

## Executive Summary - Planning for Growth - Paul Strzelec

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[Executive Roundtable for Materials Growth](#)

Hosted by: [Growth Arc Advisors LLC](#)

Contact: [Paul Strzelec](#) or [Kendall Justiniano](#) for follow-up consultations for your organization.

### Summary

Known for his results-oriented and principle-driven approach, Paul has built a reputation for resolving complex demand planning implementations, making him a valuable asset in the field. Paul's career arc is a remarkable journey with over three decades of global experience, punctuated by his current role as CEO of the Strzelec Group. His foundational steps began with a degree in Business Logistics from Penn State, leading him to a pivotal role as a master production scheduler at Johnson & Johnson, where he honed his skills amid the growth in the booming warehouse club channel. Throughout his career, Paul has been instrumental in advancing business planning and supply chain management, holding senior leadership positions at pioneering firms like **Manugistics** (now **Blue Yonder**) and **VeriSign**. His extensive expertise has been extended to the **SAP IBP** and **Kinaxis** ecosystems, where he has guided some of the world's most esteemed companies, including Dell, DuPont, Nalco, and W.R. Grace, toward effective planning models and demand-driven strategies. As an educator, he has shared his knowledge with over 500 professionals through Penn State's executive education program and holds the distinction of being the first external director of their S&OP Benchmarking Consortium.

One of Paul's key insights about good planning emphasizes the importance of having a forward-looking mindset that drives growth-oriented thinking. He argues that companies often face obstacles and high friction when they rely solely on brute force execution for growth. Instead, effective planning should begin with Leadership that promotes integrated decision-making across various functions such as finance, marketing, product management, and operations. Cross-functional leadership is crucial, yet often lacking, as many leaders develop in siloed roles without experiencing different business aspects. Another significant insight Paul offers is that effective planning should encompass the entire horizon, balancing short-term results with medium- and long-term growth opportunities.

The key challenge the industry continues to face is the lack of proactive growth planning. Many companies adopt a "figure it out when we get there" mindset, which leads to a reactive approach to business development. This reactionary stance makes it difficult to meet market and customer expectations, especially as new opportunities arise. Consequently, commercial teams may become hesitant to pursue these opportunities, fearing that the company may not be able to deliver on promises.

### The Challenge Contained in Growth Aspirations

Today's increased complexity in markets arises from a multitude of intertwined factors. The drive toward mass customization has led to a more fragmented and dynamic landscape, as companies strive to tailor solutions to meet the highly specialized needs of individual customers. This pursuit of personalization creates a competitive environment where agility is paramount. Additionally, globalization and advances in technology have made the world feel smaller, enabling businesses to reach markets previously thought inaccessible. This global accessibility compounds the complexity, as companies are now managing a more diverse and unpredictable demand across their portfolios. Unlike in the past, demand does not follow a predictable, steady pattern, but instead fluctuates considerably, challenging businesses to adapt swiftly.

The challenge in growth lies in balancing efficiency with the pursuit of ambitious targets, navigating unknowns, and responding quickly to varying outcomes, which requires agile decision-making that many companies are still working towards.

Paul views a portfolio as being composed of several factors that need to be managed: products and services, customers and market segments, geographical locations, and time. He considers time to be the most challenging dimension because it requires careful consideration of how frequently a business should evaluate and adapt to changes. The granularity with which a business approaches time—whether on an annual, quarterly, monthly, weekly, daily, or intraday basis—determines its ability to respond to shifts in the market.

### Becoming more Customer-centric in Planning Capabilities

Paul highlights the complexities and tensions involved in becoming more customer-centric in business planning, acknowledging the inherent tensions between satisfying customer needs, operational limitations, and strategic focus. The key points of tension in his view include:

1. **Identifying the Right Customers:** Companies must determine which customers to focus on—those who value the company the most and whom the company values.
2. **Developing a Responsive Business Model:** Companies need to create a business model that can meet customer expectations regarding how and when they want services. This involves understanding how customers use offerings and building operations that can respond efficiently.
3. **Operational Efficiency vs Flexibility:** Particularly in industries like specialty chemicals or chemical distribution, businesses must manage operational policies to be responsive. This means balancing operating efficiency and service levels.
4. **Portfolio Management:** Companies must recognize the changing nature of markets and customer needs, requiring the constant evolution and rationalizing of their product portfolios to prevent distractions and ensure focus on key customers.
5. **Balancing Expectations:** While customer centricity often aims to meet every customer need, operationally this isn't always feasible. Instead, setting realistic expectations and delivering in ways that add true value is critical.

## The One-Size-Fits-All Trap in Implementation

The "one size fits all" problem in planning implementations arises when organizations attempt to apply uniform strategies or systems across diverse business units or product lines without accounting for their unique needs and differences. While simplicity is often prioritized at the executive level for ease of execution, this approach can overlook the varied nature of products, markets, and operational requirements. For instance, treating specialty products like commodities or enforcing rigid financial guidelines across distinct divisions can lead to inefficiencies, missed opportunities for value differentiation, and resistance from those who understand the specific needs of their areas.

Paul highlights several key principles for avoiding a one-size-fits-all approach in planning implementation:

1. **Understand Business Characteristics:** Assess and describe the specific characteristics of the business across different segments, including products, customers, and geographies. Recognize that these segments may vary in complexity and value.
2. **Segmented Planning Approach:** Adopt a segmented strategy tailored to different parts of the business. This involves allowing flexibility within each segment for planning and servicing, while maintaining overarching guidance and principles to avoid a disorganized approach.
3. **Utilize Appropriate Techniques:** Choose planning techniques that align with the unique patterns and demands of each segment. For example, applying statistical forecasting where it makes sense and recognizing when it doesn't work for unpredictable products.
4. **Ensure Cross-Functional Alignment:** Secure buy-in and alignment across the organization by analyzing and demonstrating the business's operating patterns with real examples. This helps in achieving agreement on the planning approach.
5. **Leadership and Reinforcement:** Leadership should be actively involved in connecting end-to-end service expectations for each segment and reinforcing the implementation of successful strategies, ensuring they become embedded within the organization's culture and practices.
6. **Iterative Learning and Adjustment:** Incorporate feedback and results from the implementation process into ongoing planning to enhance proactive over reactive behaviors and results.

By following these principles, organizations can create a customized planning approach that is responsive to the complexities and demands of different business segments, leading to more effective and efficient operations.

Paul emphasizes the importance of selecting systems implementation partners who truly immerse themselves in the client's business to provide tailored and pointed advice. He criticizes service providers who merely rely on generic best practices rather than understanding the distinctive needs of each company. Drawing from his extensive experience across various industries, Paul highlights the uniqueness of companies like Wegmans, which prioritize delivering a unique customer experience. He underscores that successful technology adoption is also not about a one-size-fits-all solution but about adapting technology to the unique strategic intent and supporting characteristics of each client.

## Assessing Your Organization's Capability

Paul discusses how to evaluate organizational capability in the planning area. He recounts a survey conducted with executives that assessed their business maturity, ranging from reactive operations to customer-centric and value-driven practices. Interestingly, 22% admitted to being reactive, while an executive he was working with at the time suggested that the true number was much higher.

Paul emphasizes the importance of developing organizational capabilities to achieve growth-oriented goals. He outlines a five-stage model for transformation, starting from current behaviors and moving towards a future ideal state. This model focuses on various capabilities, including go-to-market, operations, financial, and information technology capabilities. The progression involves moving from siloed and reactive behaviors to proactive and network-centric approaches. By understanding and envisioning future stages, organizations can work towards improvements, ultimately achieving market leadership through alignment and integration along the entire value chain, including suppliers and service providers.

As an example, Paul discussed the evolution of go-to-market capabilities, emphasizing the transition from reactive to proactive strategies. Initially, companies are reactive, relying heavily on order-driven processes and disparate spreadsheets without customer insights or forward visibility. This stage lacks planning systems and often results in backorders due to its transaction-focused approach. As companies develop, they begin leveraging sales input, evaluating call reports, and assessing opportunity probabilities to create operational signals. There is a shift towards more granular planning at the product level to better meet customer demands. This stage involves implementing more measurements and focusing on customer data integration, such as inventory levels and consumption patterns, to reduce reliance on subjective spreadsheet opinions. Paul noted that mature companies not only gather customer forecasts but also contextualize data by understanding the broader market dynamics affecting customer behavior, such as competition. This approach allows for a more comprehensive, qualitative, and quantitative understanding of demand, leading to improved customer service and strategic decision-making.

## Implementing Technology Systems

Paul discussed the critical factors for successfully implementing new planning systems within an organization. He emphasizes the importance of a holistic approach rather than being solely technology-driven. Paul argues that successful implementations require aligning strategy, processes, and organizational capabilities, alongside the technology implementation. He points out that organizations often fail by trying to make their employees do two jobs at once, leading to compromises. A robust system implementation should involve taking the best people offline to integrate their expertise into the system effectively, which requires having a strong team to fill in their roles temporarily.

Paul also discussed the pitfalls of labeling launches as "soft" and argues that such terms reflect a lack of commitment and readiness. He stresses the importance of upfront design and planning, alluding to the concept of "go slow to go fast," meaning that thorough preparation can lead to faster, more efficient execution later. He highlights that most costs are determined during the design phase, so careful planning can prevent unnecessary expenses.

## About Paul Strzelec

Paul Strzelec, CEO of The Strzelec Group, has over 30 years of global experience helping companies across a broad array of industries deploy growth-oriented, cross-functional planning capabilities and disciplines. He specializes in connecting commercial, finance, supply chain, and operations teams with processes and system capabilities to optimize segmented go-to-market strategies, reduce complexity, and leverage insight-driven practices. Paul has held various senior leadership positions with companies that pioneered major advancements in integrated business planning, supply chain management, and network-centric technologies, including *Manugistics* (now Blue Yonder) and *VeriSign*. And he has extended that expertise to organizational and process competencies in the *SAP Integrated Business Planning (IPB)* and *Kinaxis* ecosystems.

He developed a passion for integrated planning early in his career as a leader during the entrepreneurial years of *Manugistics* where he was responsible for global consulting, best practices center of excellence, internet technologies, product management, as well as industry and product marketing. He is uniquely qualified in advanced areas of demand planning including his experience having worked directly with Dr. Rudolf Lewandowski to integrate his algorithm into Manugistics product offering.

Paul has helped some of the world's most respected companies implement innovative business models and demand-driven strategies, including *Church and Dwight*, *CVS/Pharmacy*, *Darden*, *Dell*, *DuPont*, *FMC*, *Ford Motor Company*, *GE*, *Ingevity*, *Microsoft*, *McCormick and Company*, *The Mosaic Company*, *Nalco Company*, *Procter & Gamble*, *Rolls Royce*, *Unilever*, *United States Department of Defense*, *Utz*, *Wegmans*, *W.R. Grace*, and *Xilinx*.

Paul holds a Bachelor of Science degree in Business Logistics from The Pennsylvania State University, was selected to be the University's first external Director of the Sales and Operations Planning (S&OP) Benchmarking Consortium, and has taught more than 500 professionals through the University's Executive Education Program.

## About Growth Arc Advisors LLC

After a 30 year career as an executive in the chemical industry, founder Kendall Justiniano started Growth Arc Advisors to help chemical business leaders implement the new thinking required for changing fundamentals. We're experienced industry operators who know the old playbooks, their gaps, and the new pages required.

The firm delivers customized engagements for Materials Executives in 3 key areas:

**Commercial Effectiveness:** increasing growth revenue through proven next-level commercial practices, including digital sales & marketing.

**Strategy:** helping clients navigate threats generated by sustainability, digital, and global demand shifts.

**Innovation:** accelerating return on innovation through focused investment.

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