

# The Italian Consulting Company *Leading in the high precision* Bearings, CV-joints and Ball-Screws

ICT srl is an Italian leading consulting company active in the high precision mechanics field, with specific focus on bearings, cv-joint and ball-screws worldwide industries. Founded in 2012 by two professionals of bearings industry with managerial and technical expertise developed within large multinational companies, ICT has soon become leader in providing components (balls, rollers, cages and rings), technologies (grinding and diamond wheels, assembly and control machineries) and technical, organizational and M&A consulting services to more than 130 active worldwide customers each year.

We had the chance to dive into ICT's activities during an interview with the Co-Founder and Director Giuseppe Panaccione.



To learn more about ICT products, services and future plans of growth, we have recently met Giuseppe Panaccione, co-founder and director of the company, in ICT Italian offices

located in Pinerolo (North-West of Italy) in the heart of Italian capital of bearings industry and one of the most important relative industrial districts in Europe.

**Dear Mr Panaccione, can you please explain what has been the strategic idea behind ICT company creation and its important growth of last few years?**

When in year 2012 we founded ICT, we perceived a clear need for bearings and bearing components industry – both in Europe and in Asia - for a set of

competences that were not immediately available in the organizations of potential clients. I am not talking only about technical know-how of specific manufacturing processes; I am above all referring to overall understanding of the basic methods to manage any company of the industry in a lean and effective way. We imagined and designed ICT as the “vehicle” of 360° knowledge to bring-up promising organizations of the sector towards excellence of performance, with clear and shared strategic vision.



## What do you mean for basic methods to manage any company?

In the bearings and bearing components industry most of top managers and entrepreneurs think that the main scope for improvement of their companies resides into introduction of new technologies (e.g., nowadays digitalization is very “cool topic”) or in the fine-tuning of existing technologies, without looking at the whole picture of the equation. This brings them to initiate multiple fragmented activities within the organization without a clear whole vision of what is the target to be reached, i.e. with lack of organic strategy and with losses of effectiveness.

In other words, such managers are often fond of “classical management” (characterized by several hierarchical levels, long decision cycles and through-put times) and have often no interest and intention to leave it (because it maximises their status, rights and privileges) to the advantage for “progressive management” (as for definition of Bob Emiliani). The latter is nothing else than the result of a lean approach to the company value chain, with great consideration to the main company asset of any business organization: the people. Classical managers prefer to blame and judge rather than deeply inquiry into problems and develop people skills and capabilities.

## In these last 12 years ICT had been involved in several change programs by customer companies in Europe, in India and in China. Which is the key point for such programs to be successful?

We decide to accept or not to take care of such radical changes programs mostly

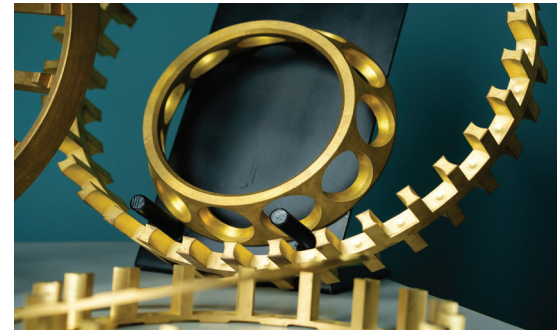
looking at the real commitment of the entrepreneur and/or of the top managers of the client company. It is clear to us that without such commitment, any effort would be resultless. Any long-term change program is always a top-down process, never the reverse.

However, such commitment must be evaluated very carefully. What I mean is that many people in top leadership positions do not like problems, because they are “boring” and have the potential to threaten the leaders’ status and influence. Well, behind the nice words that they use to request our advisory services, we assess their real will to dive into the problems in first person with patience (and together with the team), without jumping to solutions and/or neglecting the opportunities. Without such approach, it doesn’t worth – either for the client or for us – to waste time in any transformation attempt.

## What are the key performance indicators that you mainly focus on in such projects? Are they changing case by case or there are common ones to all programs?

Undoubtedly, there are some specificities for each project. However, there are certain simple and key indicators that should never be neglected in transformation of any type of process (not only the manufacturing ones). Allow me to mention one of them that – unfortunately – is always forgotten by the company leaders because considered not so important compared to others: the speed of the process.

To have a very short process through-put time results in great benefits for the company at least in terms of inventory



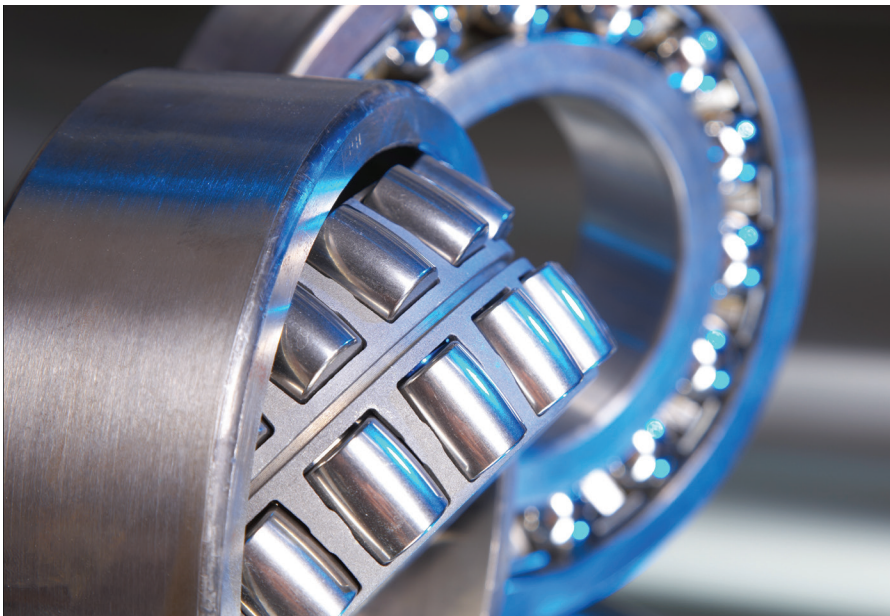
turns, fast reaction to the market and quick cycle of correction and improvements. At the end of story, all the above results into higher cash availability, better capability to differentiate from competitors and to gain market shares and faster products and process quality improvements. Certainly not a small thing!

## Based on ICT experience, which is the hardest part to work on to achieve the expected results in a complex company change program?

To touch technology is relatively easy: it has to do with know-how and, as very last stage, with availability of capitals for investments. What is much more complicated (and important) in any change program is to work on the people mindset, to explain – and to show by facts – that a different way of doing is not only possible, but more effective both in terms of company results and all employees’ satisfaction. Such “brain-washing” process is very difficult, also because influenced by the different cultures of the countries: we understand well it, having been working also in complex contexts like in India and China (he smiles, editor's note).

Everywhere we run such programs, however, we experienced that many middle managers left the company in the initial phases: this is quite physiological, I would say. Much motivating is to see, on the other side, many positive surprises of new leadership profiles with brilliant aptitude coming up in the organization within even only a couple of years.

## ICT is also offering components, tooling and machinery to clients. How is it possible for ICT to offer a so wide portfolio of products?





Since the foundation, we had very clear idea to select a small number of long-term partners whom to work with to complete our offer to the high precision mechanics market. We selected them (after visiting in these years more than 200 companies in the world) based on their potential of competitiveness and aptitude to lean growth. In some cases, we helped them to transform their organizations and to train their employees, both blue and white collars. Currently we have 14 partners (between Italy, India, China and South Korea) that allow ICT – together with our 15 engineers, technicians and chartered accountants between company employees and collaborators - to support customers as single contact point for a wide variety of products, machinery and services.

**Why any bearings, cv-joints and ball-screws company in the world should consider to buy products and/or services from ICT?**

One of the primary reasons why clients should consider buying services and products from ICT is the company's commitment to provide added value and quality even beyond the same intentions and understanding of the clients themselves.

Through the reach professional expertise of all ICT engineers and the know-how of our long-term partners, in fact, we are able to provide new solutions to the customers expectations. Of course, I am referring here not only to all the company change programs that we run in these years by a dozen of customers of ours, but also to the specific new designs of bearing cages or grinding wheels or special balls that we have been developing on behalf of the clients. They are few clear examples of application of our philosophy to be competitive in front of our clients on

the total cost of the process and not on purchasing price of the goods/services.

**Any other reason?**

Yes, together with our own long-term partners ICT has developed in these years a unique mix of processes/products/applications competences and worldwide business and technical relationships that may represent an unbelievable plus to the customers. This is really the “secret” for our professionals in providing clients with the best possible advisory, always aiming to build long-term relationships and to work closely with them to understand their unique needs and requirements. In other words, we daily work to be recognized as value providers, studying and implementing even innovative technical and logistic solutions to generate competitive advantage. However, there is a risk in all this ...

**What are the ICT plans for the future? At least for the part that you can disclose to our readers.**

Well, what I can disclose is our intention to further focus the whole organization and business strategy to be closer and closer to our long-term customers, everywhere they are based. We will reinforce further our capability to serve them at 360°, deserving the trust that they reserve to us.

**Does ICT aim to company growth? Are you interested also in acquisitions of other business?**

Yes, we aim to continue company sustainable growth in the next years. We do think that such growth must be founded on our key technical and

business skills of our reference industries and may be implemented also through strategic acquisitions and partnerships that can provide further value to our valued customers. Furthermore, we do understand that - to be a real global player in the market - ICT needs to have a global footprint (both indirectly through our long-term partners and directly with our employees, collaborators and shareholdings): we are looking all around and we are open to intercept any good acquisition opportunity that marries our strategy and leverages our strengths.

**Which type of business are you considering for your M&A activities?**

Of course we are interested in manufacturing high precision products, those ones whose tolerances are expressed in fractions of microns. We look for non-repetitive high series manufacturing of top quality bearing components where we can put in place our strong competences of flow management, lean methods and quality focus. We are convinced to have important strengths to bring value addition to potential new partners in such contexts.



*More information about ICT components, tooling, machinery and consulting services can be available on the company websites [www.consulting-trading.com](http://www.consulting-trading.com) and [www.ict-advisorydivision.com](http://www.ict-advisorydivision.com) or writing to [info@consulting-trading.com](mailto:info@consulting-trading.com).*

