

Quito, Ecuador, November 2023

Conelsa is one of the main manufacturers of low and medium-voltage cables in Ecuador. With over 50 years of experience, we are leading manufacturers of electrical conductors for power transmission and conduction.

Being a dynamic, flexible, and competitive company, we are continuously working on improving our processes and are always looking for the best practices, tools, and methodologies so that we can remain at the forefront. Therefore, during the last 7 months, we've developed in conjunction with London Consulting Group the **Wiring the Transformation** project. The project focused on improving our processes and information system to identify and capitalize on growth opportunities in our market, as well as to increase our operational efficiency.

This digital transformation and innovation journey was developed using London Consulting Group's methodology. It began with a comprehensive diagnostic of the organization in which we identified and quantified opportunities in our operation. During the project, collaborative tools were implemented, dashboards were developed, and the processes of our operation were redesigned and these have now become part of the day-to-day at Conelsa. These changes enabled us to achieve the following improvements:

Business Intelligence and Productivity:

- **28% increase in sales (TN)** compared to the same period from the previous year within the target customer segment.
- Activating the sales of **slow-moving** products, we were able to **impact 57%** of the total classifications that were identified at the beginning of the project.
- A coordination model was established for Conelsa's fulfillment logistics, improving speed and the level of customer service by 4.5 percentage points, increasing the **OTIF from 88% to 93%**.
- Models were implemented to capitalize on current sales opportunities (digital channel sales) and potential sales (market research model).

Production Scheduling and Control:

- **22% reduction in the cost per TN produced.**
- **18% reduction** in overtime cost per ton produced.
- **9,91% reduction** in the FG inventory value without impacting the level of customer service.
- Improving the average **OEE level by 10 percentage points** for the main cabling and extrusion equipment.
- **13 percentage points** improvement in compliance with the weight parameters, in accordance with the current regulations.
- Implementing online collaborative tools for recording and monitoring the operations at each stage of the production process, changing the work culture towards one that analyzes data and is focused on achieving the goals.

People & Culture:

- **8 management skills development sessions were held** in which 19 personnel members participated. The participants included managers, assistant managers, and supervisors. Individual coaching was provided to participants and Individual Development Plans were implemented.

Digital Transformation

- We worked on automating the Production reporting process using SharePoint and developing and implementing a Dashboard that is integrated with the Power BI platform. This automated a large part of the work focused on calculating and updating sales, production, and inventory KPIs.

We are pleased to say that by the end of the project we've achieved a **2.4 : 1** return on investment, with an annualized forecasted return of **5.8 : 1**. We would like to acknowledge the commitment and professionalism shown by the LONDON CONSULTING GROUP team, as well as the effectiveness of the work carried out in conjunction with Conelsa's personnel to achieve our objectives.



General Manager
Martín Dalmau Chiriboga

VENTAS Y FÁBRICA

- 📍 Juan Barrezueta N69-147 y Av. Galo Plaza
- ☎ (593-2) 247 2220 / 2472470 FAX: (593-2) 247 4447

FINANZAS Y CONTABILIDAD

- 📍 Av. Amazonas y Azuay, Edif. Seguros Confianza, Piso 6, Of.601
- ☎ (593-2) 2269058 / 2269873