**Scenario:**
Congratulations on your recent promotion to Engagement Manager for Strategic Procurements, Incorporated. Your new role will leverage your skills in supply chain management consulting, logistics, and procurement for various industries, which will offer many challenging opportunities.

In 1985, Drake Porter founded Strategic Procurements (SPI), a 120-person consulting firm based in Louisville, Kentucky, with a core group of four procurement specialists and a client base of one automobile parts supply chain. Since then, Strategic Procurements has expanded its client base to other auto supply store chains, as well as specialty retail stores across the nation. In 1994, Strategic Procurements developed a proprietary niche software application called PlanTranstic that is used for inventory planning and forecasting for the auto supply store industry. Strategic Procurements' mission is to facilitate the development and implementation of procurement strategies that reduce delivery time, inventory cycle times, and costs associated with supply chain management for its customers.

To accomplish its mission, Strategic Procurements is structured into two core consulting areas represented by a sales force led by the engagement manager. The core consulting areas are responsible for executing the assigned project work and generating possible leads for follow-up by the engagement team. The engagement team is responsible for expanding the current workload with existing customers and nurturing new opportunities. The engagement team and consulting areas often exchange personnel, as one group or another often requires specific, key expertise in supporting a client. The two core areas are *auto parts supply and specialty retail.* The auto part supply group has 55 people, including a technology team that supports PlanTranstic. The specialty retail group has 24 staff members, while the engagement team is staffed with 10 sales and logistics experts. Strategic Procurements consultants primarily work on a time and materials basis, with a few fixed price contracts, depending on the nature and duration of the work. The majority of projects are six months to a year in duration, with a mix of on-site (customer location) and home office work. The deliverables for these efforts are studies or analyses with key recommendations for improving the client's supply chain management situation. The project team will often identify technology tools, as well as recommend specific strategies for the client. Additionally, the PlanTranstic software is customized for specific customers where appropriate.

The engagement team is primarily focused on keeping the auto parts and specialty retail pipeline filled with consulting projects. Yesterday, Drake Porter approached you and requested a briefing on the two-year plan for these core areas. Additionally, he wanted to know how prepared Strategic Procurements is to expand their industry opportunities. Specifically, Drake wants to extend Strategic Procurements' SCM expertise to the medical consulting area, as well as develop expertise in the industrial manufacturing industry. Are these viable areas, and would Strategic Procurements' capabilities translate well into these areas? You've agreed to examine these possibilities and meet with existing and new clients to better understand the industry needs.