CHANGE MANAGEMENT BRIEF · PART FOUR OF A FOUR-PAPER SERIES

The Change Senior Leaders Can't Delegate: Confront the Orthodoxy, Develop Acceptance, Override Customizations

A perspective for Boards, CFOs, and Senior Supply Chain Leaders

algo

Why this brief

The third paper in this series laid out the design of the operating model that replaces forecast-driven MRP. The design is proven and increasingly well documented across industries. What determines whether a company realizes its benefits is not the design itself but how it is deployed — and how that deployment is sponsored from the top. This brief describes the resistance predictable in a change of this magnitude, and the practices successful sponsors use to build buy-in and momentum through it.

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1. Leading the Change to Success

A shift from MRP-led planning to a pull-based operating model is a substantive change. It touches how leaders think about supply chain, how planners spend their days, and how systems and processes are configured. The sponsor should expect resistance in three predictable places: from operations and supply chain leaders whose careers were built inside MRP, from the planning function measured on forecast accuracy, and from local process owners whose customizations have accumulated around the old model.

None of this resistance means the change is wrong or the organization is uniquely difficult. It is the predictable reaction to a change of this magnitude. Successful sponsors meet all three with the same pattern: understand the concern, address it constructively, and hold the line where the change cannot yield.

This brief takes each in turn — and closes with the practices that separate the sponsors who see the deployment through from those who let it drift.

> “The design is technical. The change to it is human.”

2. Confront the MRP Orthodoxy

MRP has believers, and for good reason. Most senior operations and supply chain leaders built their careers inside MRP-driven organizations — promoted for managing the planning and firefighting, trained on APICS material, credited with deploying the ERP systems that industrialized it. When a pull-based model is proposed, their initial response is rarely open dissent — it is measured, technical, and expert.

It appears as a request for more analysis, a citation of benchmarks, a proposal for a hybrid approach, or a concern about this business's specific complexity.

These concerns deserve engagement, not dismissal. Some are genuine design questions the configuration must address. Others express a professional identity formed around a different paradigm. The sponsor succeeds by doing three things directly.

Learn the demand-driven model well enough to have a substantive conversation — not at the level of a practitioner, but well enough to recognize which objections are design gaps and which are underlying discomfort with the shift. Sponsors who invest early in that distinction find most technical friction resolves quickly.

Engage the senior operations and supply chain leaders individually, and early. Their commitment or reserve will determine whether the change reaches the operating floor. A communication cascade will not reach them at the depth required. One-to-one conversations — acknowledging expertise, inviting contribution, treating concerns as legitimate — produce the buy-in a group meeting cannot.

Make the harder people decisions if and when they become necessary. Most senior leaders will find their way to the new model given time, engagement, and visible early results. A few will not — and their continued influence will constrain the change indefinitely. Sponsors who act constructively when the time comes — with dignity for the individuals involved and clarity about what the model requires — protect the deployment without damaging the organization.

3. Develop Planner Acceptance

The planning function is the operational heart of the supply chain organization — and the group with the most legitimate concerns about the pull-based model. Their concerns are real; treating them as obstructive is the fastest way to lose them.

Planners have been measured on forecast accuracy for their entire careers. Their expertise — intuition for demand patterns, manual overrides and firefighting, Excel models that outperformed the enterprise system — is what has been valued and rewarded. A pull-based model appears to devalue that. Replenishment now triggers on actual consumption and qualified future spikes; the forecast becomes a stress test rather than the master plan. The planner's day changes: monitoring buffer status, tuning profiles against observed variability, running Demand-Driven S&OP simulations. Some see it as an evolution of the craft. Others hear job displacement. Both readings are understandable, and both must be addressed directly. Acceptance is developed through five specific commitments the organization must make and keep.

Be transparent about the workforce implications

If the shift is a productivity story with no headcount reductions, name that publicly and often. Recognize and reward those who support the transformation; address those who are blocking it. Ambiguity on your commitment is more damaging than any specific answer.

Rebrand the role

The planner becomes a buffer steward and model configurator — a craft with rising rather than declining relevance. Update titles, career paths, and performance measures to reflect this. Offer a career path in the new operating model, not a role in the old one being quietly deprecated.

Prioritize explainability

Planners will not accept a black box. When a buffer suggests a replenishment order, the underlying logic — average daily usage, lead time, variability, net flow position, and any qualified future spike — must be visible and interrogable. Trust is built through explanation, not mandate.

Involve planners in the configuration work

Buffer sizing, profile assignments, and demand-rate choices between trailing and forward-looking are decisions where planner expertise adds real value. If configuration is done by consultants and imposed on planners, acceptance will be rented, not owned.

Show wins early

A pilot on a defined product family, with visible working capital release and service improvement, does more to build acceptance than any change management workshop. Let results persuade; let the planners who led the pilot become the internal advocates for the broader rollout.

> "Buffers do not replace safety stock. They replace the logic that produced safety stock."

4. Override the Local Customizations

Every mature supply chain has grown local ways of working around the enterprise systems that supposedly govern it — custom ERP fields for regional nuance, personal spreadsheets behind the official plan, manual workarounds for supplier or customer particulars, exception processes that quietly became the rule. Each solved a real problem when it was created. Each will need to be re-examined in the deployment of the pull-based model.

The question in each case is whether the customization captures a genuine business requirement that moves the needle, or preserves a historical workaround the new model actually solves better. The distinction matters, and it cannot be made purely locally. Local process owners will each see their customization as essential. Some are. Most are not.

Successful sponsors address this constructively in three ways. They publish the standard operating model as the required baseline. They establish a lightweight but real executive review for exceptions, so decisions get made rather than deferred. And they set a sunset date on legacy customizations not explicitly re-authorized, so the deployment converges rather than drifts. The process is uncomfortable — but it produces an operating model that actually stands.

The AI amplification — vibe coding and the customization trap

There is a new dynamic sponsors need to address in the deployment: the surge in AI-assisted building — vibe coding — has made local customization dramatically cheaper and faster than ever. What used to require an IT project can now be prototyped in an afternoon. The floor of activation is falling; the volume of new local tools is rising.

For a pull-based deployment, this is not neutral. Every custom tool, workaround dashboard, or locally-built agent that automates a step of the old process is another local customization — encoded, scaled, and much harder to standardize later. The cost of building used to throttle the customization trap. That throttle has been removed. Without a discipline around what gets built, new local customizations will outpace the deployment itself.

The point is not to slow AI adoption. AI is a powerful tool in disciplined hands. What it does is amplify whatever discipline — or lack of it — is already in the organization. Where the discipline exists, AI accelerates the right things. Where it does not, it accelerates the wrong ones — automating processes no one stopped to question and encoding “how we do it here” into custom tools that will need to be un-built later.

Successful sponsors hold AI-built customizations to the same standard as any other. Does the tool support the standard operating model, or preserve a workaround? Does it move a KPI that actually matters — inventory turns, service, expedite spend, working capital — or merely add activity? Would the process it automates survive the question, should this exist at all? That last question is where AI can quietly convert dysfunction into speed — and where senior sponsorship earns its keep.

> “AI changes how fast you can build. It does not change what is worth building — and that judgment is now the whole game.”

5. What Successful Sponsors Do

Five practices distinguish sponsors who see the deployment through — each is a specific behavior no one else can perform on the sponsor's behalf.

Learn the new model

The sponsor understands demand-driven principles well enough to engage substantively with technical questions the change will raise. Not at the practitioner level — at the level of someone who can distinguish a real design question from a rhetorical one.

Name the change publicly and often

The organization takes its cue from where the CEO's and CSCO's attention goes. When the pull-based model appears in the QBR, annual plan, and board update, the change is being sponsored. When it does not, it is treated as an initiative to be waited out.

Engage the individuals

Cultural resistance is an abstraction. In practice, resistance is specific people making specific choices in specific meetings. Sponsors who know who those people are and engage them directly — with respect for their expertise, clarity about what the model requires, and support for their transition — see the change reach the operating floor.

Set the standard as the baseline

Local exceptions to the standard model come to the sponsor's own review, not settle out at the plant or region level. That makes the sponsor's authority visible and prevents the deployment from fragmenting into local variants.

Stay engaged through the trough

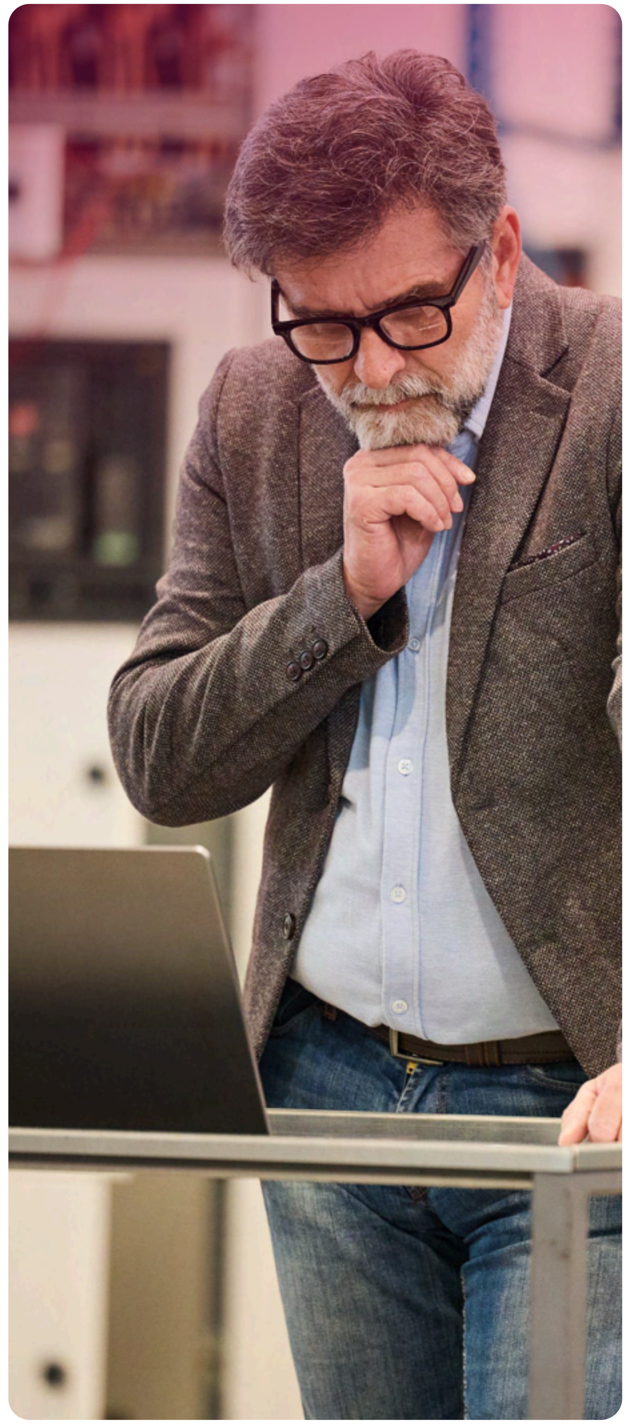
Substantial transformations often encounter a trough — performance dips, doubters find their voice, and the temptation to declare victory becomes real. Sponsors who stay visibly engaged through it see the recovery come through — and see the operating model take hold as the way the business runs.

6. What Successful Sponsorship Produces

A shift from MRP-led planning to a pull-based operating model is not more difficult than other transformations of comparable magnitude. It does, however, reward sustained executive sponsorship distinctively — each area of resistance yields to it, and each is compounded without it.

The companies that have made this shift successfully have released working capital, improved service, and retired the daily firefight. Most have also seen a second-order benefit consistent across successful deployments: a supply chain organization more confident in its operating model, more attractive to talent, and more capable of taking on the next change.

That is what senior sponsorship produces. The four papers together provide the case, diagnostic, design, and change plan. What remains is the sponsorship — and the readiness to lead the change to success.



About this brief

This is the fourth and final paper in a four-part series on supply chain operating model design. Paper 1 made the strategic case for shifting from forecast-led to demand-driven planning. Paper 2 equipped senior leaders to diagnose the problem in their data. Paper 3 laid out the design of the pull-based operating model. This brief describes the resistance senior sponsors should anticipate in deployment and the practices successful sponsors use to lead the change to success.