



## ***FastTrack S&OP/IBP***

Sales and Operations Planning/  
Integrated Business Planning

90-day implementation program

*Oliver Wight*

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## **Detailed Description**

# Oliver Wight's *FastTrack* to Sales and Operations Planning/Integrated Business Planning

The Oliver Wight 90-day *FastTrack* Sales and Operations Planning/Integrated Business Planning Implementation Program is designed to establish the fundamentals for operating an effective integrated business management process. This highly-focused program integrates a combination of education, coaching and support, and the Enterprise Sales and Operations Planning Tool to deliver significant improvement in the communication of product development, demand, supply, and financial management data to empower senior management to exercise meaningful control over these vital business functions.

## *Education*

### **Oliver Wight Approach**

## *process design*

A truly effective S&OP/IBP initiative integrates business processes and technology and engages the management team. After an assessment to determine how your company operates and where the gaps are in achieving impressive, bottom-line results, we approach the initiative in five key phases:

## *coaching and*

- Assessment
- Understanding and Commitment
- Process Design
- Process Launch
- Process Measurement and Refinement

## *technology*

### **Phase 1: Assessment**

Oliver Wight business improvement specialists work with your executives to understand or define and review your organization's strategic and competitive business priorities. Most companies typically have some elements of an S&OP/IBP process in place. It is important to identify what is working effectively to build upon those elements as part of implementing S&OP/IBP. From your priorities, a comparison of your current state to a vision of future expectations leads to identification of gaps. Identification of these gaps leads to an understanding of the requirements necessary to achieve Class A performance and enables commitment of your management to the tasks required.

## *together to*

## *shorten*

### **Phase 2: Understanding and Commitment**

Your Oliver Wight specialist will work with your management team to ensure an understanding of how S&OP/IBP can be used to drive towards your strategic goals. You will be able to establish the existing knowledge of all participants and design the plan for successful implementation and management (a successful implementation is a sustainable process operating at a best practice level as measured by the Oliver Wight Class A Checklist). Most importantly, you will understand the roles of all the key people in the process and the imperative behaviors for success. This can be accomplished through one- or two-day tailored sessions on the fundamentals of S&OP/IBP.

## *time-to-benefit*



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### Phase 3: Process Design

To help you design an effective S&OP/IBP process, workshops can be conducted that cover areas such as demand management design, forecasting, rough-cut capacity planning (RCCP) and the integration of new product and strategic initiatives. Each of these areas will be well defined as part of the five critical steps to the S&OP/IBP process:

- The New Products and Strategic Initiative integration processes - market opportunities and risks, labor and finance
- The Demand Planning process - forecasting, product, and market management as well as synchronization with Supply Planning
- The Supply Planning process - rough-cut capacity/capability planning
- The Financial Appraisal and Business Reconciliation processes - revenue, costs, profit projections, inventory, and capital investments
- The Management Business Review processes - performance indicators, business trends, product review, alignment, and inputs to the next cycle along with analysis of the impact internal and external changes will have on the company

### Enterprise Sales & Operations Planning Tool (ESOPT)

S&OP/IBP Process Support Software



Sales and Operations Planning/Integrated Business Planning is a monthly management process that brings into one integrated plan all of a business' separate operational plans. This data needs to be organized, analyzed, and modeled to evaluate the courses of action.

Oliver Wight has a powerful decision support product that facilitates the transition to formal Integrated Business Planning. By using the Enterprise Sales & Operations Planning Tool, organizations can implement their process up to four times faster than those using traditional methods, with a corresponding reduction in cost and a higher success rate.

Oliver Wight's Enterprise S&OP Tool links strategy with actions. With this collaborative planning tool, the company management team can evaluate changes in product development, demand, supply, strategies, resource requirements and resulting projected financial performance. The Enterprise S&OP Tool enables management to:

- View time-phased projections of demand, supply, and financial plans – up to 24 months in the future.
- Conduct the Management Business Review, a monthly senior management review of the business, in less than four hours a month.
- Identify problems and opportunities at a high enough level to know what actions will have a positive or negative impact on business performance and early enough to take appropriate action.
- Document decisions made and the review of how company plans align with stated strategy and tactics.
- Create meeting agendas, track action items and commitments with Best Practices templates based on leading S&OP/IBP methodologies.
- Get early warning of problems and opportunities.

The tool provides an interactive workbench to identify under- and over-utilized resources and to validate the supply plan without disrupting the execution of the MPS/ERP system. The rough-cut capacity/capability planning tool makes it possible to:

- Monitor and analyze critical resources with user-defined critical resource master and units of measure.
- Determine time-phased resource requirements to meet supply schedules.
- Analyze and identify short-term and long-term gaps in capacity.
- Order what you need by providing knowledge of future demand, inventory requirements, and service needs in a single plan.
- Track your overall S&OP/IBP effectiveness.



#### **Phase 4: Process Launch**

The business leader must own and champion the S&OP/IBP process to ensure success. Information technology support must be adequate to ensure that the needed data can be extracted from the company information systems and that the tools are installed and maintained. Once the process is developed and implementation has begun, an Oliver Wight principal will participate in all of the pre-S&OP/IBP meetings and in the actual executive session during this critical time. He/she will participate and coach the meeting leaders. Our involvement helps to accelerate your team's understanding of the concepts, process, and information analysis. Early efforts can be challenging, but the process and behavior will improve with practice.

#### **Phase 5: Process Measurement and Refinement**

In a successful S&OP/IBP process, executives will have the pertinent information to help them understand the state of the business and the company's capability to serve the marketplace. Information on capability and constraints, as well as supply, and anticipated volume and mix of demand is available. Behavior change is evident, and results should become visible. If progress does not continue, a renewed focus is required to emphasize tangible and measurable results. With *FastTrack*, data credibility is achievable early on, reducing the risk of a failed implementation. The ESOP Tool provides the ability to gather, summarize, and present the required information short term. Financial benefits and operational improvements will be visible in a few months.

#### **About Oliver Wight**

Oliver Wight is a global management consulting firm that specializes in helping manufacturing organizations to work smarter, faster and better than their competitors. Known as the company that brings its clients to Class A Business Excellence, we offer an array of consulting and education services designed to integrate people, proven business processes and technology. From strategic, top-level plans to shop-floor techniques, we have the expertise and experience to help you align all your resources so that your company and your people are more successful.

***Call an Oliver Wight***

***representative today***

***to begin the 90-day***

***FastTrack S&OP/IBP***

***Program***



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