

Branch Management Planning



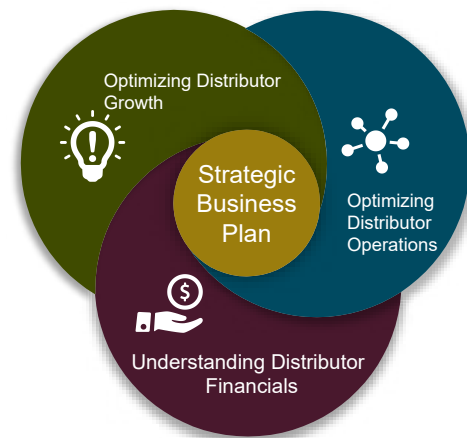


Overview and Need

It is an established fact that Branch Managers play a significant role in the success of any distribution business at the ground level. The decisions executed by the branch managers do not only affect their branch, but indirectly influence the financial performance of the company as a whole. In fact, the branch level is where the company's strategies meet the reality of the market. However, branch managers are often unaware of the implications and weight of their decision-making. As a result, policies and strategies implemented by executive management often begin to falter at the branch level.

One approach to bridge this decision making disconnect is to provide customized training to current branch managers demonstrating a well-structured link between their business process and its impacts on their company's financial elements. The training program developed by Thomas & Joan Read Center at Texas

A&M University for distributors across all market segments caters the need. The content of the training program is divided into 3 modules, seen below:



The central module on strategic business plans is an applied session in which the branch managers prepare a business plan containing their target goals and revenue for the next five years, and develop the appropriate sales, marketing and operations strategies to achieve those targets.



Program Objectives

In many companies, the role of Branch Managers is merely to oversee a limited number of direct reports, relaying information from executives to employees. Managers working in this capacity supervise subordinates, enforce plans and policies, report operational results, and quickly escalate issues or problems. In summary, this type of Branch Manager is meant to communicate decisions, not to make them; to ensure compliance with policies, not to use judgment or discretion; and to oversee the implementation of improvements. This traditional system makes companies less productive, less agile, and less profitable, as our research has found.

Thus, it is essential to train Branch Managers on the best practices of their business processes, and on their effect on the financials goals of the company. The training program developed at Texas A&M university aims to develop the capabilities of Branch Managers by re-imagining their position as the CEO of a small business unit with senior management as its stake holders. This requires a thorough

understanding of the overall performance of the branch in terms of financial metrics and other factors measured at the branch level. These financial metrics can help Branch Managers identify other relevant process metrics which they might have overlooked otherwise.

The objectives of the training program include:

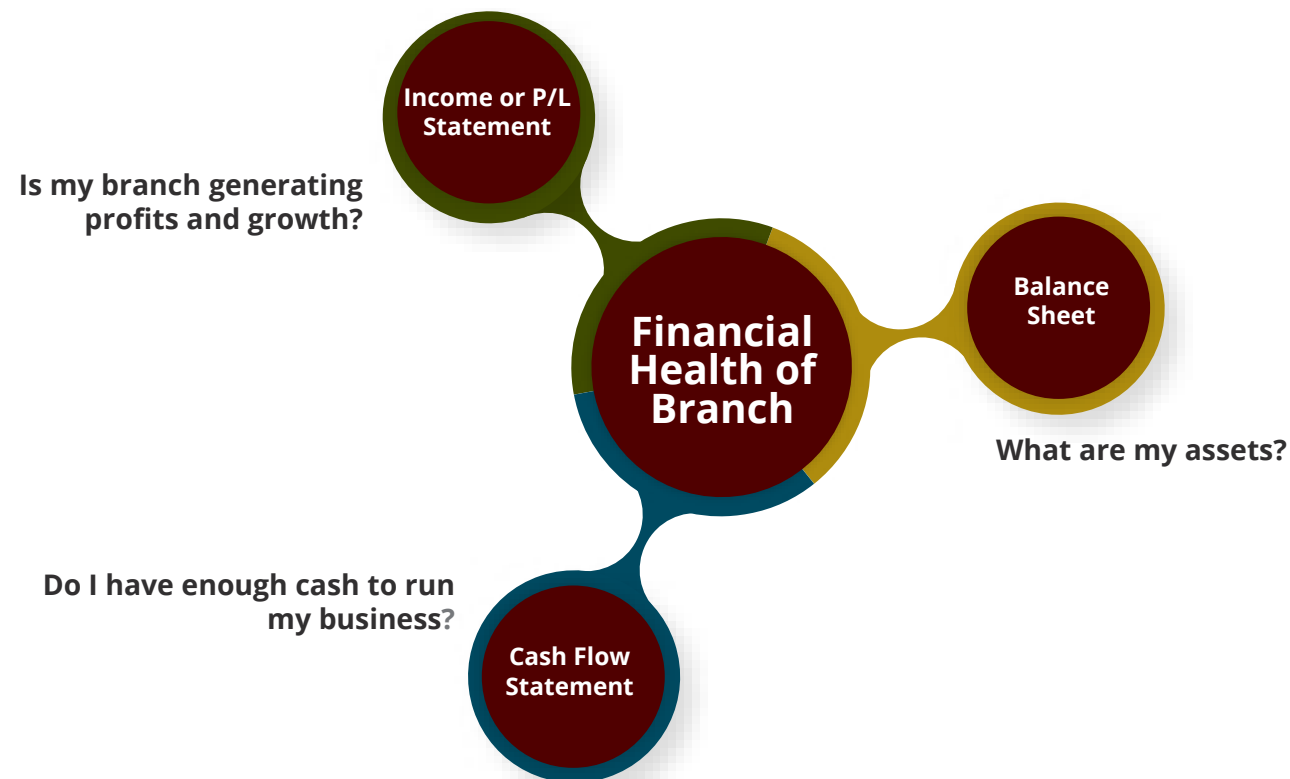
- Learn how to improve service levels and asset performance.
- Gain essential knowledge about financial statements.
- Understand the importance of profitability.
- Develop insights on effective operation management to improve branch finances.
- Provide clear understanding of Value Propositions and their impact.
- Learn growth strategies, challenges and solutions, and best practices.



Methodology

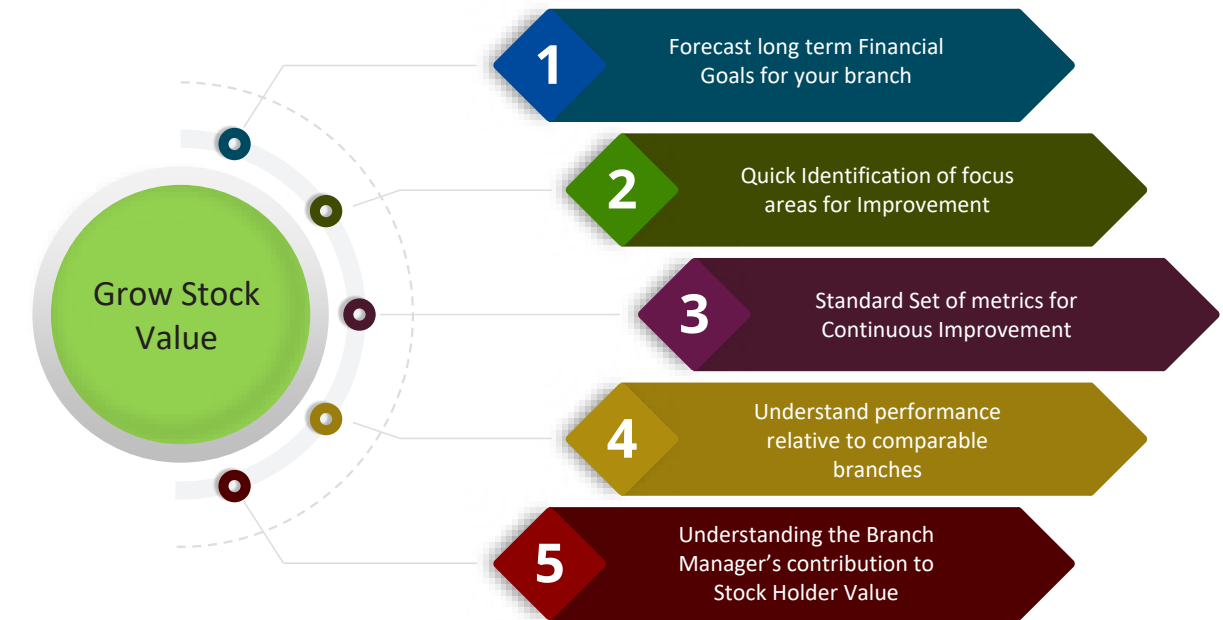
Branch managers should be understood treated as business partners who add value rather than as a mere link in supply chain. It is essential to educate branch managers on the best practices of their business processes, and to equip them with knowledge of growth strategies that can help achieve the financial goals of the company. This training program can be easily customized for any distributor who wants to provide their branch managers with a richer perspective regarding the dynamics of branch finances by elucidating the structured link between branch operations and finances.

Behind the traditional 4 modules, the Read Center is capable of delivering comprehensive, accurate educational content regarding any aspect of branch management, such as supplier relations, human capital development, warehouse management, and many more. The customizable aspect of this program provides both Texas A&M researchers and their client companies with an enormous amount of flexibility regarding the kind of educational content that can be produced and delivered.



Module 1a: Understanding Distributor Financials Questions

Understanding and Implementing Distributor Financials



Module 1b: Understanding Distributor Financials Process

Module 1: Distributor Financials

This module educates branch managers on how to use basic their financial information (such as their Income Statement and Balance Sheet) to derive important metrics, which can then applied to each branch to gain an accurate understanding of their overall financial health. Branch managers are then taught how to best reconcile their branch goals with the realities indicated by their financials. The ultimate goal of this module is to enhance the branch managers' decision-making skills regarding the use of the applicable or appropriate business tool(s) in a given situation.

The module further refreshes on the basic principles of growth, profitability, and asset performance. The branch managers will then asked to think beyond conventional business wisdom to consider new perspectives discovered by Texas A&M research. On a broader strategic level, branch managers are taught and encouraged to understand how their branches are performing relative to each other, which improves their managerial skills and allows senior management to make better-informed decisions that affect the company as a whole.

The module will conclude with the opportunity for the branch managers to engage in several group exercises, as well as to discuss business questions posed by the lecturers regarding the business implications of a hypothetical set of financials.

Unlocking Operations Optimization



Module 2: Optimizing Operations Process

Module 2: Operations Optimization

In this module, branch managers study the Optimizing Distributor Profitability (ODP) Structured Framework developed by Texas A&M, which links the impact of best practices in distributor processes upon distributor financials. As a result, branch managers are able to leverage time-tested research to pinpoint flaws and weaknesses in their own operations. This module helps the branch managers to understand not only how they are servicing the market, but also how they can forecast operational needs in order to deliver service excellence in the branch planning site.

More specifically, this module closely examines the Inventory and Warehouse Management practices of the client company, and demonstrates how even seemingly small adjustments to chosen processes could result in significant changes in profitability on the bottom line.

Finally, branch managers are taught how to best integrate customer feedback into their own production and distribution processes. The module concludes with a practical segment in which the branch managers engage in group exercises to better understand the potential applications of the educational theory.



©Thomas and Joan Read Center 2011. All Rights Reserved.

Module 3: Growth Strategies Road Map

Module 3: Growth

These modules guide Branch Managers through the process of utilizing their newly computed branch financial information, along with the Texas A&M Generating Growth Framework, to develop tailor-made growth strategies for their branches. The growth-related best practices created during this module will be compared with the best practices developed by Texas A&M researchers, to better illustrate how Branch Managers could learn from past mistakes and plan for growth and market penetration in the future. A comprehensive breakdown of Customer Stratification, Sales, and Marketing techniques will also be provided to the Branch Managers.

Who Should Attend	Deliverables
<ul style="list-style-type: none"> Branch Managers Operations Managers Sales Managers Potential candidates for management 	<ul style="list-style-type: none"> Optimizing Distributor Profitability Book and Framework Map Driving Profitable Growth Book and Framework Map Slides as course booklet Exercise and Activity Handbook Custom Branch Strategic Planning Handbook

Benefits

- Access comprehensive understanding of branch financials
- Create informed business plan for the next five years
- Develop deeper appreciation for the unique abilities and opportunities of branch managers
- Learn about how to optimize branch financials

Workshop Agenda

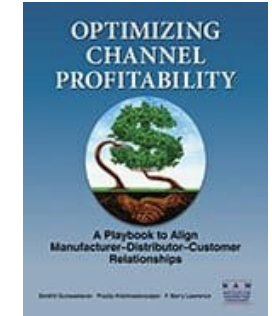
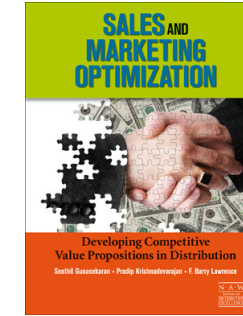
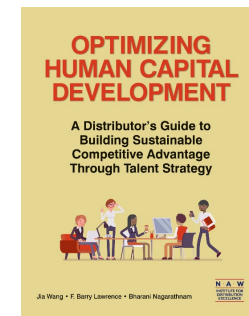
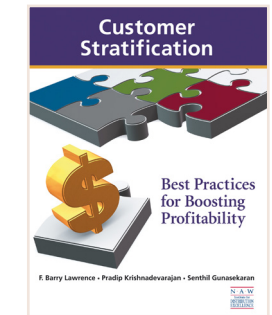
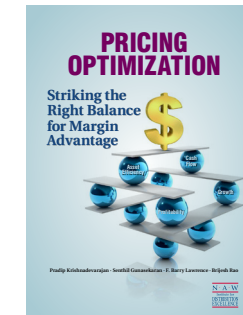
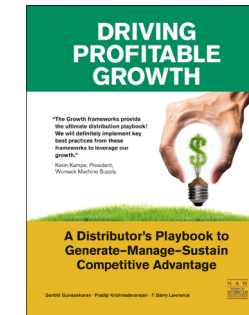
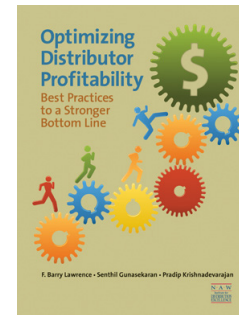
Activities:

- Branch Financials Analysis
- Business Plan Development
 - Directed exercises
- Group discussions and activities

Current Publications



All publications are published through Texas A&M University's partnership with the NAW Institute for Distribution Excellence. The following publications can be purchased here: <https://www.naw.org/naw-institute-for-distribution-excellence/#CRDBP>



WHY WORK WITH US?

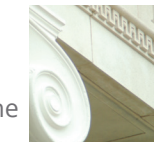


Number 1
Industrial Distribution program in the world.

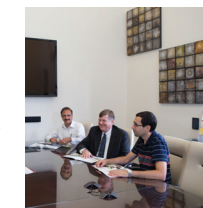


Proven methods driven by cutting edge research for over **60 years**

Program duration is **1-5 Days**



10+ unique topics that will boost your firm's bottom line.



Learn secrets to implement key best practices in **3-6 Months**



24 Instructors
Average teaching experience of at least 16 years

Help more than **265** companies each year to create competitive advantage

Over 1,000 business professionals attend our workshops every year





TEXAS A&M
UNIVERSITY



**THOMAS & JOAN READ CENTER FOR
DISTRIBUTION RESEARCH & EDUCATION**
TEXAS A&M ENGINEERING EXPERIMENT STATION

TO VIEW OUR WEBSITE, VISIT:
HTTPS://READCENTER.TAMU.EDU

FOR MORE INFORMATION ABOUT CONSORTIA AND CONTINUED EDUCATION
PROGRAMS, PLEASE CONTACT:
READCENTERINFO@TAMU.EDU

Texas A&M University

Dr. F. Barry Lawrence, PhD
Leonard and Valerie Bruce Chair in Industrial Distribution
Program Coordinator of Industrial Distribution
Director of Thomas and Joan Read Center for
Distribution Research and Education

Dr. Esther Rodriguez Silva, PhD
Talent Incubator Program, Director
Global Supply Chain Laboratory, Director
TEES Assistant Research Professor

Industrial Distribution Program | Texas A&M University
3367 TAMU, College Station, Texas 77843-3367
P: 979.845.1463 | M: 979.571.5513
barry.lawrence@tamu.edu

3367 TAMU, Texas A&M University
118F Sbisa, College Station, TX 77843-3367
Direct: 979 845 3146
estherrsilva@tamu.edu

Registration and Invoicing

Patrick Dolan
Program Assistant, Thomas and Joan
Read Center for Distribution Research and
Education
P: 979.458.2862
dolan606@tamu.edu

NAW Institute for Distribution Excellence

Patricia A. Lilly
Executive Director, NAW Institute for Distribution Excellence
1325 G Street, NW, Suite 100, Washington DC 20005
P: (202).872.0885
plilly@naw.org | www.naw.org



TALENT INCUBATOR
TEXAS A & M UNIVERSITY



**GLOBAL SUPPLY CHAIN
LABORATORY**
TEXAS A&M ENGINEERING EXPERIMENT STATION