NORTHSTAR COMPONENTS

Restructuring strategy proposal

Decision pack

Prepared for the executive committee
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Sponsor: Operations and Finance
Decision requested: Approve a 90-day design phase

Fictional example data. Replace every number, assumption, and owner before use.

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Chapter 1

Situation and recommendation

Northstar Components has a strong order book but an uneven cost base. Three plants use different planning cadences, and expedited freight has hidden the service impact of late production decisions. This pack recommends a staged restructuring: consolidate planning, redesign two product families, and protect customer commitments while the operating model is tested.

Executive recommendation

Approve a 90-day design phase with a EUR 0.42m budget. Return with a signed-off target operating model, a people plan, and a measured implementation case before committing capital.

1.1 Success measures

Measure	Baseline	90-day target	Evidence
Expedited freight share	14.2%	¡9%	Weekly shipment ledger
Schedule adherence	81%	90%	Confirmed production plan
Planning cycle time	12 days	7 days	Plan release timestamps
Contribution margin	23.4%	Protect	Product-level bridge

Chapter 2

Options

Option	What changes	Benefit	Principal trade-off
Stabilise locally	Keep three plants; add common planning rules.	Fastest adoption and lowest disruption.	Leaves duplicated capability in place.
Integrated planning	One demand and capacity process; plants retain execution.	Better visibility without immediate footprint change.	Requires shared data ownership.
Footprint redesign	Move two product families and close excess capacity.	Largest structural saving.	Higher transition and customer risk.

Chapter 3

Workstreams and control plan

1. **Fact base:** reconcile orders, routings, labour, freight, and service data.
2. **Operating model:** define decision rights, cadence, owners, and escalation thresholds.
3. **Customer protection:** identify critical orders and agree substitution rules before any line move.
4. **People and change:** consult affected teams and publish role-transition principles.

Workstream	Owner	Gate date	Deliverable
Fact base	Finance lead	29 Mar	Signed data dictionary
Operating model	COO	12 Apr	Future-state process map
Customer protection	Commercial director	19 Apr	Account-by-account plan
People and change	HR lead	26 Apr	Consultation and training plan

Chapter 4

Risks and decisions

Risk	Early signal	Mitigation
Data disagreement	Different definitions for available capacity.	Freeze definitions and nominate one data owner.
Service interruption	Critical orders lack a confirmed alternate route.	Build a protected-order register and review it weekly.
Change fatigue	Managers defer decisions while the design runs.	Set weekly decisions and publish the decision log.
Savings overstatement	Benefits are counted before implementation.	Separate run-rate, one-off, and confidence-adjusted benefits.

Decisions requested

1. Approve the 90-day design phase and named workstream owners.
2. Confirm that customer service is a non-negotiable constraint.
3. Require a gated implementation case before footprint commitments.