

Sales & Operations Planning for Chemicals



The current global chemical industry landscape is one of volatility and risk due to continued instability in employment, financial markets, natural disasters and energy. As an industry, we are also faced with slow growth in mature markets, demand shifts in emerging markets, industry consolidation, increased regulatory compliance (REACH) and asset-utilization decisions. All of these elements contribute to the complexity and challenges associated with Sales and Operations Planning (S&OP) performance in the chemical industry.

Hitachi Consulting's S&OP Performance for Chemicals solution relates specifically to driving behavior in alignment with the strategic S&OP objectives of your organization. S&OP Performance for Chemicals is a structured solution framework which focuses on:

- Aligning a collaborative S&OP organization both vertically and horizontally with strategic objectives
- Developing and implementing reproducible S&OP processes with key performance indicators (KPI's) aligned with achievement of strategic S&OP objectives
- An S&OP information technology platform designed and implemented for enhanced S&OP performance

Our S&OP Performance for Chemicals solution includes a structured framework where we evaluate the organization's S&OP Maturity, identify GAPS, develop the structure and enable the S&OP with the appropriate technology platform:

- quickStart -- Executive Interviews and Maturity Model
 - ✓ Interviews with line of business executives to gain insight and visibility into S&OP culture, metric validation, corporate alignment and future business needs
- Gap Analysis
 - ✓ Survey seven critical components that determine the strategic readiness of a program
 - ✓ A current-state S&OP Maturity Model is developed
- S&OP Organization, Processes and Metrics
 - ✓ Define S&OP organization, processes and KPI's
 - ✓ Refine KPI's in the areas of: definitions, ownership, business use and dimensionality
- S&OP Information Technology
 - ✓ Select, develop and implement a robust information technology platform to maximize S&OP performance and results

Take the S&OP Challenge

- Does your organization have the correct structure to support effective S&OP?
- Are your executives aligned with your S&OP strategy?
- Has your organization aligned S&OP with overall corporate financial performance?
- Does your organization pursue S&OP accountability through your performance measurement system?
- Has your organization aligned with S&OP performance metrics?

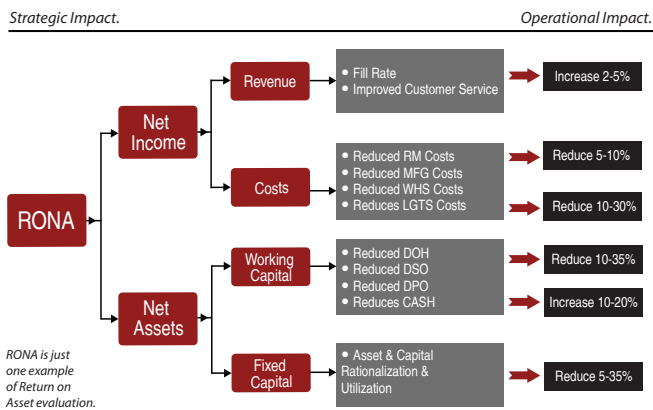
If you answered "No" to any of these questions, Hitachi Consulting can help you create a plan to drive strategic alignment and performance in S&OP.

S&OP Performance for Chemicals enables improvements across a broad range of corporate and operational performance areas, including:

- ✓ Working capital
- ✓ Asset management
- ✓ Raw material costs
- ✓ Manufacturing costs
- ✓ Warehouse and distribution costs
- ✓ Supplier and customer collaboration
- ✓ Risk management

BENEFITS OF S&OP PERFORMANCE FOR CHEMICALS:

- Maximized value creation
 - ✓ Achieve stretch performance and improve execution
 - ✓ Improve productivity (driver of short-term EPS)
 - ✓ Accelerate growth (e.g. RONA, ROIC)
- Increased visibility/transparency of the supply chain
- Increased collaboration across the supply chain
- Increased accountability via performance metrics
- Improved corporate controls and compliance
- The ability to motivate change and have continuous improvement
- Sensing “demand changes” before it is too late to react



THE HITACHI CONSULTING DIFFERENCE

For more than a decade, Hitachi Consulting has helped global clients maximize business benefits. With more than 5,000 professionals worldwide, Hitachi Consulting provides a full spectrum of business and IT consulting services. Our experience goes beyond pure system implementation and upgrades to include assessments, design, project management, change management, training and support, RFP development and readiness, best practices, business case development, systems management/ hosting, and more.

By combining our deep industry skills, solutions knowledge, and balanced view of strategy, people, process and technology, we are able to provide high-value services and solution delivery. We lead with strategy and develop an integrated business environment using tools and technology, helping our clients realize the desired return on their investment.

Our differentiators include:

- Having an appropriate mix of solution breadth and industry depth
- Being a full-service provider with Tier-1 resources and the flexibility and cost-effectiveness of a boutique firm
- Having global reach with local connections
- Being part of Hitachi Ltd. – a global company with a history of innovation that spans more than 100 years
- Having a proprietary consulting methodology proven to drive client value and ROI quickly
- Knowledge and experience with the multiple source systems and transactional dependencies common to the chemical industry

Contact your local Hitachi Consulting team leader to discuss how we can help improve your operations.

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About Hitachi Consulting

As the global business and IT consulting company of Hitachi, Ltd., Hitachi Consulting is committed to helping clients bring their business visions to life through industry-led services and solutions. The company is uniquely positioned with the agility and client-focused approach of a boutique firm combined with the stability and innovation that comes from the Hitachi heritage.

Hitachi Consulting’s client base includes 35 percent of the Fortune 100 and 25 percent of the Global 100, along with many mid-market leaders.

With offices in North America, Europe, the Middle East and Asia, the company employs more than 5,000 professionals in 12 countries with delivery centers in India (Bangalore, Hyderabad and Pune) and China (Guangzhou) to offer global delivery scale.

Hitachi, Ltd. (NYSE: HIT / TSE: 6501), headquartered in Tokyo, Japan, is a leading global electronics company with more than 100 years of innovation. As a world leader, the company is committed to creating richer lives and a better society by providing products and services with a new level of value and potential based on the latest advances in technology, especially knowledge and information technology.

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