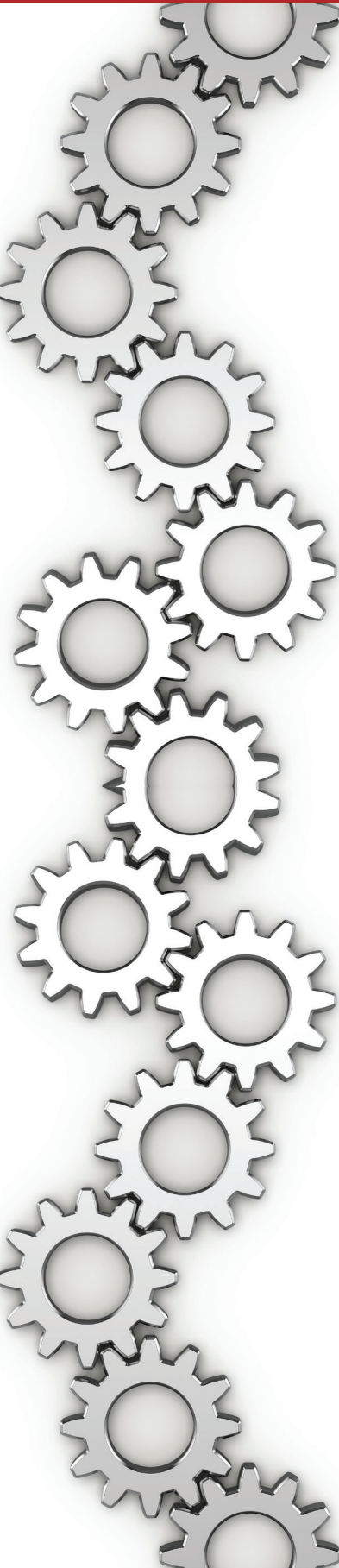


Oliver Wight's Quick Guide to Integrated Tactical Planning



This guide provides a quick reference on Integrated Tactical Planning (ITP) – what it is and the steps in the process. We hope you find this guide useful in introducing ITP to your company executives and managers.

What is Integrated Tactical Planning?

Integrated Tactical Planning is a near-term process for optimizing and synchronizing changes in product portfolio, demand and supply plans, and associated financial implications. The ITP time frame is within the 'planning time fence' as opposed to Integrated Business Planning (IBP) which focuses on the planning periods beyond the planning time fence. This creates a seamless interaction of the key core processes – product portfolio, demand, supply, and the resultant financials - between near-term ITP and longer-term IBP. Whereas the monthly Integrated Business Planning process manages resources and supply capability to meet the product portfolio and demand plans longer term, the key concept of the Integrated Tactical Planning process is managing product portfolio and demand to meet the typically less flexible supply resources and capabilities inside the planning time fence.

How Can ITP Help Improve Company Performance?

A successful deployment of Integrated Tactical Planning will define a way of executing the IBP plan while managing and communicating changes that inevitably happen in the near term. The outcome is more time for senior managers to spend on strategy and managing changes in the the longer-term horizon.

How does Integrated Tactical Planning Support Integrated Business Planning?

The successful deployment of Integrated Tactical Planning will define and calm the process of management and communication in the execution window, bridging the divide between the various functions within the organization, and ultimately leading to improvements in customer service, inventory levels, and other key metrics.

The interplay and alignment between Integrated Business Planning and Integrated Tactical Planning enables more productive execution leading to more profitable results for the business.

What are the Two Primary Objectives of ITP?

The first objective is to optimally manage changes in product portfolio, demand, and supply execution in the near term (inside the planning time fence).

The second objective is to save people-hours and truly empower individuals to make the right decisions, at the right time, throughout the organization. So, as each day, week, and month passes, the model allows for proactive gear changes to shifting circumstances, rather than costly, uncontrolled reactivity or firefighting. This empowerment of the people closest to the changes also frees executives up to focus on longer-term strategic issues and actions.

"It is useful to think of Integrated Tactical Planning as the cogs in a gearbox - it doesn't matter how big or small those cogs are, if one is broken, the car stops. Each cog relies on the next, but a clutch is required to separate them and change gear to speed up, climb hills, slow down, or prepare for tight cornering. To do this requires mechanisms to be designed into the gearbox in the first place and not force-fitted afterwards."