Demand Management

Changing the Way Organizations

Acquire Goods and Services

A.T. KEARNEY

Introduction

Most organizations today are stretched too thin. Managers are challenged to do more with fewer resources and to make cost reduction a strategic priority. Budgets are being cut, time is short, and companies are out of tools and skills to find new cost-cutting opportunities. Everyone is looking for new ways to cut costs and increase value within their organizations.

A.T. Kearney is helping a growing number of companies take a new approach to cost reduction. Instead of focusing primarily on suppliers and prices, we are helping launch firmwide initiatives in "demand management." Demand management is a proven mechanism to take costs out of an organization without further reducing its capacity to execute. With demand management, organizations address the underlying drivers of external spending, align their purchases to their business needs and eliminate unnecessary consumption.

Although many companies use demand management to target their indirect spend categories, leading companies are now applying demand management to more complex categories of spend—including travel, technology and direct materials. Demand management is becoming the tactic of choice across a wide range of companies and industries—from telecom and financial institutions to manufacturing.

This paper outlines A.T. Kearney's approach to demand management. We begin with a brief definition of demand management followed by a longer discussion of the benefits. It is not uncommon for companies to cut 10 to 20 percent off their addressable spend in certain categories: savings that can begin in as little as three months.

We outline a comprehensive six-step methodology, which has been tested across numerous industries and spend categories. Finally, we discuss how to manage change, for with every demand management implementation, organizations undergo a significant change in behavior. When executed properly, demand management fundamentally changes the way organizations acquire their goods and services.

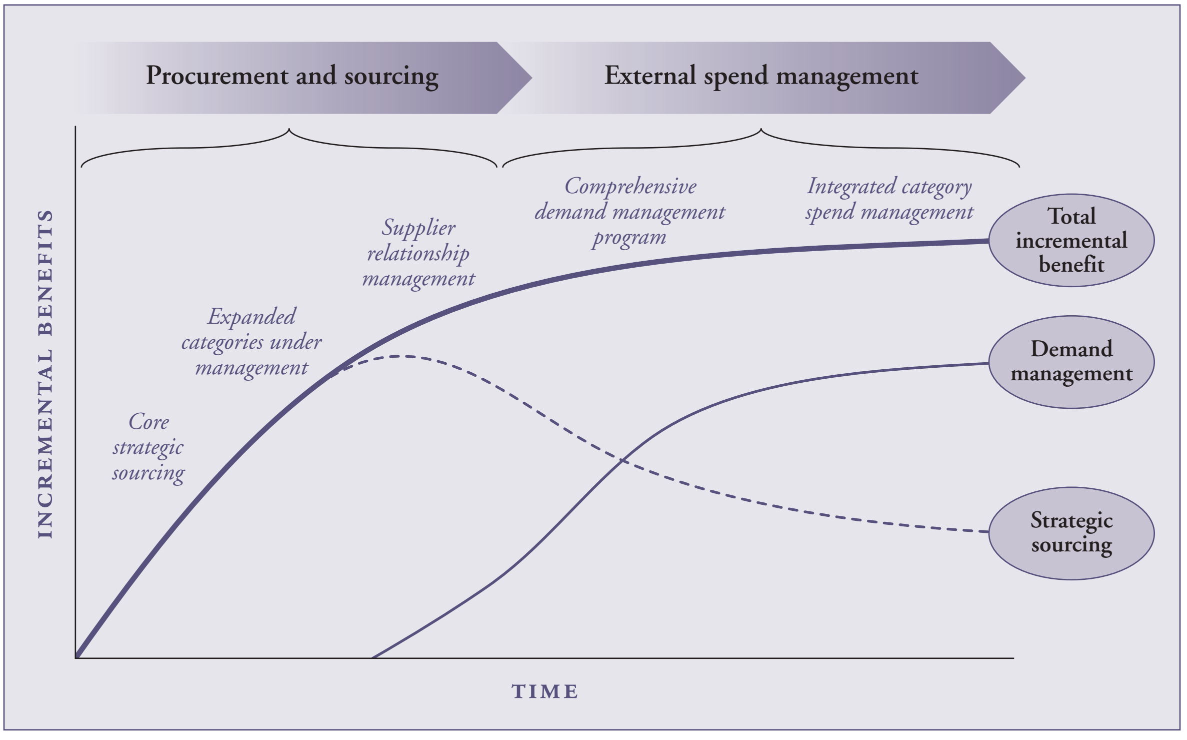
WHAT IS DEMAND MANAGEMENT?

Demand management, also called strategic spend management or consumption management, involves all activities associated with managing the volume of a company's external purchases. Through demand management, companies gain a better understanding of the rationale behind their purchases. Unlike traditional sourcing efforts, it targets the quantity of products purchased from suppliers—not just the price paid.

Demand management reaches beyond strategic sourcing. Where strategic sourcing provides a well-defined method for supplier management—effectively controlling the price paid for goods and services—demand management goes a step further, attacking the other element of the cost equation: consumption. Strategic sourcing initiatives touch on specifications and compliance, but managing quantity is generally not the area of emphasis. Demand management handles quantity, enabling companies to reduce and even eliminate entire areas of spend.

Some procurement organizations launch demand management initiatives immediately following a strategic sourcing initiative as a way to drive additional benefits and manage external spend *(see figure 1)*. Others use the information acquired in a demand management initiative as

Figure 1: Demand management reaches beyond strategic sourcing to manage external spend



Source: A.T. Kearney

preparation for successive strategic sourcing efforts. The information provides a valuable fact base and significant insights into companies' purchasing behaviors.

And for people who respond to a demand management program with, "We've already done it," the correct answer is, "No, we haven't." Typical cost-cutting efforts lack the singular focus, the breadth and the depth of analysis associated with a demand management program. Most executives are surprised by the magnitude of savings their companies can achieve by challenging the effectiveness of existing practices.

REDUCE COSTS, CHANGE BEHAVIOR — QUICKLY

The benefits of a well-executed demand management program can be significant. Savings in excess of 10 percent of analyzed spend are not uncommon. Larger savings—from 10 to 20 percent of addressable spend—can be achieved, depending on the category, purchasing practices and how aggressive the company is in employing the demand management techniques. For example, several clients have used demand management to reduce their bottom-line costs by US$100 to US$200 million annually. And these financial results are achieved quickly. Because demand management affects purchases at their source, the savings can begin in as little as three months.

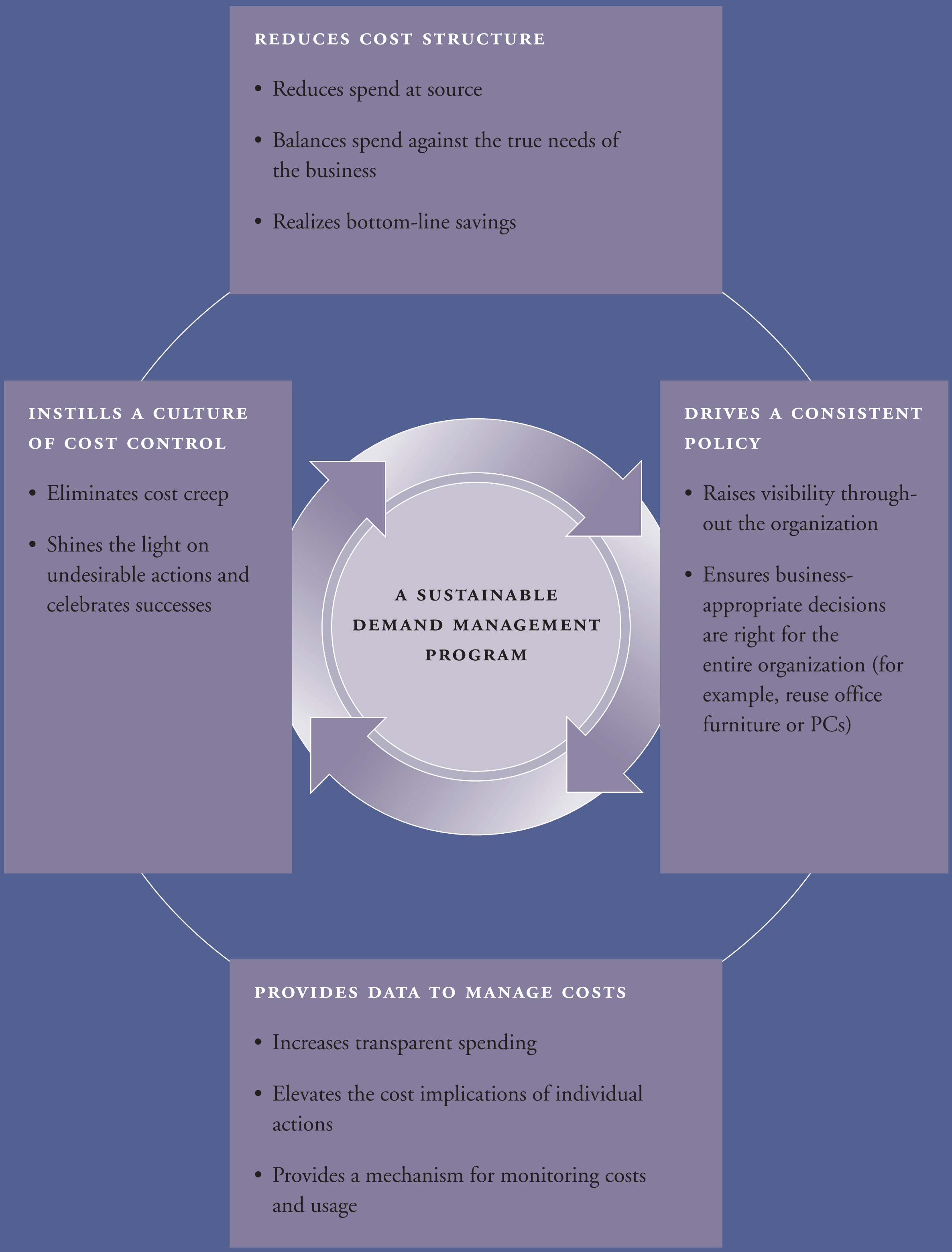
For example, executives at one mid-sized company used strategic sourcing to reduce the company's travel spend, and thought they had exhausted all avenues of cost control. Using demand management, they achieved additional savings in just a few months. The company imposed a mandatory 14-day advance booking policy for all internal travel, substituted videoconferencing for some internal travel, restricted travelers to standard business-class hotels, and required users to book regular travel through an online system.

Demand management also provides a platform for companies to change their behavior. Many of the excesses from recent years have led employees to believe that their individual purchases have minimal impact on the larger organization's spend. Demand management challenges this and other assumptions. By restructuring the way products and services are purchased, and making cost control every employee's responsibility, a culture of cost control becomes ingrained within the organization. Essentially, demand management results in many benefits besides cost savings *(see figure 2 on page 4)*.

Case in point: One company applied demand management to its technology spend, discovering that it had few controls on the purchase of small, non-essential peripheral items. While most of the items cost less than US$200, together they represented half a million dollars in spending per year. By educating its workforce and implementing proper controls, demand for these non-essential items nearly vanished.

In a similar scenario, executives at a large global bank had cut spending and were examining ways to further drive down costs. The company's demand management program targeted four primary categories—technology, telecommunications, consulting and travel—representing 25 percent of the bank's external spend. The program generated US$40 million in annual savings and reduced total spending in the targeted categories by nearly 8 percent. It also led to improvements to the bank's processes for communicating, reporting, and expense tracking and savings, in addition to helping to embed behavioral change throughout the organization.

Figure 2: The many benefits of demand management



Source: A.T. Kearney

A.T. KEARNEY'S APPROACH TO DEMAND MANAGEMENT

When it comes to implementing a demand management program, the most successful programs are those that result in end-to-end organizational change—leading to a structural shift in how an organization acquires its goods and services.

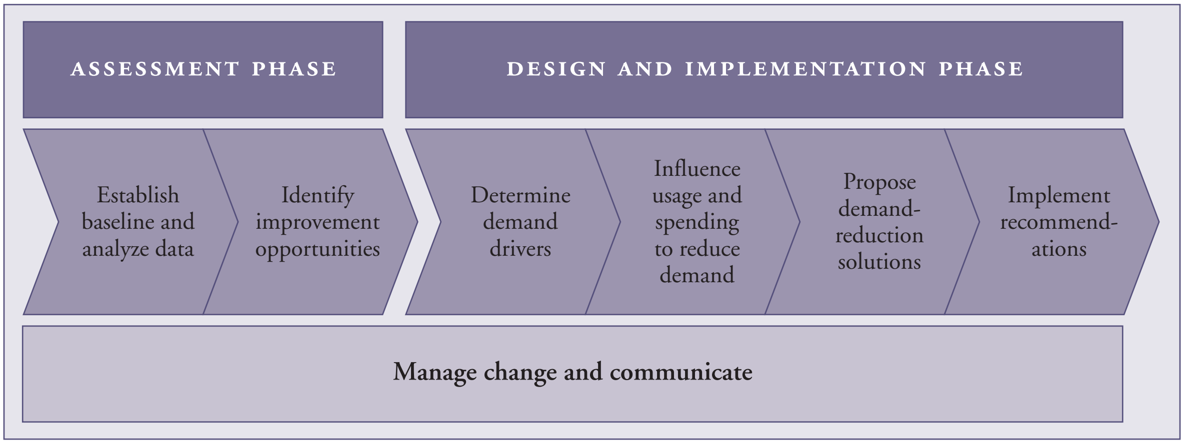
A.T. Kearney's demand management approach is based on a structured, well-defined six-step methodology that is rooted in fact-based analysis *(see figure 3)*. It incorporates our experience with past clients, provides tested tools and techniques for identifying diverse savings opportunities, and includes various approaches to building broad organizational buy-in.

1. Assess the organization

The first phase of a demand management program is to perform a high-level assessment of all spending categories. This assessment focuses primarily (but not solely) on obtaining data from internal and external sources to gain an improved understanding of the company's buying process and usage. By understanding how the company spends money across categories, executives are better able to set priorities and to measure the potential impact of demand management on the entire organization.

In our experience, the best means for collecting data is to organize it along three dimensions: spending groups, suppliers and business groups. As information is gathered, a robust spend profile emerges. For example, from data in the spending groups, the company begins to understand how much it pays out in each category and to identify its top spend areas. Larger categories can be broken down into subcategories. For example, we begin with a broad category such as small package delivery, and then break it down into lower level subcategories such as regular mail or express courier. It is one thing to know the total amount spent on small package deliveries,

Figure 3: A.T. Kearney's demand management methodology



Source: A.T. Kearney

it is another matter entirely to know the actual number of packages sent, and the details of the packages including service level (overnight express versus two-day delivery), business unit and the price paid.

In the supplier dimension, the organization's total spend with individual firms is determined—thus allowing for insight into which suppliers are being used and the level of compliance to preferred supplier deals. Finally, by categorizing information by business group, a company can identify its total spending by line of business. This is important information to have when it comes to making improvements and tracking results. Together, these dimensions offer new insight into a company's spending patterns.

Consider how a spend profile might be used in a category such as PCs. Most companies take a standard approach—determining the total amount spent with their major PC providers. Using demand management, the company goes a step further—leveraging additional data sources such as the PC supplier's internal records to bring a complete spend picture into view. For one client, this spend profile revealed business units with elevated ratios of laptops to desktops, divisions that were not complying with defined refresh policies, and even managers who were approving excessive numbers of peripheral purchases.

There is far more to the assessment phase than simple data collection, however. At its best, the assessment is the initial phase during which executives obtain a high-level understanding of their company's situation. It is also the point at which organizational support for a demand management initiative begins to take shape. Only when this foundation is firmly in place is it time to move forward.

2. Identify improvement opportunities

Armed with an organizational assessment, the next step is to identify improvement opportunities—these are the spend categories in which costs can be reduced or demand can be eliminated. There are three elements to this identification process: review current practices, understand the opportunities and prioritize the categories.

Review current practices. A prerequisite for analyzing demand is to gain a thorough understanding of current practices. Information on current initiatives, buying practices as well as existing policies and controls provides valuable insight into how a company is managing its spend in a given category.

For example, during the review process of its technology category, a company discovered inefficiencies in a recently developed storage area network. The company had invested a significant sum to manage the storage needs of different business groups, but had not established a central purchasing process nor developed the means to share storage space. Groups across the company were purchasing their own storage disks, but were using only a portion of their capacity. (The organizational infrastructure did not allow for storage space to be shared.) By revamping this process, the company saved more than US$2 million per year. And the savings were achieved without any direct impact on the organization, on employees or on customers.

A good way to gather critical information on current practices is to interview key employees from all areas of the business: an executive who owns the budget, the manager responsible for a process, an expert from the committee that formulates policy, or workers who have hands-on experience. These people can provide a unique perspective on their informal business practices that are otherwise lost if looking only at hard data. Often, companies use workshops to capture a broader perspective on a category and to build support from influential stakeholders.

With current practices documented, a comparison of practices across the firm often reveals significant differences in how business groups perform the same functions. A simple matter of getting everyone to perform the same process in the same way (internal best practices) can help build momentum for larger changes throughout the organization—this is particularly helpful when it comes to implementing more aggressive external best practices.

Understand the opportunities. Once information is collected, it is then analyzed to determine what impact a demand management program might have on the organization as a whole. In this scoping exercise, the firm compares internal processes, policies, buying practices and external benchmarks. The comparison is used to estimate potential savings for each spending category and to determine the potential savings for the overall demand management initiative.

At one company, for example, a demand management team was charged with examining the number of mobile devices, including laptops, cell phones and other wireless tools across the organization. Team members collected information on its current policies from different business units as well as from similar firms. Most competitors, they discovered, used far more restrictive policies. Users were placed in tiers based on their business need and only those in the top tiers were eligible for portable devices. The team used this data to revise its own mobile device policy, which led to a 20 percent reduction in the company's mobile devices.

Keep in mind that in the scoping phase the savings estimates are just that—estimates. They are assumptions based on experiences from other companies, external benchmarks, and a solid understanding of current practices and potential areas of opportunity. A more detailed estimation is established later in the design phase, as more data is collected and specific recommendations are developed.

Also, you can use the scoping phase to gauge your organization's appetite for change. Clues as to how employees will handle change can be obtained by observing past and current initiatives or policies. An organization with a large appetite for change (one that has a history of focusing on cost reduction) will be able to undertake more aggressive demand management actions and thereby reap greater benefits.

Prioritize categories. Demand management programs are usually performed in waves, beginning with categories that will provide the largest impact for the time invested. The first set of categories should have a significant chance at success because strong results here will pave the way for success in future categories. And although the more categories undertaken, the higher the potential savings, most organizations will be limited (by a lack of available resources) in the number of categories they can take on at one time.

When choosing categories for a demand management initiative, be prepared for problems. While aggressively eliminating demand can be extremely effective in reducing cost, it can lead to bigger problems down the road. For example, a company that decides to cut costs by eliminating all company-paid cell phones, without fully assessing the underlying business need for cell phones, may find that the move damages employee productivity. To avoid problems, you

The result for several clients — US$100 to $200 million of bottom-line cost reductions. Because demand management affects purchases at their source, savings begin in as little as three months.

will want to first determine the areas that will be most affected by the demand management initiative, and balance the political and management implications of certain decisions with the different needs of employees.

Also, keep in mind that when identifying opportunities in demand management your efforts should not be limited to the largest subcategories or suppliers. Most cost-saving initiatives follow the "80/20" principle in which the company focuses primarily on opportunities in the largest elements of a category. With demand management, the opposite principle often applies—the best cost-saving opportunities reside in the many smaller suppliers or in subcategories. This was the case for a large retailer when it sought to examine its software maintenance costs. The retailer concentrated its cost-cutting efforts on its top three suppliers, which represented more than half of the category spend. There were, however, a large number of smaller suppliers from which the company purchased additional maintenance services that were never used. By eliminating many of the maintenance contracts with its smaller suppliers, the retailer saved more than 10 percent in its software maintenance category. In a typical cost review, these smaller areas of spend often go unnoticed.

3. Determine what drives demand

With all potential opportunities on the table, the focus of the demand management program turns to developing the most viable cost-saving opportunities. This step requires a thorough analysis of the company's "demand drivers" to figure out exactly what drives consumption within the company.

Demand drivers are the underlying factors that influence the quantity and specification of purchases. For example, the demand drivers behind a computer purchase might include the predetermined replacement cycle or the hiring of new employees. If computers are replaced every three years, the replacement cycle is a demand driver. If every new employee is issued a new computer, the hiring of a new employee is the demand driver. Understanding these drivers can be a complex task, particularly because they will vary across the organization. Different business groups may have different requirements or business practices, which lead to different drivers or levels of demand.

Identifying the true demand drivers for a category will require some investigative skills. First, subcategories are created based on logical groups of spend. For example, as mentioned earlier, the small package delivery category is broken down into subcategories for regular mail versus express delivery. Now begins the exploration into the underlying reasons for expenditures. At each level, we ask "why?" until the ultimate reason for an expenditure is uncovered. Why are packages sent via express delivery? Is it simply a habit that employees have become accustomed to or is there a real need for speedy delivery?

By gaining a thorough understanding of the root causes of an expense, the company is better able to identify sources of excess or non-critical demand and is therefore better equipped to identify ways to reduce demand.

4. Influence usage and spending to reduce demand

The fourth step in the demand management approach is to determine the best ways to influence usage and spending and thereby reduce demand. This is typically accomplished using two tools: demand reduction levers and benchmarks.

Demand reduction levers. A demand reduction lever is a proven method to reduce or eliminate spend on goods and services. There are seven key demand reduction levers *(see figure 4)*. They range from the conservative to the aggressive. The most conservative lever is to increase cost awareness among employees; the most aggressive is to eliminate demand altogether. While aggressive levers will significantly affect cost levels, conservative levers can usually be applied more quickly and in more sensitive areas.

When reviewing the seven demand reduction levers, consider all of the alternatives. Although the levers will vary in their aggressiveness and ease of implementation, at least one demand reduction lever can be applied to any category or potential opportunity. For example, a company analyzing the use of air travel for internal meetings could choose from any one of the following levers:

- Increase cost awareness among employees by issuing a corporate notification on the high cost of air travel for non-client purposes
- Encourage substitution by requiring employees to substitute videoconferences for some types of travel
- Reduce the frequency of trips by restricting the number of internal meetings that require air travel
- Discourage use by increasing the approval level required for internal travel

Benchmarks. Although there are many tools to reduce demand, one of the most effective is benchmarking. Benchmarking your company's performance against others (both internally and externally) can help determine appropriate types of purchases and control policies.

Internal benchmarking can help raise the bar within the organization. A business unit that has one office printer for every four or five employees will want to compare its performance against a similar business unit with eight or nine employees per printer. External benchmarking can reveal additional imbalances relative to a company's peers. A firm that has assigned eight or nine employees for every office printer may find through benchmarking that similar firms assign 10 employees per printer. The company now has an additional data point to show that it has more printers than needed.

5. Propose demand reduction solutions

In step five, the demand management team proposes its recommendations. Each recommendation should be based on a sound fact base and solid, supportable analysis. The reason is understandable: When a recommendation is based on sufficient data it allows for more reliable analysis and provides transparency into the value of each recommendation. In other words, the right data gives decision-makers the information they need to make the best decision. Many well-intentioned demand management efforts fail to realize identified savings simply because the ideas underlying the recommendations are not sufficiently developed or supported.

In our experience, one key to a successful demand management program is to offer alternatives. Decision-makers should be presented with a range of options, representing the many different approaches (and levels of aggressiveness) that can be used to remedy any given situation. For example, to restrict costly last-minute travel, decision-makers should be able to choose from a fairly conservative solution (issuing notices to employees) to a more aggressive solution

Figure 4: Companies can choose from a variety of methods to reduce demand

Aggressive approach; significant savings

Conservative approach; moderate savings

DEMAND REDUCTION LEVERS	TRAVEL EXAMPLES	TECHNOLOGY EXAMPLES
Eliminate demand	• Cancel non-essential meetings	• Eliminate purchases of non-essential PC peripherals
Reduce quantity	• Restrict travel for all nonessential internal meetings	• Reduce purchases of network servers through consolidation
Simplify specifications	• Establish market-based maximum hotel rate for frequent destinations and restrict use of luxury hotels	• Create distinct user tiers with hardware and software guidelines and restrict variations
Reduce frequency	• Reduce number of internal meetings requiring travel	• Eliminate automatic purchase of monitor with each new PC
Encourage substitution	• Encourage use of video-conferencing as an alternative to in-person meetings	• Shift users who do not need to be mobile from a laptop to a desktop
Impose tighter process and tracking	• Enforce non-reimbursement for travel booked outside of preferred agency	• Elevate the approval level required for technology purchases
Increase cost awareness and tighten policies	• Publish cost differences incurred by not booking 14 days in advance	• Raise awareness of hardware and maintenance costs within the business units

Source: A.T. Kearney

(requiring executive approval for all travel). The solution of choice will depend on the underlying fact base—savings estimates, knowledge of potential areas where resistance may occur, and the estimated time it will take to implement the option. With sufficient analysis, all possibilities can be realistically assessed by considering their potential impact on the entire organization.

Furthermore, every demand management recommendation should take into account the possible effect on customers. Customer considerations are important to all companies, and can often be analyzed in a comprehensive methodology, much like any other category of business risk. For example, when a large North American retailer reviewed its spend on printed catalogs, the demand management team proposed reducing paper costs by using a lower quality paper. Several executives raised concerns about the potential impact of this recommendation on customers (as well as brand and image), so the company performed a market research study. The findings showed that most customers could not differentiate paper qualities, thus allaying concerns and gaining support for the proposed recommendation.

Gain organizational support. Due to the significant changes that must take place, both top-down and bottom-up support is crucial to a successful demand management program. Executive support raises the profile of the demand management program, helps pave the way for enterprisewide policies and controls, and gets the heads of key business groups on board early. You will want to make sure that the key members of the company's senior leadership committee approve the portfolio of recommendations and receive regular progress reports that include performance results and examples of how the program is benefiting the organization.

Bottom-up support is equally important, especially when it comes to guaranteeing a smooth implementation. Key employees within the lines of businesses and operating functions should be engaged early in the program, and representatives from each group should be included in all regular category team meetings. By involving the business groups throughout the process, it is more likely that the demand management team will achieve broader buy-in for its recommendations and encounter less resistance further into the implementation.

6. Implement demand reduction recommendations

Demand management is won or lost in the implementation. A successful implementation requires continuous monitoring to ensure change is embedded throughout the organization. It calls for upfront planning to force the organization to fully analyze the feasibility of recommendations and constant supervision to keep actual results in line with identified opportunities. Savings from demand management are not real until budgets have been reduced to reflect the savings.

The most successful demand management programs feature the following characteristics:

Strong partnerships. Effective partnering allows the demand management team to integrate with diverse business units and help them meet their cost-reduction objectives. The level of partnership will vary depending on the category, or even by the recommendation, but should be based on accurate, regular reporting, and tracking of key information.

Performance measures. Performance measures are a crucial part of the implementation. Effective measures do two things: track performance, and provide detailed feedback to resolve problems quickly and build on successes more efficiently. Also, the insight provided by performance measures must reach the highest levels of the organization. High-level oversight will ensure that the recommendations are being adopted as planned and that business units are progressing on track.

Solid infrastructure. Top companies build a robust infrastructure to support their demand management initiatives. They create compliance mechanisms—tools and processes to control usage both internally and externally—and assign clear ownership and responsibility. For example, to increase compliance in the office supplies category, companies work with their vendors to ensure that only approved items are in the corporate catalog and restrict purchases of unapproved items.

No cost creep. Finally, every good idea, even demand management, can be taken down by cost creep. As recommendations are implemented, the company's focus should shift to maintaining the level of savings achieved. Close monitoring of usage and zero-based budgeting will ensure that costs are contained throughout the implementation.

Monitoring can be achieved with the aforementioned compliance structure—by developing organizational responsibilities, operating processes and controls, and governance structures—and by using detailed metrics.

And always remember to look beyond price levels and leakage. For example, in tracking spending on cell phones, companies typically focus on two things: the cost of usage plans and the phones outside their preferred agreements. With demand management, they dig deeper, focusing on the ratios and metrics that define cell phone usage. This can include the number of employees eligible for cell phones, the number of phones with low usage, and the ratio of minutes used during the week versus the weekends. All are avenues for cost creep and therefore opportunities to target additional savings.

MANAGING CHANGE

The first reaction of the senior leadership team to the potential cost savings of a demand management program may be contagious—generating excitement at the highest levels of the organization. Executives are typically emboldened by the savings potential of the demand management program. The challenge is in communicating the new program in a way that builds excitement across the broader organization.

In conveying the demand management program to the entire organization, senior leaders will want to choose their words carefully and work from a well-thought-out communications strategy. Instilling a culture of cost control will require ongoing dialogue and a few key strategies:

Provide a broader context. Because all companies in all industries are searching for ways to cut costs, simply explaining demand management changes as part of "cost cutting" will not convey the importance of the initiative nor its ability to dramatically drive savings. Leading firms incorporate demand management into larger, more visible savings programs—recommendations are often easier to accept when positioned as the centerpiece of a larger plan. Also, senior leaders who provide a broader context for the changes—announcing and committing to well-defined savings targets—obtain the most support and acceptance.

Explain why. The key declaration in every communiqué should answer the implicit "why."

Employees will have an easier time accepting new policies if they understand the reasons for them. Many demand management programs involve changing existing policies. If the changes seem arbitrary or unwise, employees will resist them. Consider one employee's cost-cutting dilemma. Her company's travel policy requires all employees to book their travel through the firm's travel agency. A flight to Chicago costs US$300. The employee can go online to book the same flight for US$225. But the company says no and refuses to reimburse her for the expense. The employee would like to save the company money and cannot understand why the company is not interested in the less costly flight, particularly since cost cutting is supposed to be high on its agenda.

A reasonable explanation can also go a long way to alleviate confusion and gain buy-in to a new policy. In the case of the employee who wants to book her own trips to Chicago, the company could explain the benefits of compliance, including volume rebates to the company, as well as taxes and fees not included in the online fare. Similarly, it is easier to accept the replacements of laptops with desktops for employees who do not travel when it is explained that laptops are three times more expensive. Senior managers who share the "why" behind decisions will have far fewer frustrated employees.

Communicate alternatives. It is difficult to imagine a company that changes a policy—prohibiting or restricting certain purchases—and forgets to tell employees about alternatives. But it happens, and fairly often. By making affected users aware of substitutes for restricted or prohibited spending, an organization can lessen the perception that a policy is excessively restrictive. For example, one company used demand management to review its policy for gaining remote access to the corporate network, and determined that alternatives existed to providing employees with direct high-speed connections. Instead of simply ending the program, a new policy was created outlining the alternatives available to employees. Most users were provided with software that allowed for access to company networks through an employee's personal internet service. Because the company had properly educated its employees about the alternatives, the transition was smooth and the category of spend dramatically reduced.

Be inclusive. Sweep aside all notions of titles, corner offices, my-cubicle-is-larger-than-yours thinking, and what it means to have a key to the executive washroom. Success depends on everyone being on board the demand management bandwagon and nothing will hasten its demise faster than letting people opt out because they are on a higher pay scale. Cost cutting is difficult for all employees, but it is easier to handle when everyone is affected.

There are several ways to avoid class distinction. One is to ensure that policies extend to all employees, regardless of rank. Senior leaders' credibility will be all but lost if the new, more restrictive, policies apply to everyone but them, so go after the highly visible leadership perks first. While there may be productivity benefits to a corporate jet, it simply looks bad to continue soaring like an eagle while your sales people are asked to focus on cost cutting.

American Airlines' former CEO Don Carty learned this lesson the hard way. After convincing his pilots that pay cuts were the only way to save the struggling airline, he and his executive team turned around and protected their own pensions. Because the pilots perceived the move as underhanded, and a way for executives to protect themselves, Carty was forced out of the company.

While the business rationale for a decision may be justified (albeit not publicly known), the perception of a decision is often as important as the reality, and it must be a central part of planning.

Keep the lines of communication open. Long after a new policy is announced, communication must go on and on and on. Continuous and frequent communication helps to embed a new policy or change and keeps employees involved over the long term. A good tactic is continuous reporting of successes. When a group reaches a savings target, report the success throughout the firm. This not only reinforces the value of the program, but also helps workers grasp the bigger picture—perhaps seeing that even the smallest wins can have a significant impact on the larger organization. And those who are behind in meeting their targets, or just less successful, will feel the pressure to catch up.

Conclusion

Demand management is far more than writing a new policy or establishing new rules. Successful demand management programs are based on a solid fact base, rooted in a thorough understanding of current practices and built on a foundation of practical recommendations. The rewards—both financial and organizational—are earned through structural changes, increased communications to embed new behavior, and performance tracking and oversight to ensure that targets are being realized.

For organizations that want to reach the next level of the cost-cutting equation, a strong demand management program can lead the way.

A.T. Kearney is an innovative, corporate-focused management consulting firm known for high quality, tangible results and its working-partner style. The firm was established in 1926 to provide management advice concerning issues on the CEO's agenda. Today, we serve the largest global clients in all major industries. A.T. Kearney's offices are located in 58 cities in more than 35 countries in Europe, Asia Pacific, the Americas and Africa. A.T. Kearney is the management consulting subsidiary of EDS, the leading global services company.

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