent examples of our work.



WASTE REDUCTION

A large U.S. manufacturing company wanted greater visibility into where loss and inefficiencies occurred throughout production in order to identify opportunities to improve performance.

Business Challenge:

Clarkston partnered with a large US manufacturing company in order to better understand their manufacturing process and establish a baseline for waste. The company had traditionally operated separately by functional area which kept analytics siloed. A focus on production volumes enabled past success but growing regulatory scrutiny had increased the importance of establishing additional success metrics.

Solution:

Clarkston established methods of studying the key influencers of waste and mapped out the facility into logical zones for a more granular understanding of their baseline. The team conducted a full analysis of various manufacturing data, including machine data, production numbers, manual readings, environmental readings, and quality data. This analysis provided a data-driven understanding of their true baseline, beyond historically accepted assumptions. They mapped product flow throughout the facility to provide a more detailed understanding of high impact areas of loss. This culminated in the creation of a dashboard for management to monitor KPIs around formula quality, waste, cost of loss, and equipment data.

RESULT:

Clarkston's Insights Panel established key performance indicators (KPIs,) providing managers the ability to monitor and increase efficiencies avoiding strained resources. The Insights Panel modeled efficiencies by machine and predicted fallout by zone using statistical analysis, while comparing trends in overall costs of loss in facility zone. The newfound visibility into high value operational metrics implemented a repeatable methodology for identifying and rectifying waste and operational inefficiencies.



WASTE REDUCTION

Clarkston helped a consumer packaged goods (CPG) company reassess its supply planning processes and implement a demand planning software to enable visibility in its growing market share and decrease waste.

Business Challenge:

The CPG company, growing at a rapid pace, required greater visibility of its on-hand inventory in order to make real-time adjustments to its manufacturing and sales. The company is fair trade compliant, so they needed long-term visibility of raw material procurement to account for the various suppliers around the world and decrease unnecessary waste.

Solution:

Clarkston reviewed the CPG company's supply planning processes and offered recommendations for increased visibility on the co-manufacturing relationship and the resource procurement process. The new demand planning software integrated with the existing enterprise resource planning (ERP) and trade promotions tools to better account for future growth and identify areas for sales improvements.

RESULT:

The new supply planning process allowed the CPG company to reduce its just-in-case inventory and instead focus on fulfilling orders and plan for more donations – in line with its philanthropic goals. The operations team was able to reduce waste and spoilage and provide real-time metrics for increased procurement efficiencies and greater sales relationships.



EMISSIONS

Clarkston worked with a large North American seafood product company to identify opportunities for savings and assess previous financial and logistical recommendations to sustain improvements over time.

Business Challenge:

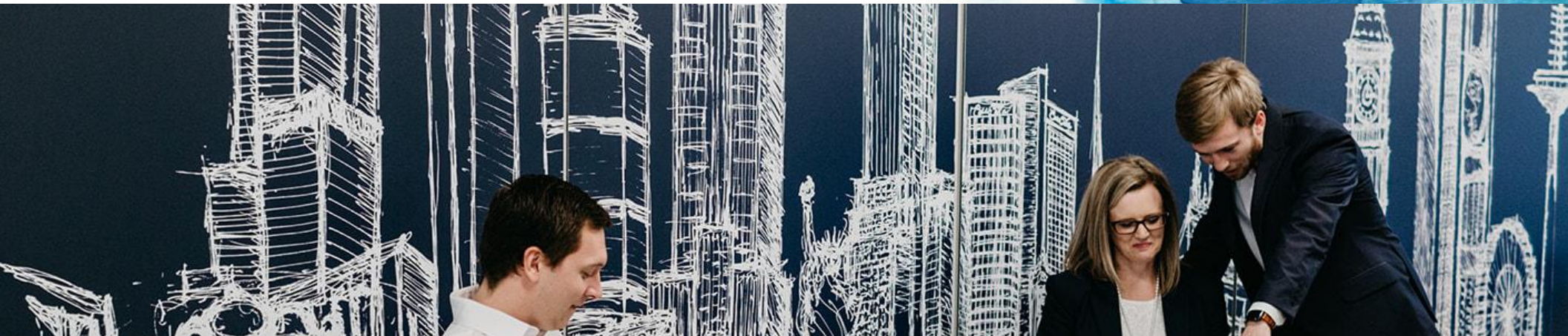
The seafood product producer was seeking to cut costs in its supply chain operations through an analysis of inventory levels and network and logistics patterns. A previous analysis had suggested closing two warehouses, and the company wanted to understand the financial and logistical impacts of changing their distribution network. They wanted to dig deeper into several high-level recommendations around inventory levels and network design, as well as understand what an actionable roadmap for implementation could look like.

Solution:

The Clarkston team developed an innovative product classification system to move away from “one size fits all” planning. They built a dynamic inventory assessment tool to analyze the client’s distribution network and capability for easy periodic updates. In this assessment, the client could demonstrate the true cost of warehouse closures in a dynamic simulation to understand the levers on network cost.

RESULT:

The seafood product company could identify a 27% reduction in inventory that could satisfy customer service expectations. This reduction in inventory yielded a one-time cash benefit of \$25M and a recurring expense benefit of \$3.1M. The client was also provided a sequenced roadmap for sustainable inventory improvements.



DIVERSITY & INCLUSION ANALYTICS

An international travel retailer recently identified a need to take concrete and immediate steps to improve its diversity and inclusion (D&I) across the organization.

Business Challenge:

Kicking off a taskforce for this initiative, the client distributed a workplace survey to determine the reality of D & I in the organization and guide goal development for their 2020 plan. Clarkston provided guidance on this survey, ultimately creating and administering the survey, as well as analyzing the results and findings for review with leadership.

Solution:

The taskforce surveyed the organization to understand demographic makeup, job attitudes, work relationships, diversity and inclusion perceptions, and outcome indicators. They analyzed response patterns across race, gender, and role relative to the organization and identified which groups are most at risk to leave, analyzing the intersection of race and gender.



RESULT:

The travel retailer was able to identify quantifiable metrics and areas for improvement in those risk-to-leave statistics and predicted relationships between demographic groups, diversity climate, and willingness to share ideas and help coworkers. The taskforce leaders could gauge their specific diversity climate that will enable them to take action in a meaningful way to promote and embrace difference.

SUSTAINABILITY STRATEGY

Clarkston worked with a global food producer and distributor to improve awareness and communication around the company's long-standing history of sustainability.

Business Challenge:

A global food company struggled to communicate their sustainability history and goals to their consumers, shareholders, and employees. They needed to find a way to merge their sustainability vision with their business strategy and goals.

Solution:

A strategy was implemented that united the company's business goals and sustainability efforts across their different regions and business units. Clarkston created a dynamic digital platform to house and display CSR content that aligned with their new strategic direction and consumer-first ideology. The team developed internal operating procedures for enhanced sharing, updating, and communicating CSR content with internal and external stakeholders.

RESULT:

The engagement created a consistent reporting methodology that ensures accurate and regular reporting and allows for a singular, global view of progress. The communication strategy enabled the client to easily share their CSR performance and progress through a digital platform. The multi-year strategy and tactical plan has produced a platform for sustainable, focused growth and realization of goals.



LOOKING FORWARD

“Your purpose is our purpose.” This is an ideal that has led Clarkston’s leadership for nearly 30 years and will continue to do so well into the future. 2020 has brought a new level of change and disruption to businesses of every shape and size. While we are proud of the strides our firm has made, we are excited to build on and grow the initiatives outlined in this Citizenship Report, and to continue to partner with our stewards, our communities, and our clients to build a more sustainable and equitable world for all.

ABOUT CLARKSTON CONSULTING

Businesses across the consumer products, life sciences, and retail industries partner with Clarkston Consulting to enhance strategic decision-making, improve operational efficiency, implement new technologies, and promote business growth and market diversification. Leveraging deep functional and industry expertise, our people discover, design, and deliver solutions that fit your business, your goals, and your future. At Clarkston Consulting, your purpose is our purpose.

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