

## Pull Together Supply Chain Planning



The difference between first and second place in a rowing competition often comes down to timing and synchronization. Similarly, effective integration of a supply chain's many parts, in alignment with a company's financial plan, can contribute significantly to improvements in financial performance and market competitiveness.

Yet after years of supply chain optimization, companies often still struggle for such integration and alignment. Many CFOs and COOs today are searching for supply chain planning capabilities that lead to accurate financial forecasts, effective working capital management, improved customer service levels and the ability to meet customer demand profitably.



Reduced working capital requirements are often attributed to effective inventory management, accounts payable, and accounts receivable processes. But the broader role of supply chain planning is often underestimated.

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## How we can help

Deloitte's Supply Chain Planning professionals work with clients to develop strategies, define future solutions built on leading capabilities, and implement process and technology solutions. We help build the business case for changes that are aimed at carefully defined objectives, including revenue growth through improved customer service, accurate financial projections for stakeholder guidance, reductions in working capital, and improved supply chain cost and efficiency. Our services include:

- **Assessment** – Thorough assessment of end-to-end supply chain/working capital capabilities to define improvement opportunities.
- **Strategy and vision alignment** – Development of the end-to-end vision to align stakeholders on leading capabilities to be developed.
- **Integrated business planning** – Development of “one” plan across sales, marketing, finance, and supply chain.
- **Demand planning** – Creation of an enterprise forecast that senses market trends.
- **Supply planning** – Creation of plans to effectively respond to latest demand signals.
- **Inventory management** – Advanced analytic visualization capabilities to assess inventory performance and define statistical targets.
- **Supply chain flexibility** – Identification of supply chain capabilities to improve response time optimizing working capital requirements vs. supply chain costs.
- **Performance metrics analytics** – Balanced scorecard to assess performance across demand, supply chain costs, assets, and market expectations and conduct root cause analysis to drive performance improvement.

## Potential bottom-line benefits

- Improved financial forecasting
- Reduced inventory obsolescence
- Reduced inventory levels to free up cash
- Improved customer service
- Reduced cost of goods sold
- Reduced cut orders
- Identification of potential self-funding opportunities

### Learn more

Supply Chain Planning is one of many strategic areas surrounding supply chains. For more information on how Deloitte can help, visit [www.deloitte.com/us/SCplanning](http://www.deloitte.com/us/SCplanning).

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## Ways to get more value now

- **Focus on value.** It's important to pick supply chain planning initiatives that will deliver significant and visible value.
- **Drive from the top.** Alignment and engagement from senior executives is critical to driving strategy down through the organization and realizing the envisioned value.
- **Establish performance metrics.** An effective, balanced scorecard with input from various cross-functional groups also helps drive continuous improvement.
- **Develop and reinforce underlying capabilities.** Sustainable benefits rely on robust underlying capabilities, including detailed process design, enabling tools, and reliable data.
- **Change management.** Establish a clear change management structure and approach to drive transformational changes across planning stakeholders covering process, organization, and technology changes.

## The big idea

As marketplace and customer demands change, leading companies rely on flexible supply chain plans that allow for rapid response to help maintain competitive advantage.