

Solutions

Making Innovation Work

Strategic Sales & Operations Planning

IBM Business Analytics Performance 2011

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BETTER PERFORMANCE STARTS WITH INSIGHT

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Agenda

- Numius, the Business Analytics company
- S&OP Context & Insights
 - New Business Challenges
 - Clients & Partners
 - Numius research
- Strategic Sales & Operations Planning solution
 - Business framework
 - Demo
 - Key functionalities & capabilities
- What's in it for you?
- Roadmap
- Q&A

Numius

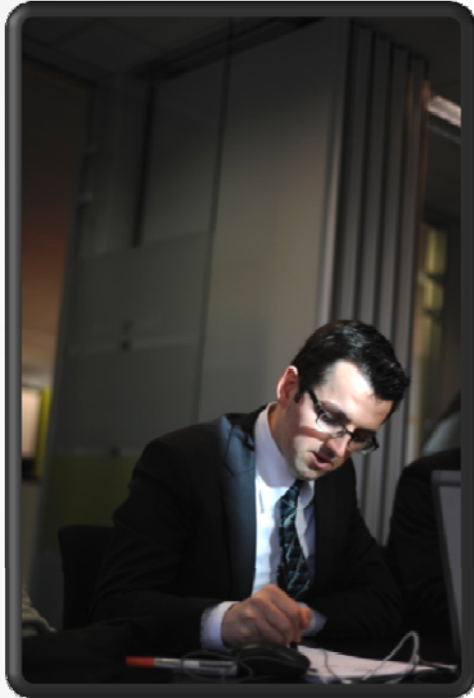
- 40 Dedicated business analytics professionals
- Focus on a complete business analytics offering
- Strong and recognized alliance with IBM
 - IBM Advanced Business Partner
 - Support Providing Partner
 - Member IBM International Advisory Board
- Cross sector experience in BA Applications
- Latest business development initiatives:
 - » Sales & Operations Planning solution
 - » Bring Business Analytics to the cloud (NPS)
 - » Social Media Analytics (alliance KULEuven)
 - » Data Mining & Analytics
 - » Business Analytics on SAP BW
 - » Dedicated Business Analytics Academy program
 - » 24/7 Focussed service desk offering (Flexdesk)
 - » TM1 10.1 Bèta Program member



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- Today @ IBM Performance Belgium



Joris Van de Borre
Senior FPM Consultant



Geert Hallemeesch
Partner & Sales Manager



Els Renders
Manager

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S&OP Context & Insights

1. NEW BUSINESS CHALLENGES



2. ACADEMIC RESEARCH



NEW S&OP REQUIREMENTS



4. NEW TECHNOLOGICAL AND BUSINESS EVOLUTIONS @IBM

3. A DECADE OF PLANNING, FORECASTING & BUDGETTING EXPERIENCE



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Financial Crisis Impact on S&OP

- Companies need to act faster
 - Insight is required **on the spot**
 - Insight is required company wide, **no silos** anymore
 - Processes need to be **continuous**, not periodic
 - Act right here, **right now**

- Companies learned late 2008, early 2009
 - They had no full view on things
 - They were too late to act
 - Took the wrong decisions ...
 - or had no idea what to do ...



Gartner Maturity Model

| | 27% | 40% | 19% | 14% |
|--|---|---|--|---|
| Strategy | Stage 1: Reacting | Stage 2: Anticipating | Stage 3: Collaborating | Stage 4: Orchestrating |
| Balance: S&OP |  |  |  |  |
| Section 1: Goals | Development of an operational plan | Demand and supply matching | Profitability | Demand sensing, and conscious trade-offs for demand shaping to drive an optimized demand response |
| Section 2: Cross-Functional Alignment | Supply Chain driven process with a strong sales or operational bias leading to imbalance. Lack of clarity as to the goal of S&OP. | Supply Chain driven process for purposes of achieving optimum forecast and supply response to demand | Supply Chain becomes the S&OP orchestrator and business functions take ownership of input, output and results, looking at financial impact of decisions | Business ownership at multiple levels with strong participation from executives and finance. Collaboration extends beyond the enterprise to achieve end-to-end value. |
| Section 3: Process and Technology | Emerging process, inconsistent and marginally effective. Often more of a sales review meeting. Tools are mainly Excel and ERP. | Formal, structured process. One size fits all approach. Tools extend to include forecasting, SC planning and inventory optimization | Process tailored to business model and needs. Dialogue, and start of use of tools, around what-if analysis for demand shaping, financial reconciliation and cost to serve. | Process becomes balanced, dynamic and event-driven. Strong connection to strategic planning and execution. Tools also support risk-value trade-offs, price optimization and complex simulation. |

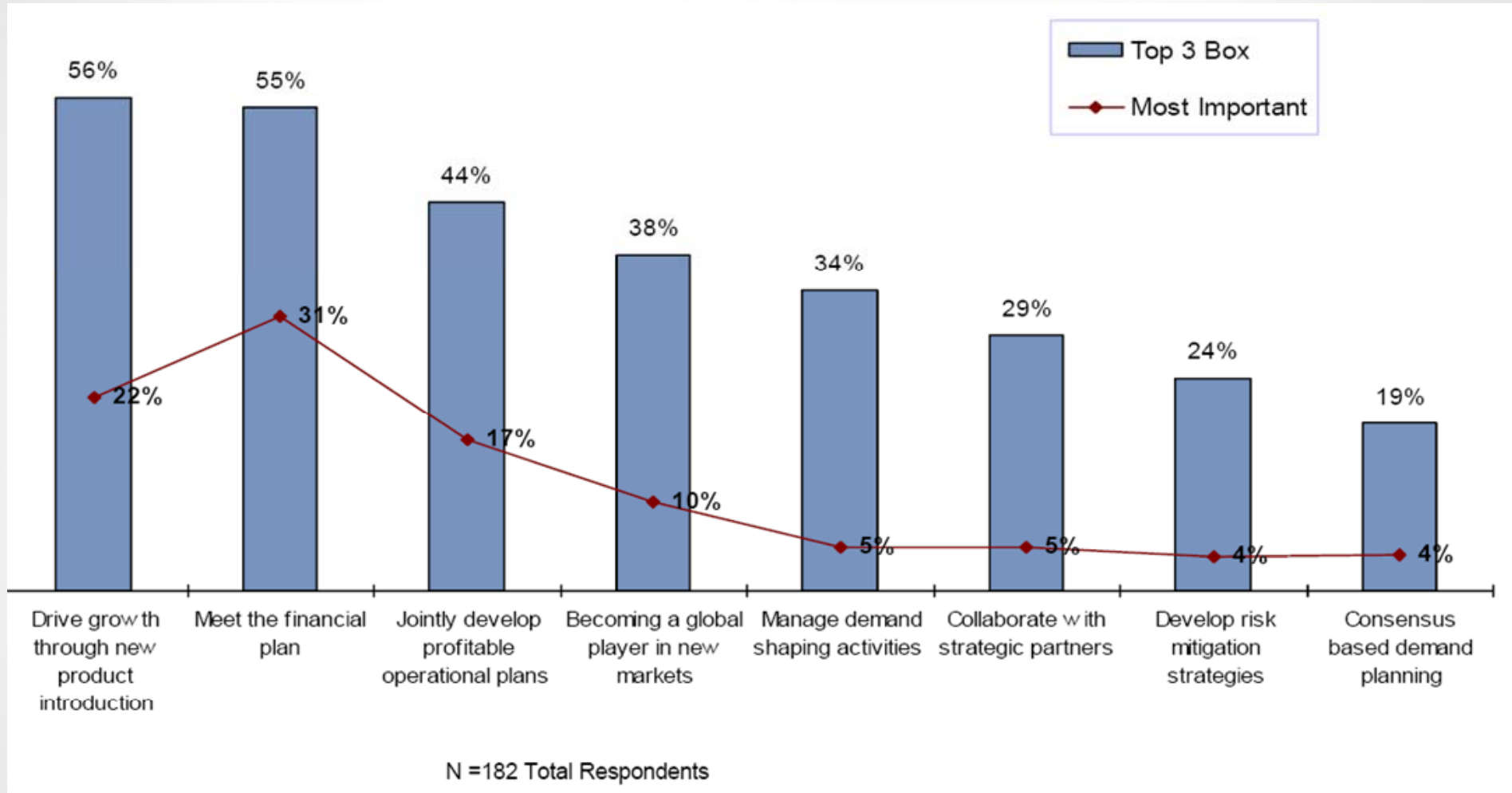


Increase in Organizational Balance

Source: Gartner (October 2010)

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Gartner: Business strategy S&OP process is focussed on:



Gartner: Technology Key Capabilities Required

- Data management and quality
- Integration into operational plans
- Visibility into financial plans
- Multilevel and multidimensional hierarchies
- Assumption tracking and management
- Workflow and process management
- Performance management
- What-if, scenario management simulation

From our Clients & Partners

- Always difficult to align with financial planning
- Missing link between strategic and operational plans
- Difficult to use budget and forecast plans as steering instruments
- Absence of a management level for S&OP
- Difficult to get all of the data and people aligned from different systems and levels of detail
- Often lack of management and integrated view on the entire process
- When needed, detail needs to be available



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Thesis Results for an S&OP Solution

- Functionalities an S&OP solution must offer:
 - Extensive graphical possibilities
 - Link with financial plans
 - Compare different plans and analysis
 - Real-Time
 - Apply constraint and what-if planning
 - Link to performance indicators, monitor and analyse
 - Trace and explain changes
 - Automatic collection and aggregation
 - A single set of data for all
 - Easy to import and export to and from other systems
 - Flexible to change and adapt
 - Users can work role based in collaboration

Liesje Robben
Master in de Handelswetenschappen
Operations Management
Lessius Mechelen
**“Onderzoek naar de
basisvereisten voor S&OP
oplossingen en de toetsing
ervan aan IBM Cognos”**

Inside IBM

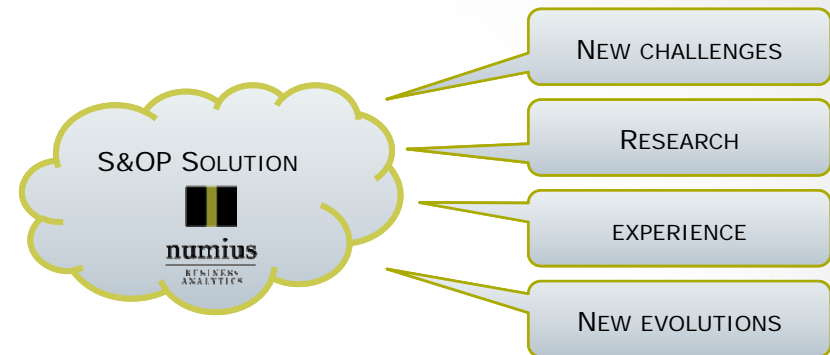
- New product launches in the BA Portfolio with extended possibilities
- Best practice templates: IBM Performance Blueprints
- Meet the Expert:
 - More detail, realtime aggregations
 - Simulation, constraint & what-if
 - Real-Time
 - Finance Links



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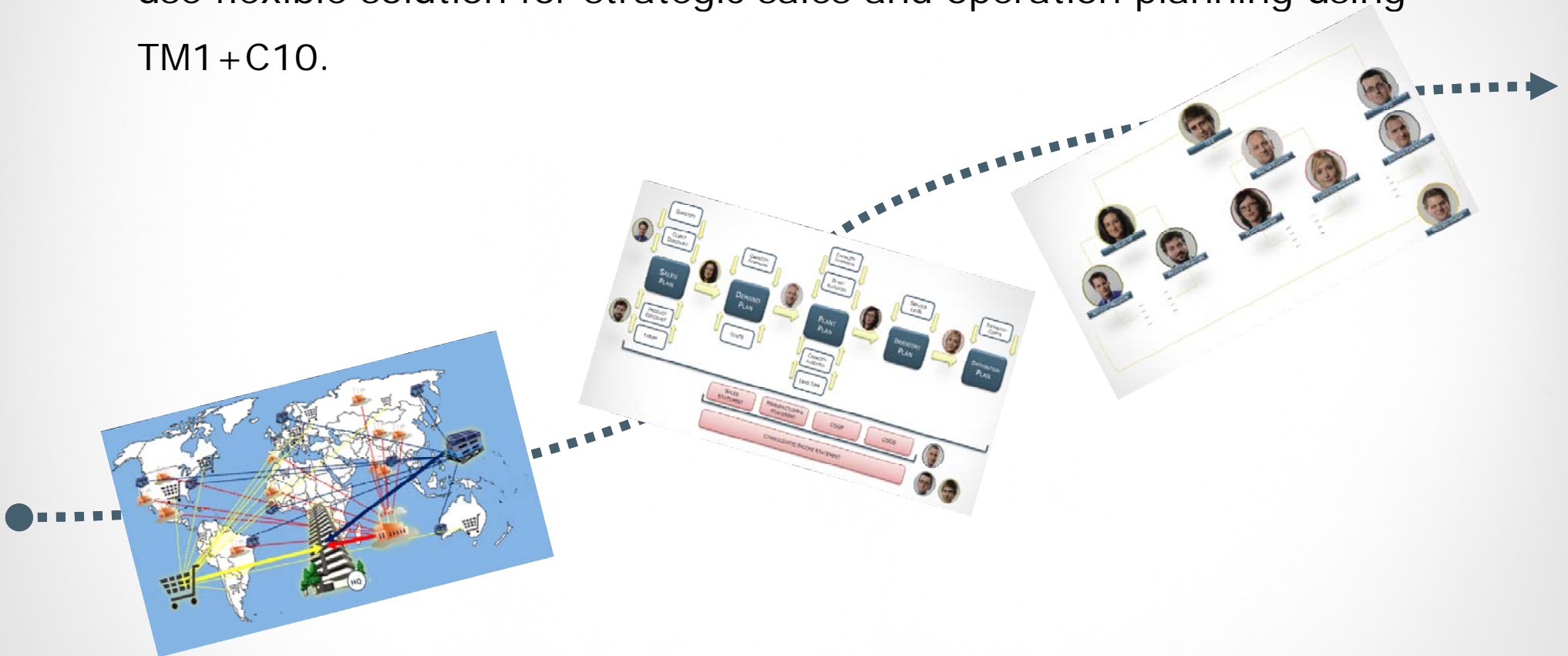
Recap

- Companies need a more agile, flexible and cross silo solution for their S&OP processes
 - Integrated with the ERP
 - Cross silo
 - Sales
 - Product Management
 - Corporate (Finance)
 - Global & Local Production management
 - Continuous, real-time and single version of the truth
 - Flexible to new business evolutions
 - An active management tool bottom-up and top-down aligned with strategic objectives and operational data



Numius Strategic S&OP

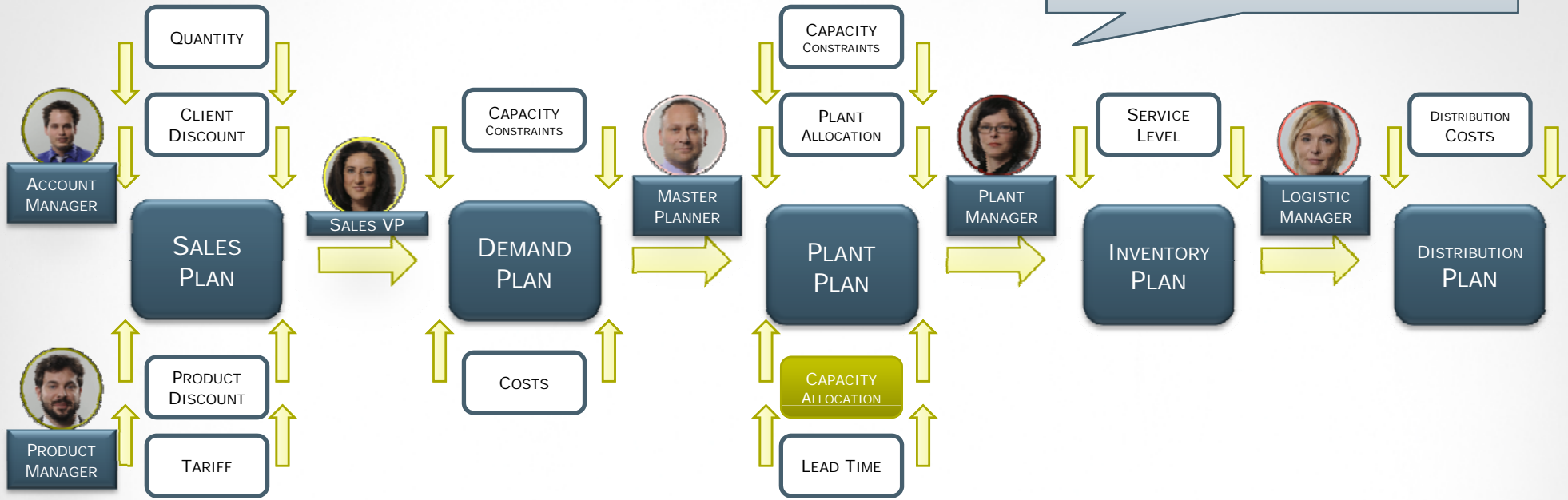
- Numius Strategic S&OP is an end-to-end integrated roll based, ready to use flexible solution for strategic sales and operation planning using TM1+C10.



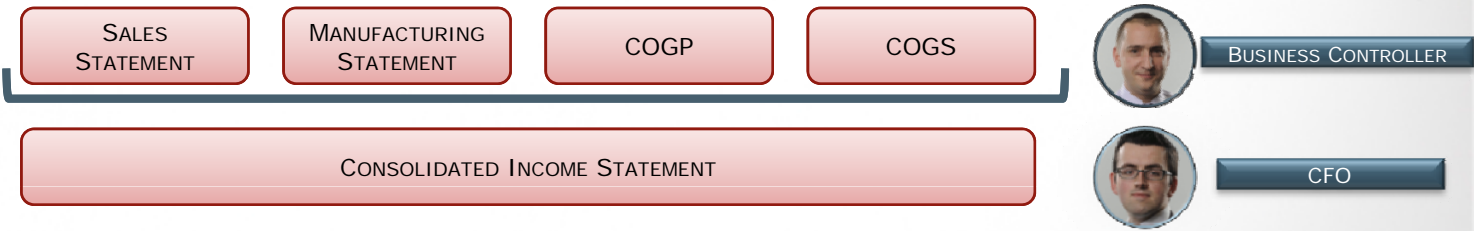
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Numius Strategic S&OP

COMPLETE PROCESS FROM QUANTITY TO INCOME STATEMENT



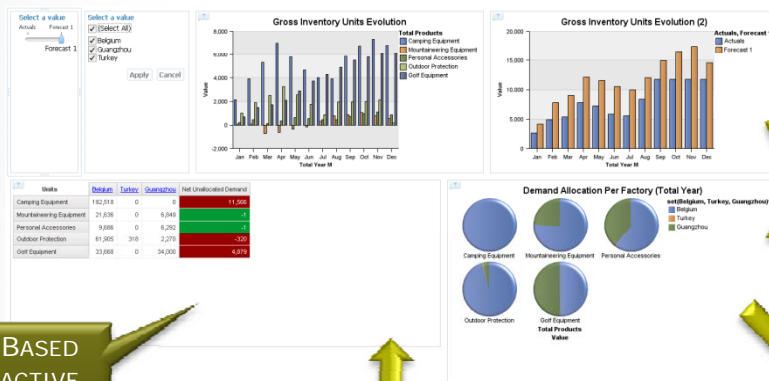
ERP DATA
COMPANY METADATA
SECURITY ROLES
OTHER (META)DATA



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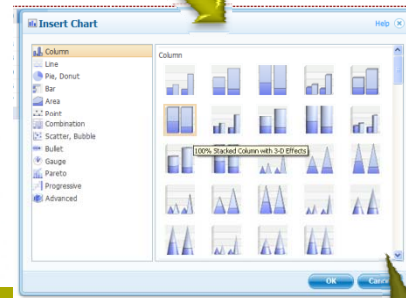
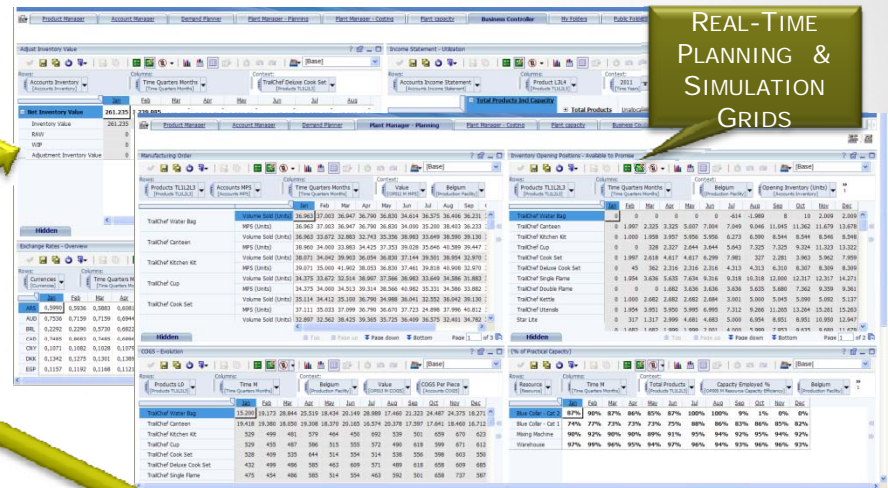
Numius Strategic S&OP

- Extendible and role based dashboards are available for each role in the process. From those dashboards the entire process can be managed, evaluated and adapted.



ROLE BASED INTERACTIVE DASHBOARDS

WIDGET COLLECTION



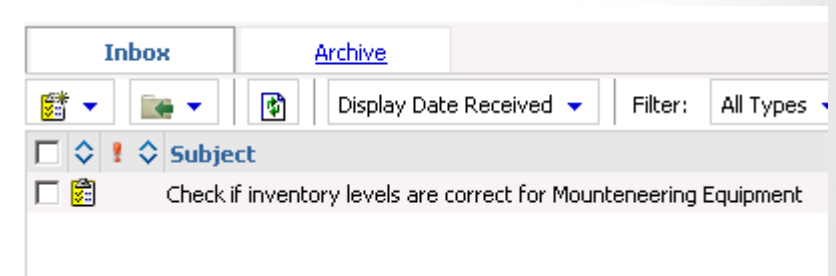
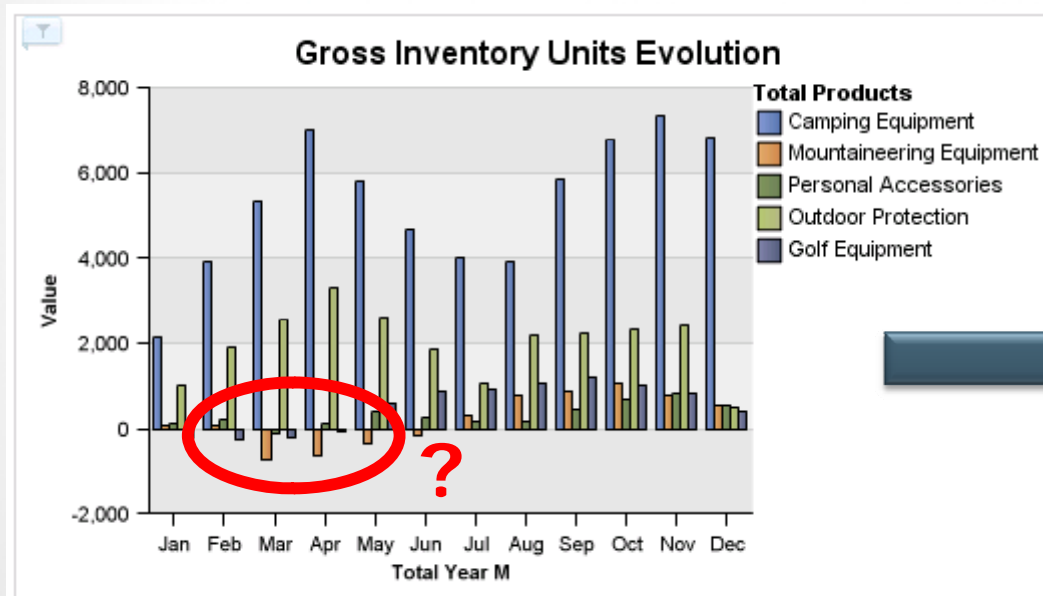
| Value | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec |
|-----------------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| Volume Sold (Units) | 316 | 289 | 287 | 252 | 317 | -208 | -208 | -291 | 0 | 3,724 | 3,767 | 4,567 |
| Operating Inventory (Units) | -2,124 | -3,935 | -4,520 | -7,213 | -8,502 | -4,857 | -3,989 | -3,842 | -4,861 | -4,603 | -7,365 | -4,837 |
| Shrinkage (Units) | -4,838 | -4,823 | -4,933 | -7,368 | 887 | 976 | 102 | 102 | 3,763 | 9,336 | 4,837 | |

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OR MAKE YOUR OWN

Demo

- A company selling camping equipment with 2 factories. We are in the beginning of 2011. One morning the group business controller notices on his dashboard that the forecasted inventory position for Mounteneering Equipment is negative ... He sends a notification to the Master Planner to check this discrepancy....

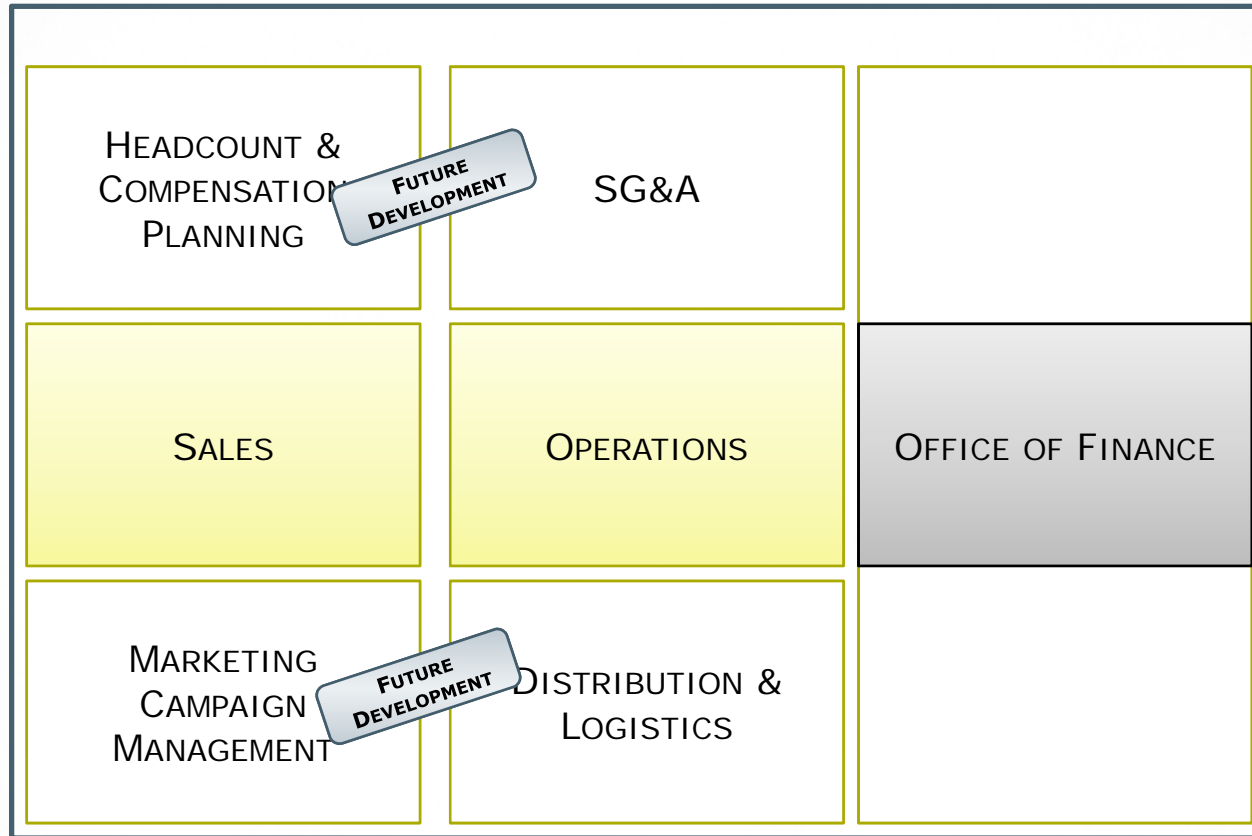


What's in it for You?

- Finally an integrated cross silo S&OP Solution that can be aligned both with strategic objectives and operational data.
- + **Agile** planning environment
- + **flexible** to deal with changes and company specific variables
- + **ready** to deploy, no long development lead times
- + the start of a **complete** business analytics platform
- + **real-time** updates and **automatic** consolidations
- + **central** management, single version of the truth
- + based on **leader technology**
- + a **trustworthy** and **experienced** business analytics partner

Roadmap

- A complete Business Analytics Solutions offering



PLATFORM SERVICES
"More flexibility, less cost. Numius Platform Services delivers SaaS Business"

CONSULTING & IMPLEMENTATION

SOFTWARE

VISION & STRATEGY

ACADEMY
Better Performance starts with Training

SOLUTIONS

SERVICE DESK & SUPPORT

Questions & Answers



What did you like?



- Resources: <http://www.numius.eu>

Questions about this document?

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