

This High Tech Manufacturer implemented a global forecasting solution to more closely link sales, marketing, finance and operations to changes in market demand and production capability.

Case Study

High Tech Manufacturing Company – S&OP

Background

This High Tech Manufacturer is a leading provider of products to telecommunications manufacturers. With multiple divisions and diverse products, their Sales and Operations Planning (S&OP) activities were highly fragmented by function and geography. Some of their challenges included:

- Global operations in multiple continents led to communication and coordination challenges that made it difficult to develop a unified approach to sales and operations planning
- Sales, marketing, operations and finance relied on manual processes and different data sources to support planning for more than 30,000 products (including configurable products) across 20,000 customers
- Long planning cycles resulted in sales, product and production plans that were often outdated before the S&OP cycle closed
- Poor supply chain planning slowed product distribution and increased inventories
- The inability to accurately and profitably respond to sales opportunities led to lost deals and lost revenue

The client believed that a more dynamic S&OP capability could significantly improve business results. They engaged Hitachi Consulting to help them develop a global “single source of truth” forecasting solution to more closely link sales, marketing, finance and operations to changes in market demand.

Solution

In just 90 days, Hitachi Consulting helped the company design and pilot a new global S&OP process that provided real-time collaboration between sales, marketing, operations and finance. The complete project included:

- Developed the end-to-end S&OP process, including sub-processes for each functional planning area
- Improved cross-functional coordination across the functional planning areas by linking disparate processes and applications
- Implemented a proprietary design for statistical forecasting and planning for configure-to-order products
- Developed an integrated technology platform for S&OP using Oracle’s Demantra product to bring together master data from Oracle EBS, transactional data from the data warehouse, and sales opportunities from Siebel. It also integrates directly with the company’s manufacturing planning system



