Rethinking supply chain management for a digital age





By CONCENTRA

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Transforming supply chain performance

The digital transformation of today's supply chains is already upon us. Every business will be affected for better or for worse. Embracing this reality now and adapting to it intelligently through the power of data is the surest way for supply chain leaders to take the first step in the journey.

Enter SupplyVue, a comprehensive analytics solution that brings together all your supply chain data and information flow across your entire network into one cloud-based platform. Designed

to monitor and analyse every stage and handover point in the supply chain using the most forwardthinking management practices, SupplyVue enables you to plan and track performance with confidence.

Use it to align your organisation internally, then integrate and collaborate externally with your supply chain partners and customers to create a high-performing, effective and efficient supply chain ecosystem fit for the digital age.

Accelerate the evolution of supply chain management

Approach to SCM	Local		Above market		Holistic		External integration
Scope and focus	Local cost and service optimisation	>	Functional optimisation	>	Supply chain synchronisation	>	Ecosystem synchronisation
Characterised by	Localised decision- making, high service, close to the market	>	Lengthening supply chains as lower cost sources are selected Fire-fighting	>	Effectiveness and efficiency Demand shaped for supply, fewer exceptions	>	External integration with customers and suppliers Automated replenishment
Role of planner/manager	Managing and planning supply	>	Calculate parameters	>	Manages change	>	Select partners, manage strategies
Role of technology	Spreadsheet-based analysis and reporting	>	Planning and scheduling Reporting	>	Opportunity assessments Planning parameter recommendations Algorithmic planning	>	External integration and synchronisation Machine learning is the new planner

This is next-generation supply chain analytics

Introducing SupplyVue

SupplyVue's advanced analytics, reporting and modelling capability enables supply chain leaders to:

- Place demand on suppliers, factories and logistics operations that enables them to operate more efficiently by synchronising product movement across the supply chain.
- Improve service and cut inventory levels by aligning processes to reduce cycle times and buffers.

Next-generation S&OP

Enrich your S&OP process with analytics – see across functions, geographies, products, markets and brands; segment; roll-up and drill-down for executive level dashboards and insights.

- Full S&OP reporting capability
- Scenario planning and policy setting
- Capacity visibility and management
- Automated process excellence assessment
- Service failure root cause analysis
- o Improvement project definition
- o Operating model enablement



Data-driven continuous business improvement

Supply chain synchronisation

Synchronise your supply chain with production wheel-based, demand-driven replenishment plans. Create stable and predictable plans for operational efficiency and optimal inventory positions

- Sophisticated demand profiling and segmentation analysis
- o Detailed process analysis and assessments
- Inventory versus replenishment trade-off analysis
- Demand-driven supply chain planning and inbound material planning
- Simulate alternative planning strategies and evaluate options

Logistics excellence

Understand the relationship between order profiles and delivery performance and efficiency.

Analyse the cost-to-serve for each customer and channel and identify service improvement and cost reduction opportunities.

- Analysis of logistics order profiles and service levels
- Cost-to-serve analysis and weekly monitoring
- Cost-to-serve improvement scenario modelling and evaluation

Examples of the reporting, analysis and modelling capability available in SupplyVue

Integrated business planning



Holistic view of key performance indicators

End-to-end overview of the supply chain with multiple filters to view performance within the network.

Analytics-based S&OP



Revealing improvement opportunities

Identify the business units/entities with greatest improvement opportunities against KPI's or by 'size of the prize'.

Forecast process assessment



Automated process assessment

Summary of which parts of the process are operating less efficiently and the likely sources of opportunity improvement.

Inventory right-sizing



Targeted service levels

Combining forecast and actual sales data with daily inventory positions in every warehouse to anticipate inventory shortages.

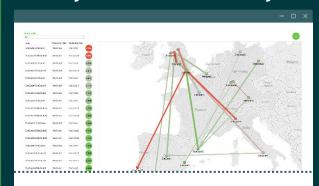
Demand-driven planning



Modelling production wheels

Using changeover cost and time and sales volume to calculate replenishment policy scenarios and create a replenishment plan.

Delivery cost and service analysis



Efficient use of network

Assess opportunities for network efficiency improvement by identifying under-utilised assets and inefficient routes.

SupplyVue in practice

Creating a stable plan by applying production wheel planning methodology

Challenge

Despite having relatively predictable demand and high inventories, this industrial manufacturer still suffered shortages of items and had to change production plans and schedules constantly in order to maintain service levels. Operating costs were unnecessarily high and the day-to-day running of the supply chain was absorbing a disproportionate amount of management time due to fire-fighting.

Solution

SupplyVue reviewed the production sequence using the line changeover matrix and demand plan, identifying the lowest cost manufacturing sequence. Using this ideal sequence, SupplyVue used production wheel methodology to create a 16-week production plan. Scenarios were generated showing the trade-offs between manufacturing cost and inventory levels, and between levelling capacity and inventory levels, enabling the management team to decide on the production policies that most aligned to their business objectives.



Business impact

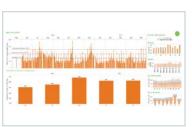
- 25% reduction in changeover time through optimised production wheel
- Levelled demand to prevent overtime and variable shift patterns
- Cut inventory levels through reduced cycle times and increased conformance to plan



Right-sizing inventory levels for a international retailer

Challenge

This international retailer was struggling with high levels of inventory in stores and central depots, but in the wrong mix for the rate of sales. Its inability to coordinate the flow of goods from long lead time suppliers to stores was causing repeated air-freighting to cover shortages. Yet working capital was above target.



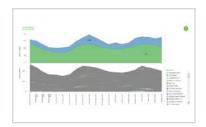
Solution

SupplyVue reviewed the demand profiles in stores and at an aggregated level in central depots. At store-level granularity, the demand was too sporadic to be forecast, however, at the central depot-level, the product flow was sufficient to determine reliable flow-based forecast. SupplyVue demonstrated that a switch to a Kanban pull mechanism from the central depots to stores, coupled with a demand-driven replenishment mechanism from central depot to supplier, would transform inventory levels and eliminate the need to air-freight to cover product shortages.



Business impact

- 25% reduction in overall inventory levels
- Levelled demand to create a predictable and stable demand signal onto suppliers
- Eliminate air-freight costs caused by product shortages





The time is now

The supply chains of tomorrow will be characterised by higher product flow, better customer service and lower overall supply chain costs. Getting ahead of your competitors and taking your supply chain digital is not only feasible; it's fundamental.

Find out more in our white paper:

Synchronise for success: rethinking supply chain management for the digital age

Available to download here:

https://www.concentra.co.uk/supplyvue-synchronise-success

Contact us

to discuss how the power of SupplyVue will improve your supply chain

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