

MANUFACTURING PLANNING

Sales & Operations Planning

Challenge: Achieving effective, closed-loop sales and operations planning

In today's fast-changing, highly competitive global business environment, it is more challenging than ever for companies to increase revenues, market share and profitability. Companies looking to significantly enhance their sales and operations planning (S&OP) processes through technology solutions can realize tremendous results and accelerate progress on established business objectives.

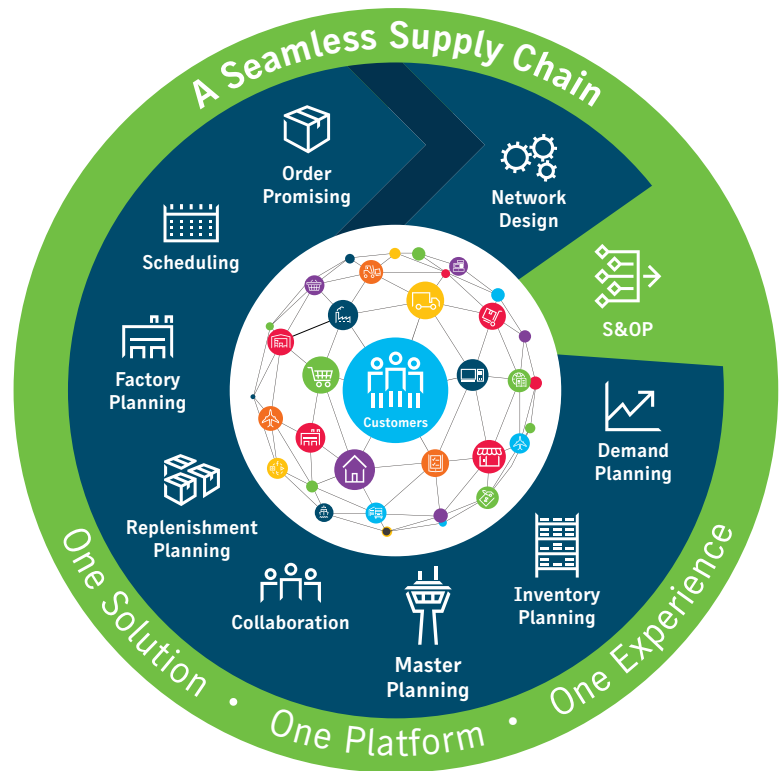
An effective S&OP process enables companies to realize revenue, margin and operating performance gains through improved decision support and cross-functional alignment. In fact, many experts estimate that a good closed-loop S&OP process can improve margins by 5 percent and reduce inventory by 15 percent.

Solution: JDA Sales & Operations Planning

Part of JDA's Manufacturing Planning solution, JDA® Sales & Operations Planning (S&OP) helps companies realize these benefits quickly by using a closed-loop process to support six distinct enterprise processes and associated scenario planning: demand review, supply review, demand-supply balancing, financial review, continuous plan refinement and business performance management.

Dynamic data consolidation to create a single business view

Data consolidation is a critical element of an effective S&OP process; however, combining all of the demand, supply, financial and new product launch data into an integrated business view is



◆ Key Benefits:

- Provides out-of-the-box business functions to orchestrate the S&OP process
- Provides fast, in-memory scenario comparisons and guided analysis paths
- Features a performance dashboard and management by exception capabilities
- Offers interactive and automated workflow support

Key Benefits continues on next page >



a challenge for most companies. Not only is the data often fragmented across multiple systems, but each function, business unit and region may be viewing the data at different levels of aggregation. Depending on the business unit or function, the same product may be referred to by different codes.

JDA S&OP addresses these challenges by using a very flexible and configurable product hierarchy and attributes scheme. Data can be imported into a configurable cross-referencing scheme that maps product codes, plant codes, etc. – providing your S&OP stakeholders with the flexibility to construct “editable pivot” views to analyze and update plans based on any combination of attributes. This helps you lower integration costs by leveraging existing data in the form in which it exists while enhancing the end-user experience.

Enforcing cross-functional alignment through a consensus-driven process

Every company’s planning cycle includes multiple perspectives on the sales forecast, desired inventory levels, production targets and true capacity. A consensus-driven S&OP process can help reconcile these different perspectives, resulting in an operating plan that is approved by executives and has buy-in from every department.

JDA S&OP can help guide S&OP discussions by highlighting exceptions with red, yellow and green visual priorities, making the decision process more data-driven and less influenced by conflicting or subjective opinions. JDA S&OP also helps manage the entire S&OP meeting calendar by creating detailed audit trails of meetings held, action items, action item assignments, status, etc. For a company looking to deploy a global standard S&OP process where the stakeholders and participants may be spread out across different geographies and time zones, this orchestration capability ensures process compliance and repeatability.

Increasing accountability and reducing the planning-execution gap

To improve revenue and profitability, you must focus on the right key performance indicators (KPIs) to establish accountability for achievement against plan. In every S&OP cycle, you must analyze performance against KPIs to understand achievement, as well as diagnose and analyze

Key Benefits continued

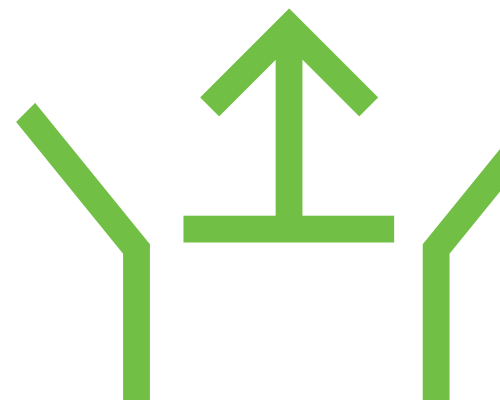
- Provides support for audit trails, approval workflows and action items
- Provides simplified hierarchy configuration and management
- Features Microsoft Excel presentation with centralized session management
- Provides on-the-fly editable pivot views
- Provides master management for data cleansing and translations
- Offers multi-region, multi-currency support
- Features an S&OP process calendar and S&OP industry templates

reasons for deviations. Companies with best-in-class S&OP processes track plans against execution on a daily, weekly and monthly basis and continually implement new actions to close the gap between planning and execution.

JDA S&OP increases corporate-wide accountability by enabling you to continuously monitor execution against plan, highlight deviations and key exceptions and trigger corrective steps using standard process playbooks. You can configure the solution to initiate predefined processes, based on an established process playbook, in response to certain triggers – thus, increasing your company’s ability to respond to unanticipated events in a quick but strategic manner.

Rapid what-if impact analysis

Today, most companies are operating globally in a volatile, competitive business environment that can change very quickly. With any unanticipated change such as a rise in fuel prices, a spike in commodity prices, a pricing action by a competitor or a critical disruption in supply, you need the ability to quickly analyze the cross-functional effects so that the right response can be initiated.



This type of analysis identifies potential capacity bottlenecks that could occur when addressing a demand spike, introducing a new product or launching a promotion. For instance, if the sales and marketing teams are planning a new promotion to stimulate demand, JDA S&OP can create a demand scenario to quickly analyze the supply chain constraints and contending demands. Based on this guided analysis, decisions can be made to optimize the product mix and timing of the promotion.

With JDA S&OP, companies can enhance their S&OP processes for improved cross-functional alignment and increased revenues, margins and operating efficiencies.

Real results

Companies that rely on JDA S&OP can reap significant business benefits, including:

- Enhanced S&OP process that includes complete data visibility, frequent analysis and rapid decision making
- Improved cross-functional alignment with a consensus process that continuously synchronizes plans across sales, marketing, finance, supply chain and product development divisions
- Increased revenues, margins and operating performance
- Acquired field sales input and competitive intelligence as well as collaboration with customers and channel partners on future demand instead of simply relying on historical forecasts
- Ability to quickly analyze the effects of unexpected events and determine the optimal response – without waiting for the next planning cycle
- Enhanced collaboration – both internally and with external supply chain partners, subsidiaries and joint alliance ventures – to develop the right plan for execution
- Better understanding of the financial impacts of trade-offs between inventory and customer service or between gaining market share and profitability

Greater than the sum of the parts

JDA has been providing manufacturers with proven best-of-breed manufacturing planning solutions for decades, with these solutions delivering results at more than 500 manufacturers across different industries in more than 38 countries around the world. Manufacturers can now leverage the entire JDA Manufacturing Planning solution to achieve even greater benefits, ease of implementation and lower total cost of ownership. JDA combines the world's leading forecasting technology with market-leading inventory planning, supply chain planning, factory planning and scheduling, order promising and S&OP capabilities, converged with a common data model and interfaces to enable integrated manufacturing planning in the cloud. JDA Manufacturing Planning solution components work together and provide critical inputs to streamline workflow and enable optimum performance unlike any other solution available in the market.

Further, JDA's unrivaled professional service and consulting expertise can guide you through your business transformation. JDA can help define where the greatest benefits can be achieved, create a realistic roadmap based on industry best practices and your unique company constraints, and help you develop a fact-based list of benefits and potential ROI. Only JDA can provide this unparalleled combination of business process breadth, functional richness, robust technology and industry expertise that makes the total value to you as a JDA customer much greater than the sum of the parts.

Using JDA, you can plan to deliver.

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jda.com info@jda.com