

Evaluating and Controlling Your Supply Chain

Success through Integrated
Planning

You have already established Supply Chain Management within your company. However, you are still experiencing competitive pressure and are faced with the challenge of having to increase productivity and improve processes and services. Strong alliances and partnerships are forming, in which the exchange of information between the individual corporate departments and partners is essential, because they depend on one another, and because of the need to avoid delays within the processes. The development of solid concepts and the implementation of suitable solutions for supply chain processes form part of the core business of IDS Scheer AG. We can help you strengthen your competitive position and exploit new opportunities.

Increased need for integration and coordination

When looking at the key success factors, it becomes apparent that there is a need for more integration and coordination within different industries. The key success factors of the industry structure – competitive pressure, productivity and cost aspects – and the key success factors of a company within the industry – e. g. market volume, growth, product and services diversity, as well as R&D to strengthen the market position – drive the dynamics and complexity of the problems to be solved.

This situation is also being influenced by the external environment, e. g. economic developments, environment, health & safety regulations (EH&S).

To be able to adapt more quickly and better anticipate future needs, thinking ahead, in this context, requires the enhancement of existing management concepts. Apart from mergers and numerous co-operations, Supply Chain Management is at the top of companies' agendas. The aim is to combine the various subjects for optimization – highlighted from different viewpoints – within one single cross-company concept.

Increasing Corporate Value

The overriding goal of most companies is to increase corporate value. Supply Chain Management can significantly contribute towards influencing and improving this key strategic goal. Three aspects (i. e. sub-goals) constitute the main drivers of value:

- ▶ Process and performance improvement, e. g. by improving the physical distribution management which can lead to an increase in customer satisfaction and finally to an increase in revenues
- ▶ Reducing supply chain costs to increase the operating margin
- ▶ Decreasing capital commitment by reducing fixed and current assets

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The coordination of activities and goals which span across companies takes account of all corporate departments and partners, who are integrated into the process. At this point, integrated planning with the individual departments is required.

Framework for integrated SC planning

In order to control the supply chain, future-oriented decisions are made, i. e. goals, measures, and the means for reaching the set goals are defined. A clear decision, however, can only be made, if all factors and their respective influence have been identified for the various options.

When creating a reference framework for integrated supply chain planning, the following aspects are important:

- ▶ Classification of market requirements and normative strategies within customer segments
- ▶ Classification of specific requirements in direct comparison with competitors
- ▶ Identification of the main influencing factors and cost drivers of processes
- ▶ Definition of selective KPIs
- ▶ Development of a supply chain management system
- ▶ Highlighting the influence on the goals that leverage the results
- ▶ Specification of the potential of an SCM system (and possible alternatives for action)
- ▶ Prioritization of those points for implementation purposes

Value through IDS Scheer

In close cooperation with you, we will develop the conceptual framework to evaluate and control your supply chain. During the process of identifying the influencing factors and cost drivers, we will also scrutinize the existing planning processes within your company:

- ▶ Demand and Sales Planning
- ▶ Demand and Supply Balancing (S&OP)
- ▶ Production Planning & Detailed Scheduling
- ▶ Replenishment/Inventory Management
- ▶ Order Management
- ▶ Asset Maintenance & Service Planning

In addition, we will support you with the integration of operative supply chain planning into your corporate planning (short-term and long-term strategy). Apart from solving questions related to coordination and the optimization of the services related to the material and goods flow, IDS Scheer AG will help you to sensitize your supply chain partner or other legally and economically

independent companies towards a closer collaboration, and to ensure a successful cooperation. Aspects such as the intensity and quality of the cooperation play the same important role as the financial and process perspective. Apart from sustainable concepts, Supply Chain Management requires the implementation of these concepts into a specifically tailored IT landscape, which ranges from a planning system to an ERP landscape with a process guidance system, and a company-spanning reporting system.

Tailor-made Solutions

We apply our know-how based on many years of experience to suit your individual requirements:

- ▶ Supply Chain Process Review helping you to realize room for improvements and the savings
- ▶ Process design in the supply chain environment: Planning, Execution, Controlling
- ▶ Implementation of SAP® Business Suite with all components, including SAP® ERP, SAP® SCM, SAP® PLM, SAP® CRM, SAP® SRM
- ▶ Conceptual design and implementation of interfaces to Manufacturing Execution Systems (MES)
- ▶ Increasing the efficiency of implemented processes and applications by means of reviews
- ▶ Development and implementation of environmental management concepts, in particular the introduction of product safety, dangerous goods processing, or recipe management with SAP® Environment Health & Safety (EH&S)
- ▶ Internet-based solutions and B2B scenarios

IDS Scheer – a proven partner

Want to know more about suitable solutions of supply chain processes or the advantages of process-oriented business organization and IT? We will be happy to answer your questions and arrange an on-site workshop, if you wish.

Please contact us: +49 681 210-1500