

Advanced Planning and Scheduling (APS) Solutions How the next generation of APS solutions enable new business models and go-to-market capabilities



Today's volatile economic environment has elevated the strategic positioning of supply chains and is demanding them to evolve into more dynamic and flexible engines. Commodity price swings, on-shoring, and shifting consumer preferences combined with fast moving competitors require a new way of thinking—from planning to execution. And that often means finding innovative ways to integrate and make global supply chains more coordinated and agile.

Delivering capabilities to maneuver and win in the marketplace involves an updated approach to planning—one that is rooted in deeper insights into the market environment, pulls together a wider range of stakeholders, and can improve speed, flexibility and responsiveness of the entire supply chain network. While business processes are key to sustaining capabilities, technology is a critical building block of a comprehensive solution. Great things can happen when these two strands meet in an organization ready for change.

Ways to create more value with Advanced Planning Solutions

Because the supply chain touches so many areas within a business, it can be hard to get all the moving parts working in sync with one another. Adding complexity is the nature of today's extended supply chains that go beyond any single business, touching upstream and downstream partners and third parties.

Technology advances are delivering step improvements in connectivity, visibility and collaboration that companies can leverage to shape the capabilities of both their internal and external supply chains.

A new generation of planning solutions is combining the capabilities of cloud and mobile computing to bring new insights from data and accelerate decision making to near real-time. This has brought about a new level of agility in supply chains, which early adopters can exploit to enter new customer segments, improve margins, service, and simultaneously reduce costs.

Bottom-line benefits

Developing holistic, leading solutions that leverage the latest APS technology can transform your planning capabilities as well as:

- Truly enable "global" S&OP to quickly capture updates from stakeholders in global and local markets by utilizing social media and collaboration tools, and share updated plans broadly across the organization.
- Shape demand by integrating sales, marketing, and procurement with supply planning to continuously enhance profits and track performance against plan.
- Perform end-to-end planning by integrating demand, inventory and supply planning, across the global network into "one solve," to rapidly assess impact of business decisions and evaluate what-if scenarios.
- Sense, analyze and respond to changes in the business environment, localized events and competitor tactics in a fast and effective manner, and perform root cause analysis to identify improvement opportunities.

Starting the journey

As you evaluate your APS solution options, it is important to consider:

- Planning as an integrated set of capabilities, end-to-end planning vision for processes, and integration with supporting applications. This is important for creating a transformation roadmap and making better decisions in the short-term.
- Business requirements which cover the ability to provide a “broad” solution, e.g. integration of finance, balancing demand and supply, and a “deep” solution, e.g. inventory optimization targets, statistical forecast, and supply constraint modeling.
- Planning the transformation’s potential impact on the entire organization due to the stakeholders who are involved in the planning processes, which means organization and change should be key parts of the program.

Deloitte helps drive value by assisting clients across industries with building innovative planning processes and capabilities enabled by various APS solutions. Here are a few examples of how we’ve deployed APS technology to help companies bring their supply chain planning in line with business strategy:

Case Study 1: Global Consumer Products Manufacturer



Challenge: A global consumer products company was experiencing significant demand volatility, working capital, and customer service issues. Deloitte redesigned the operating model, physical network, and all processes in the end-to-end supply chain supported by an advanced APS.



Approach: Deloitte Performed integrated process design across supply chain and determined changes to manufacturing and distribution network to optimize cost structure. Completed detailed design, build and implementation of advanced APS enabled processes for S&OP, demand, supply and distribution optimization.



Value Delivered: The Program delivered an aligned and standardized process across seven business units and a central organization for all supply & chain capabilities. Combined work identified over \$300 million in P&L savings and \$400 million in Balance Sheet savings.

Case Study 2: A Major Consumer Electronics Company



Challenge: In order to keep products moving in the stores, the client wanted to create scenarios with different sales prices, promotional strategies, and margin contributions from all supply chain partners (customers, client, and suppliers) and quickly evaluate multiple scenarios to determine the best possible combination for selling a product into different channels.



Approach: Deloitte evaluated the potential of integrating the client’s supply chain planning, pricing, and financial forecasting requirements into a single integrated solution. These planning activities were earlier executed in functional silos and the interdependencies were evaluated in spreadsheets. Integrated processes were designed and an APS solution was implemented to meet all the requirements.



Value Delivered: APS solution integrates supply planning (demand, supply, transitions, and inventory) with aspects of financial planning such as monetizing forecasts, price and promotions planning, and contribution margin projections. It not only met the requirements for demand and supply management but could also be configured for financial planning.

In addition to solutions provided by our world class SAP and Oracle practices, Deloitte has the depth and breadth of experience to help you define your requirements and select the right technology for your business needs. Deloitte works with leading Supply Chain Planning vendors including:

SAP (APO, IBP)	JDA	Kinaxis
Logility	Oracle (VCP)	Jonova
Quintiq	OM Partners	Demand Solutions
SAS	Steelwedge	Anaplan

How we can help

At Deloitte, we realize the importance of combining deep technology experience with practical business strategy. We offer an unmatched range of capabilities across consulting, financial advisory services, tax and risk management worldwide. This integrated approach helps us understand how companies can improve their global supply chain planning capabilities to deliver more value across the business.

Our Supply Chain Planning services portfolio covers:

- Process assessment and improvement roadmaps
- End-to-end Supply Chain Planning vision and design
- APS software selection and business case development
- Project management and program planning
- Process design and implementation
- Organization design, change management and training
- Implementation of APS solutions
- Supply Chain analytics
- Data quality and infrastructure support
- Metrics and performance management

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