

Inside Supply Management Magazine Interviews ScottMadden on Meeting the Challenges of the Power Grid of the Future

“Powering Up Their Game”

ATLANTA, GA – (October 7, 2015) – *Inside Supply Management* magazine recently interviewed [Andy Flores](#), partner and supply chain practice area leader at ScottMadden, about meeting the challenges of the power grid of the future. In the article, [“Powering Up Their Game,”](#) Mr. Flores discussed the role of supply chain management practitioners, reviewed areas where improvement was likely to provide a positive return for companies—category management, inventory optimization, continuous improvement, and cross-functional team leadership and coordination—and provided an overview of future trends, including implications related to coal unit shutdowns and FERC Order 1000.

“I was pleased to have the opportunity to share with *Inside Supply Management* some of the insights our firm has gained from working closely with our supply chain clients across the electric and gas utility industry,” said Mr. Flores.

The following transcript has been edited for length. To access the full article, please [click here](#).

“Steady, gradual change has been the hallmark of the utility industry in decades past, but change is occurring at a rapid pace today thanks to robust technology and sustainability options for tomorrow’s power generation system,” said the article’s author, Mary Siegfried. “And that means supply management practitioners in the industry will have to up their game if they want to play an instrumental role in building the power of the grid of the future.”

“The ripple effect from decisions the power industry makes will be wide ranging. After all, there’s nothing more important in our country in terms of its competitive advantage than the stability of its power grid,” said Mr. Flores.

“Experts say there’s an air of excitement in the industry as it juggles priorities ranging from modernizing the grid to integrating renewable energy options. ‘Right now, energy is attracting a lot of attention and specifically electric energy,’ adds Flores. ‘Many utility companies are taking a hard look at their business models as distributed generation, large-scale storage capabilities and renewable generation technologies come online. As those shifts occur, supply management must also adapt to change. I think these are very exciting times.’ ”

“Supply management experts and practitioners also know that with dramatic changes on the energy horizon, they have to deliver greater value. They say that involves a greater emphasis on category management, inventory optimization, supplier relationships, and building business unit partnerships,” said Ms. Siegfried.

“Flores says the first step in providing greater value is understanding the overall business and creating genuine partnerships with business units. ‘Supply management practitioners have to up their game, and upping their game requires thoroughly knowing the business of those they

serve,' he says. 'That may sound like a back-to-basics concept, but truly adding value means you engage business units to understand their business, and the goods and services they procure. That is the holy grail,' he adds."

To learn more about ScottMadden's Supply Chain practice, please contact Andy Flores directly at aeflores@scottmadden.com. ScottMadden has served more than 300 clients, including 20 of the top 20 energy utilities, in developing and implementing their business and operating strategies. We know electric and gas utilities and have been helping them succeed in virtually every aspect of their business for 32 years. For more than 15 years, we have been the industry leaders in examining and documenting the unique supply chain management conditions faced by utilities and designing programs to improve performance. ScottMadden knows how to build trust among utility operations and their supply chain management service organizations, and we have broad expertise aligning these groups to drive results. We also have extensive experience developing supply chain management strategies, staffing models, and "right-sized" implementation roadmaps. Our services cover all of the key supply chain processes—from demand planning, sourcing, and procurement to logistics, materials management, and investment recovery.

About *Inside Supply Management Magazine*

Inside Supply Management magazine is the journal of the Institute for Supply Management (ISM). With more than 48,000 active members worldwide, ISM is the largest global organization dedicated to advancing the practice of procurement and supply management. ISM is the leader in supply chain, driving value to its members with its two widely renowned certifications, the Report On Business®, countless educational resources and extensive networking events around the globe. The author of the article, Mary Siegfried, is a senior writer for ISM. She has been covering supply management issues for more than 18 years.

About ScottMadden, Inc.

ScottMadden is the management consulting firm that does what it takes to get it done right. Our practice areas include Energy, Clean Tech & Sustainability, Corporate & Shared Services, and Grid Transformation. We deliver a broad array of consulting services ranging from strategic planning through implementation across many industries, business units, and functions. To learn more, visit www.scottmadden.com | [Twitter](#) | [Facebook](#) | [LinkedIn](#)

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