

Testimonials



Enriching Lives

During the evaluation process, observations and suggestions were discussed regarding linkages between management strategy and the cost structure adopted by KBL. This triggered further strategic thinking & helped the organization to improve its future strategies and methodologies of working - **Umesh Shastry**, Vice President & Head -Corporate Finance & Accounts, Kirlskar Brothers Ltd.



From the beginning we considered the CII TCM Module assessment as not a destination but as a journey. A journey towards excellence and to develop high quality cost management processes that are second to none and provide us a competitive advantage both at domestic and global stage - **Asim Mukhopadhyaya**, Vice President- Business planning & Corporate Finance, Tata motors Commercial Vehicle Business Unit



The major benefit of this initiative in the company is enhanced cost awareness. Now, non-accountants are getting involved into cost analysis at operating and strategic level. The spirit to work in collaborative manner especially of technical, commercial, financial and IT people is the essence of cost management - **Dr Palia**, Executive Director Finance, Godrej & Boyce

About CII

CII is a non-government, not-for-profit, industry-led and industry-managed organization, playing a proactive role in India's development process. Founded in 1895, India's premier business association has around 8000 members, from the private as well as public sectors, including SMEs and MNCs, and an indirect membership of over 200,000 enterprises from around 240 national and regional sectoral industry bodies.

In its 120th year of service to the nation, the CII theme of Build India - Invest in Development: A Shared Responsibility, reiterates Industry's role and responsibility as a partner in national development. The focus is on four key enablers: Facilitating Growth and Competitiveness, Promoting Infrastructure Investments, Developing Human Capital, and Encouraging Social Development.

With 66 offices, including 9 Centres of Excellence, in India, and 8 overseas offices in Australia, Bahrain, China, Egypt, France, Singapore, UK, and USA, as well as institutional partnerships with 312 counterpart organizations in 106 countries, CII serves as a reference point for Indian industry and the international business community.

About TCM Division

Total Cost Management division offers integrated services across the industry to facilitate national movement on TCM. In early 2000, TCM division was conceptualized under the dynamic leadership of Mr S Mahalingam, well assisted by TCM Working Group of experts and professionals drawn across industry segments.

Due to fierce global and domestic competition, the greatest challenge to industry is to produce high quality product or service at optimal cost. Our proficiency in management consulting constantly strives to find best solutions. Since its modest beginnings, TCM division has endeavoured to find a superior way for our clients, and persistently challenge the status quo and apparently make impossible possible. As consulting division, TCM sees this ongoing dedication to excellence.

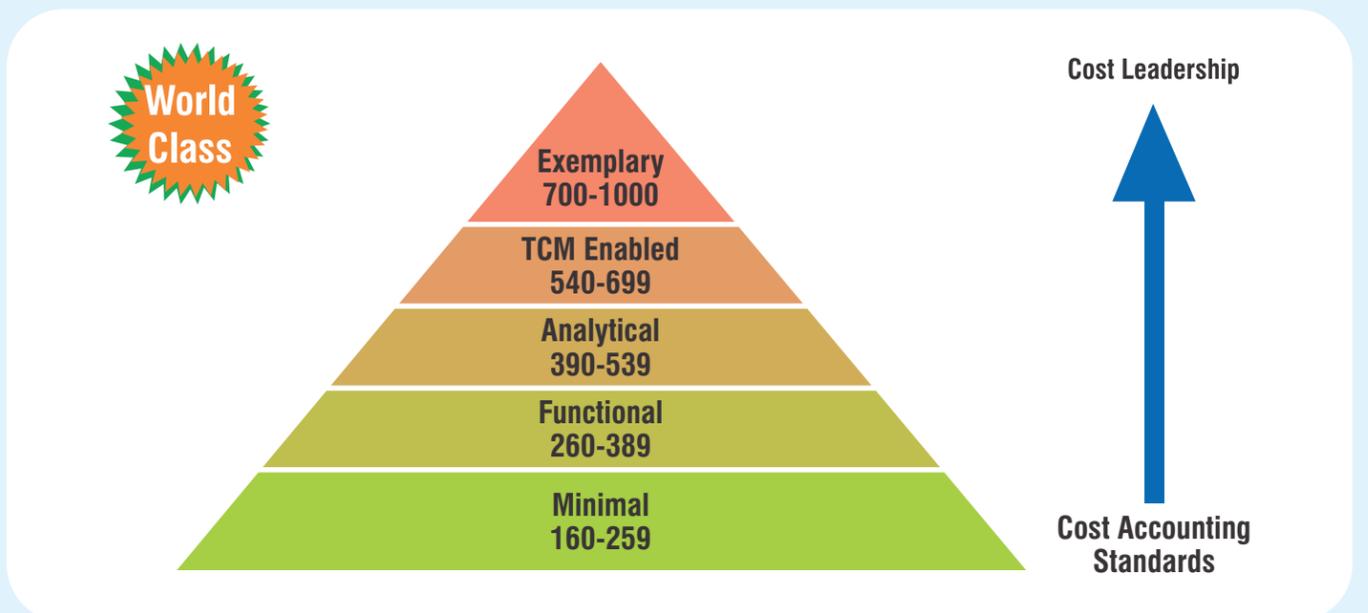
Our diverse clients are at the core of what we do, and we continue to work across broad range of services, sectors and geographies offering varied cost management solutions.



Confederation of Indian Industry
Total Cost Management Division



LEVELS OF TCM MATURITY MODEL



Confederation of Indian Industry

CII - Sohrabji Godrej Green Business Centre
Survey No 64, Kothaguda Cross Roads,
Near Hitech City, Hyderabad - 500 084
Tel : +91 40 4418 5111 Fax : +91 40 4418 5189

Nagesh Babu M

m.nageshbabu@cii.in | tcm@cii.in
+91 98499 09683 | +91 40 44185173



Introduction

Economic, regulatory and marketing challenges pose intense competitive threats in short-term, medium term and long term corporates.

Addressing 'cost competitiveness' in businesses for growth and profitability is no more business as usual. Optimizing 'cost structures' through new thought leadership – business strategy aligned cost strategy, value chain efficiency, product/ customer portfolio modification, and algorithm cost structure - is the way forward.

Cost management journey in business is accelerating with both strategic and operational interventions by the management.

Cost Maturity Assessment of corporates

Attaining higher cost maturity in corporates looks imperative amidst competitive and volatile business context.

Understanding the need, CII TCM Division has designed "CII TCM Maturity Model" to measure, assess, and report "cost maturity" of corporates in 5 hierarchical levels. The model is first of its kind in the world with IPR (Intellectual Property Right)

Frame work



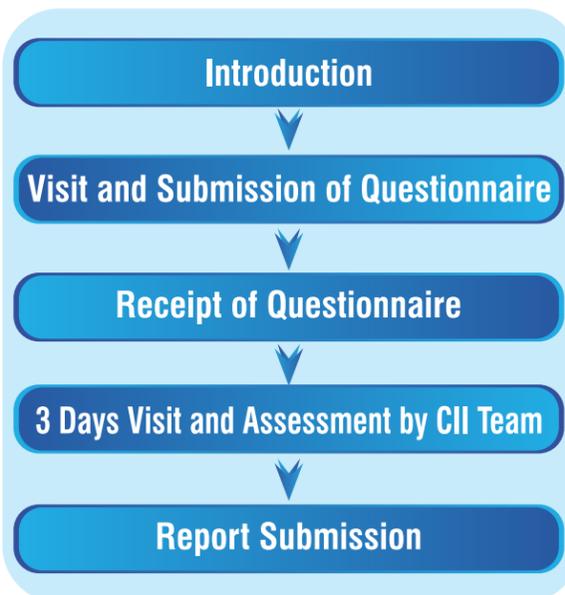
Are you aware of?

- ❖ NVA (Non Value Added) activities across the value chain?
- ❖ Right product / customer profile?
- ❖ Future cost challenges?
- ❖ De-risking business model?
- ❖ Right product design (cost economical)?
- ❖ Course corrections through cost corrections?
- ❖ Align functional roles with cost economical impact.

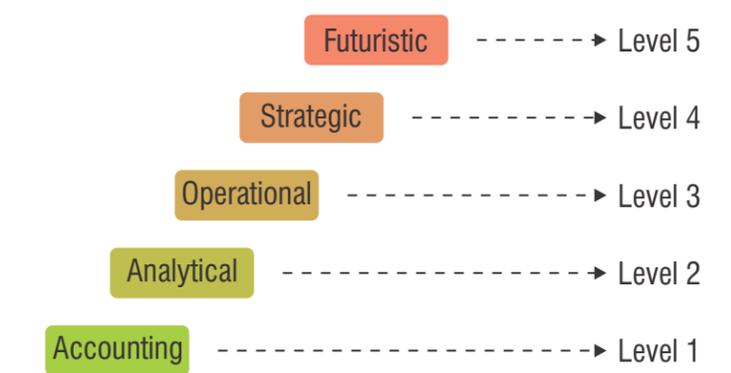
Objectives

- To grade the company's cost management system on a 5 level hierarchy.
- Develop Roadmap for moving forward in the hierarchy
- Develop roadmap for the industry to emerge as cost leader.

Model Process (60 days)



Cost Focus Evaluation



Benefits

- Diagnostic process study - Efficacy of the existing cost management system is looked at
- Enhances "efficiency and effectiveness" of the value chain
- Seamless link between overall business strategy, business model and cost management system of the organization

CII TCM Maturity Model Rated Companies



Close to 75 companies have been assessed