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FOR IMMEDIATE RELEASE

Hitachi Consulting Reveals How Chemical Companies Can Optimize Sales & Operations (S&OP) with the Right Organization, Process & Technology

Hitachi Consulting, WBR Survey Results Uncover the Barriers in Achieving S&OP Maturity

DALLAS – Jan. 24, 2012 – Hitachi Consulting, a leading provider of [IT consulting](#) and [management consulting](#) solutions and services, in tandem with Worldwide Business Research (WBR), conducted a market survey on Sales & Operations Planning (S&OP). The 17-question survey targeted Supply Chain, Operations, Logistics, and Finance executives in global chemical companies and focused on benchmarking key issues, initiatives and technologies. The survey identified a number of barriers to achieving SO&P success in the chemicals industry.

“Companies that do not employ a robust Sales & Operations Planning program can leave a lot of money on the table through lower revenues and customer satisfaction and increased costs in raw materials, manufacturing, warehousing and distribution,” said Steven Crosnoe, Senior Vice President, Process Industries for Hitachi Consulting. “However, S&OP in the chemicals industry is complex and comes with many challenges. So it is no surprise that many chemical companies are dissatisfied with the results of their current processes.”

According to the [survey results](#), the number one barrier was the lack of effective S&OP tools.

“Companies without proper and effective S&OP tools are functioning in a more immature planning environment,” said Crosnoe. “Use of spreadsheets as the standard Sales & Operations Planning tool is still prevalent in the industry; however it is agreed among many industry leaders that it impedes the maturity of the S&OP process.”

In close relation, the lack of supporting data accuracy and integrity was identified as the number two barrier. Some of the other barriers uncovered in the survey include:

- Lack of C-level executive sponsorship, support and vision;
- Tying ultimate decision-making responsibility to P&L leadership;

- Using too few Key Performance Indicators (KPIs);
- Not employing cross functional teams for internal collaboration

Crosnoe continued, "Chemical companies need mature tools and processes to gain the true benefits of S&OP. But a solid foundation is only the start on the road to success. Disciplined and consistent processes, internal and external collaboration, performance management, integrated business planning and the right tools and technology all must work together to optimize the SOP process."

Get more detailed information in Hitachi Consulting's [S&OP Point of View](#)

Access a summary of the [S&OP Survey Results](#) and view the [Video](#)

Find addition information on Hitachi Consulting's [S&OP Solution](#)

About Hitachi Consulting Corporation

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