



Grupo Agrícola El Cerezo
PROL. JESÚS GONZÁLEZ ÓRTEGA NO. 399
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Michoacan. June 2023

Grupo Agrícola El Cerezo is a proudly Mexican, family-owned company with more than 30 years in the market. It is one of the main agricultural groups in the country and the main producer of berries in Mexico. Its operations are focused on the production and distribution of Strawberry, Blueberry, Raspberry, Blackberry, Avocado, Asparagus, and Potatoes for sale and seeds.

It currently has more than 4,500 productive hectares and a presence in 5 states: Michoacán, Jalisco, Sonora, Baja California Sur, and Puebla.

We hereby wish to express our full satisfaction and recommend the firm **London Consulting Group** for the results achieved in the "**LONCER**" project which was developed over the last 9 months and in which, through the use of agile methodologies, collaborative tools, SaaS as Monday, and a focus on digitization, we were able to carry out the following activities:

- Designing, formalizing, and implementing an **Organizational Structure**, defining control spans, hierarchies, functions, responsibilities, and indicators for the leadership positions.
- Designing and implementing several models in the production, supply, sales, and packaging departments.
- Implementing a management model based on the generation and management of indicators in the company, supported by **Power BI (Business Intelligence) dashboards**.
- Designing and implementing a Monthly **Financial Business Intelligence System**, which included price analysis and profitability forecast. This empowered the finance team and helped them manage the flow of data in order to improve efficiency, accuracy, and capacity when making strategic decisions.
- Successfully implementing the **Agile Leadership** program; the program provides employees with a new way of thinking which enables them to generate the improvements required by the company.

Production:

- Increased compliance to the Nutritional Plan by **66%**.
- **56%** increase in the Harvesting Work Plan and **68%** increase in productivity.
- **53%** increase in the reliability of the pest & disease samples.
- **87%** average compliance with the phytosanitary plan.
- **Digital Transformation of the Business Unit** through tools that enable work planning (**App/Moday**), digital forms for capturing information from the field (**Apps**) and which are linked to the Executive Reports and KPIS installed on **Power BI**.

Supply Chain:

- Implementing an annual negotiation plan which achieved an average price reduction of **10%** from the top 10 suppliers.
- Reduction of unit price variability by **9%**.
- **12%** improvement in external OTIF service level and **19%** improvement in internal OTIF service level.
- **60%** reduction in high-cost inventory with low turnover.

Sales (Potato):

- **23%** improvement in the closing price variation indicator.
- **133%** reduction in the waste indicator when closing sales with customers.
- **10x** increase in the effectiveness of the prospecting client's conversion process.

The project was successfully concluded, generating a return on investment of **3.2 to 1**, with an annualized forecasted return of **6.0 to 1**, surpassing our initial expectations. We were able to achieve these results due to the professional work carried out in conjunction by the Grupo Agrícola El Cerezo personnel and the London Consulting Group team.

Sincerely

José Luis Mariscal Fernández
Chief Executive Officer
El Cerezo Agricultural Group



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Michoacán, July 2023

Grupo Agrícola El Cerezo is a proudly Mexican family-owned company with over 30 years of presence in the market. It is one of the country's leading agricultural groups and the main producer of berries.

Its operation focuses on the production and commercialization of strawberry, blueberry, raspberry, blackberry, avocado, asparagus, commercial potato, and potato seed.

Currently, it has over 4,500 productive hectares and a presence in 5 states: Michoacán, Jalisco, Sonora, Baja California Sur, and Puebla.

During the past year, we have collaborated with **London Consulting Group** on the **LONCER** project, which is focused on developing operational excellence in the company's key areas. The objective of this project is to increase productivity and improve resource efficiency. As a result of the project, the need to implement **talent development processes** was identified, necessary to support the strategy developed during the first phase of the project.

Therefore, it was decided to embark on a second phase focused on establishing a **Competency-based Organizational Development** model in the Human Resources area, with the aim of attracting, developing, and retaining talent.

The project achieved the following results:

- **Strategic alignment** between the Board, General Management, and Management Team, defining **expectations, priorities, challenges, and individual opportunities** for each department in line with the company's strategy.
- Design and implementation of a **Competency Architecture** for **100%** of the first and second lines, profiling each position according to its nature. This allowed for the identification of talent gaps that each leader should focus on developing.
- Design and implementation of a Competency-based Talent **Attraction and Selection model**, highlighting the incorporation of **4 Job Boards and 7 Universities**. The process was digitized using tools such as Monday and Pyxoom, and the competency-based interview methodology was implemented, **improving the service level for administrative positions by 50%**.
- Design and implementation of an **Onboarding Model** based on the **employee experience (UX)**, which manages talent satisfaction and retention during their first 90 days. This resulted in an **improvement of new employees' adaptation and experience from 88% to 92%** in the first 30 days.
- Design and implementation of a **Talent Development model** through **Individual Development Plans (IDP)** for all company leaders. This was supported by the collaborative creation of a **Digital IDP** application using the **Design SPRINT methodology** to track action plans.
- Design of a **Performance Evaluation model** for all leaders in the organization, supported by the implementation of the **Crehana Talent** tool (Talent Management System). This tool evaluates adherence to **competencies, values, and indicators**.
- Design of a **Knowledge Management model** through the selection and implementation of the **Crehana Learning LXP** system (Learning Experience Platform), enabling the **creation, development, and management of strategic content** within the company.
- Design and implementation of an **Employee Engagement model** through the implementation of **Workplace Climate** initiatives, as well as **talent recognition and retention strategies**.
- Design and implementation of a **Governance model** in the Human Resources area, managed through a Weekly Operational Meeting, a Weekly Progress Meeting, and a Monthly Indicators Meeting.

The **Organizational Development** and **Talent Attraction and Retention area** has become a strategic pillar for achieving the company's goals. Upon completion of the project, we envision an agile and empowered Human Resources team ready to tackle the operational demands.

Therefore, we highly recommend the entire **London Consulting Group** team for their professionalism and cutting-edge, collaborative, and digital working methodology, with a customer and user-centric approach.

Sincerely,


José Luis Mariscal Fernández