



MASTERINGSAP
Connect

ROYAL PINES RESORT
GOLD COAST
11-12 NOVEMBER 2024

Business Value Realization Framework

Joseph Grobler

Global - Supply Chain Coach

MASTERINGSAP
An SAPinsider Company

Business Value Realization

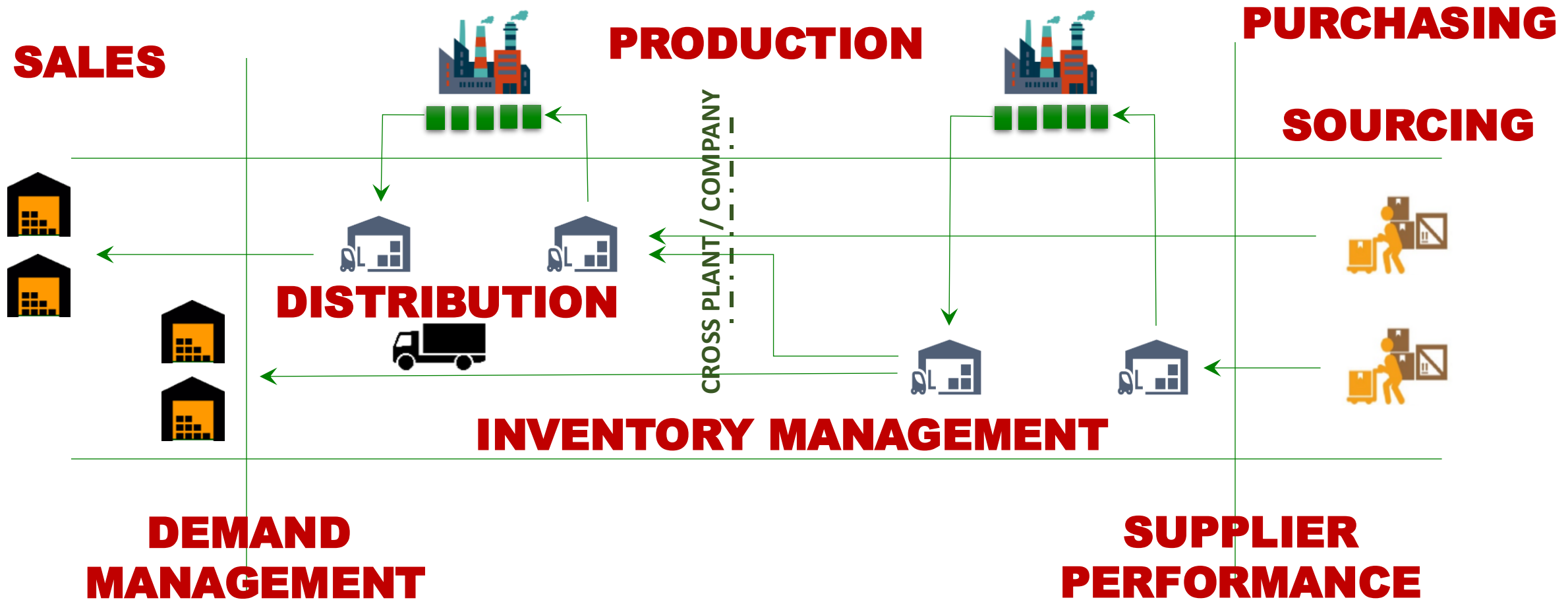
Imagine going beyond the transactions in your SAP solution and actually targeting and achieving significant improvement in service levels and operating cost reduction

USING THE FUNCTIONALITY WHICH YOU ALREADY OWN



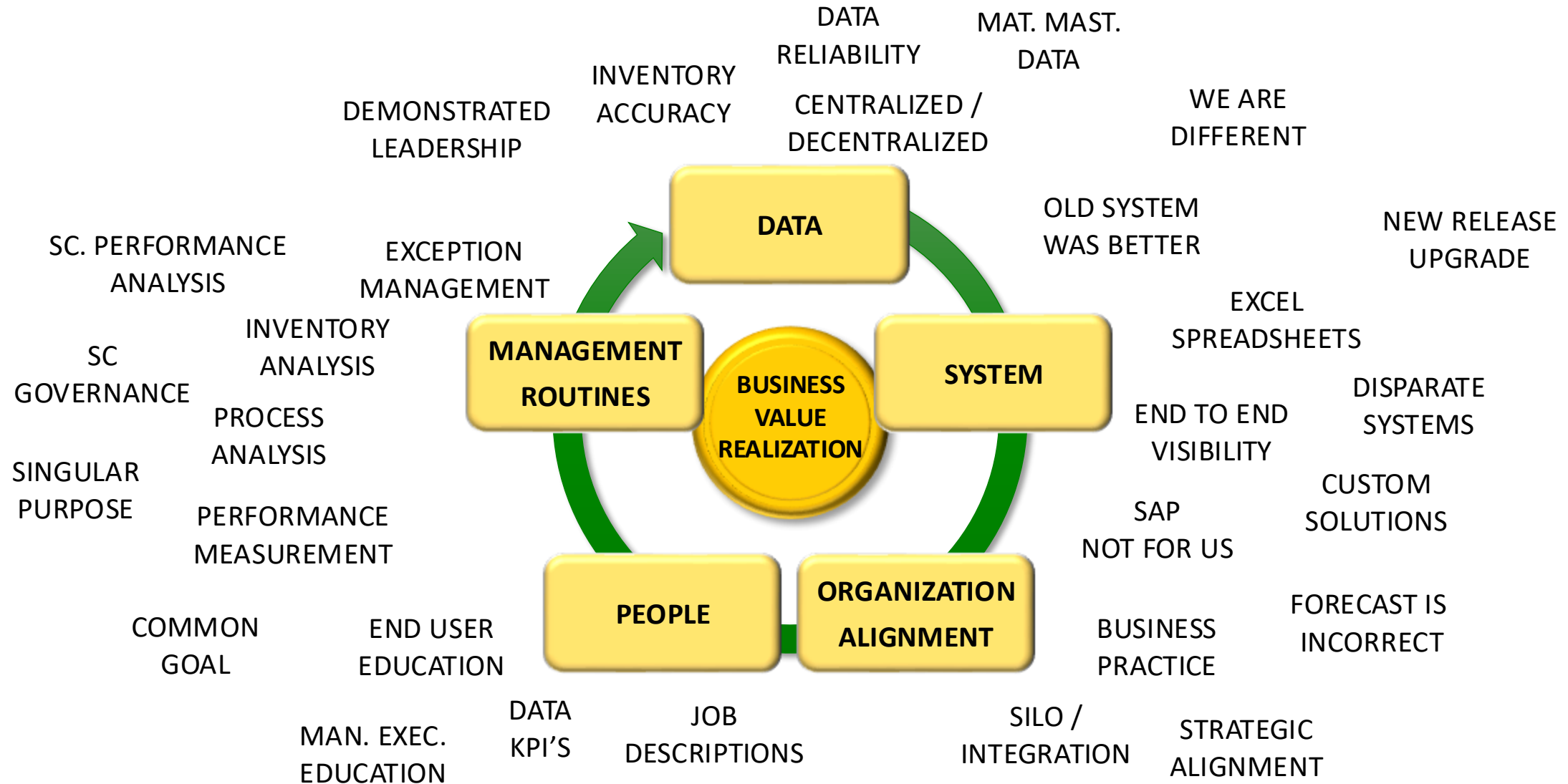


Integration – not for the faint hearted



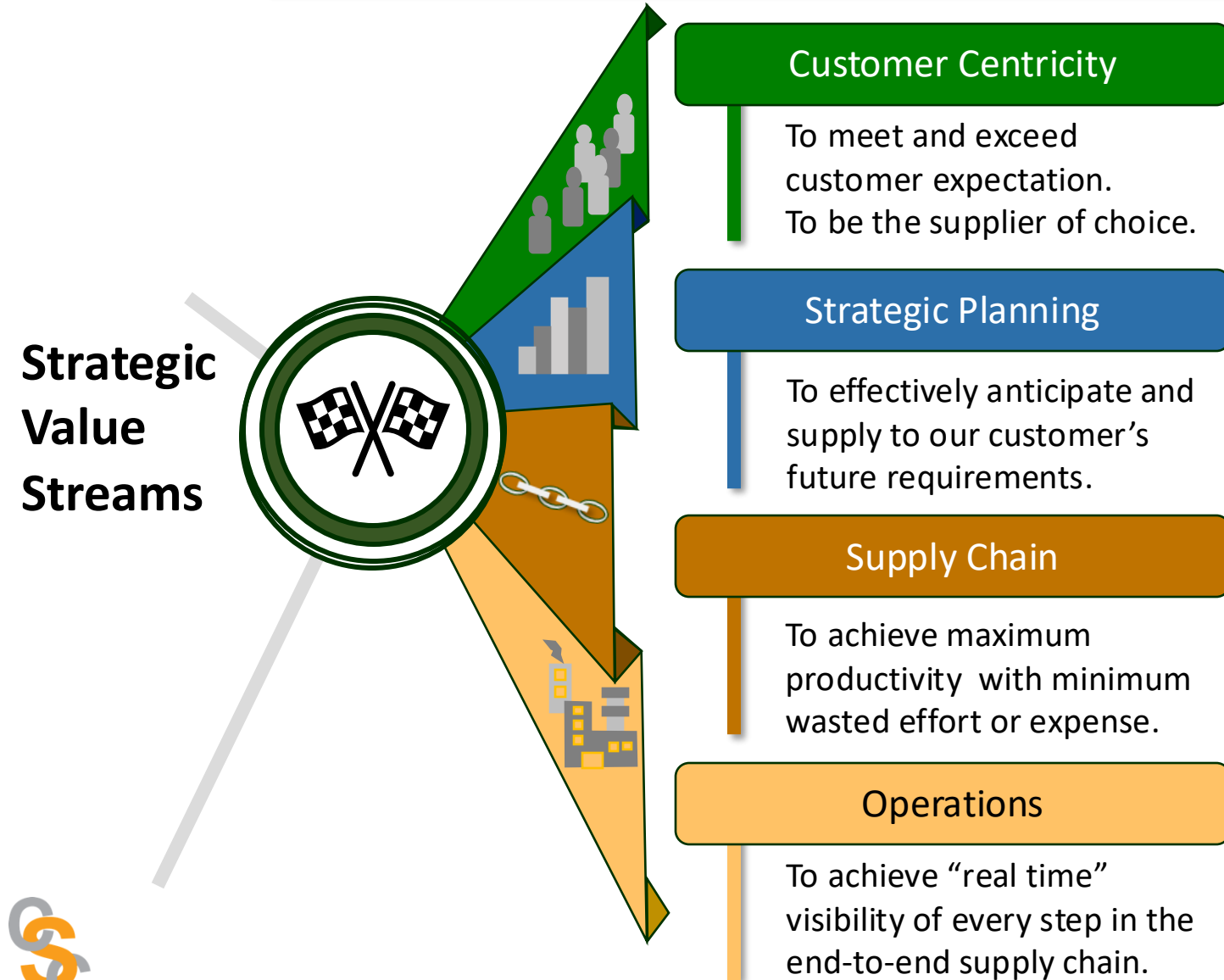


Are we there yet?

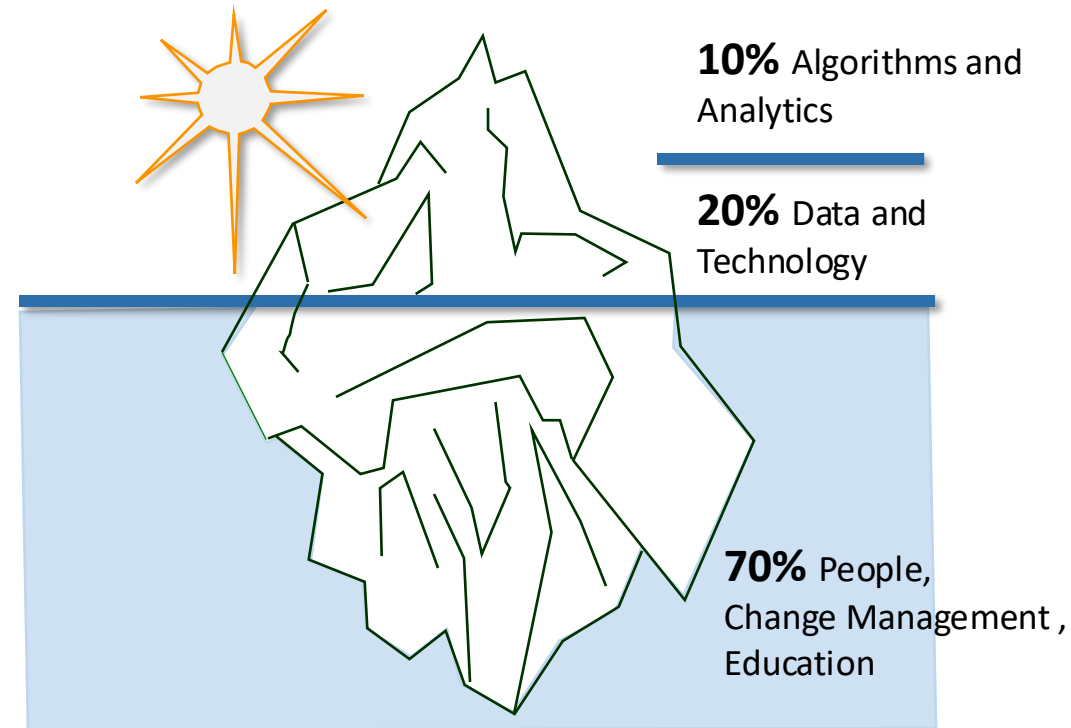




The next wave in Strategic Focus

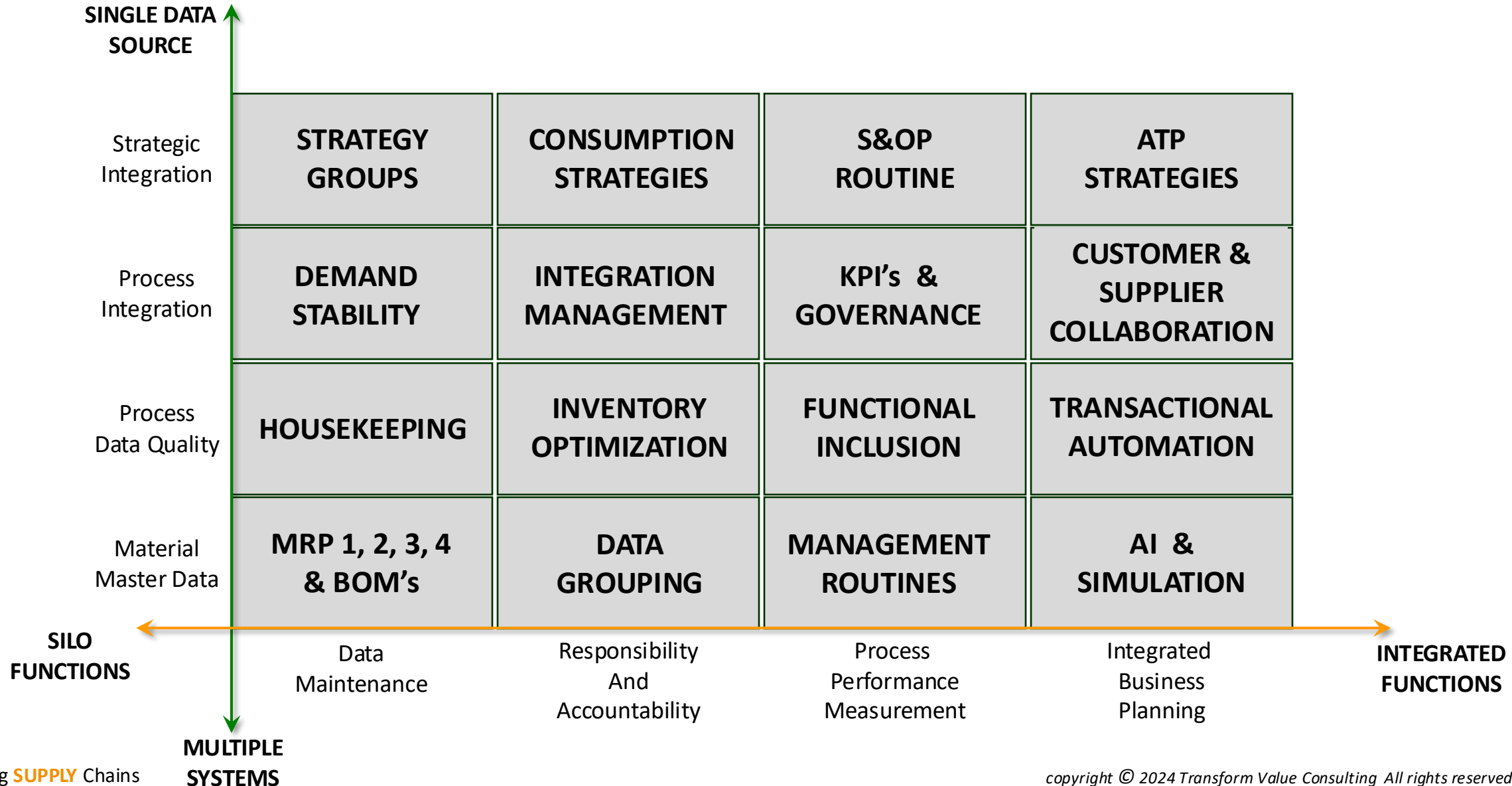


Investment - Focused on Digital Transformation



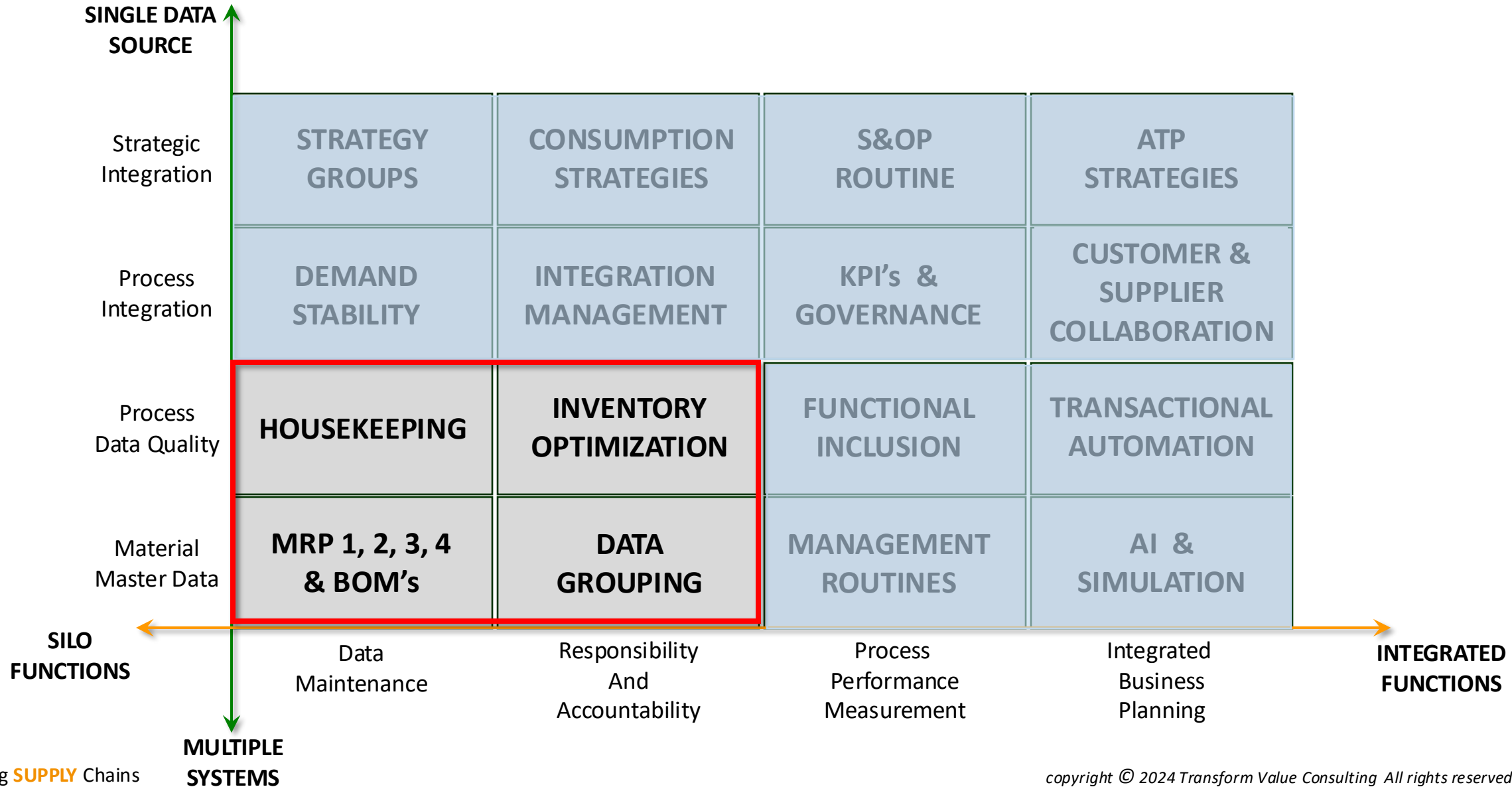


Integration Maturity



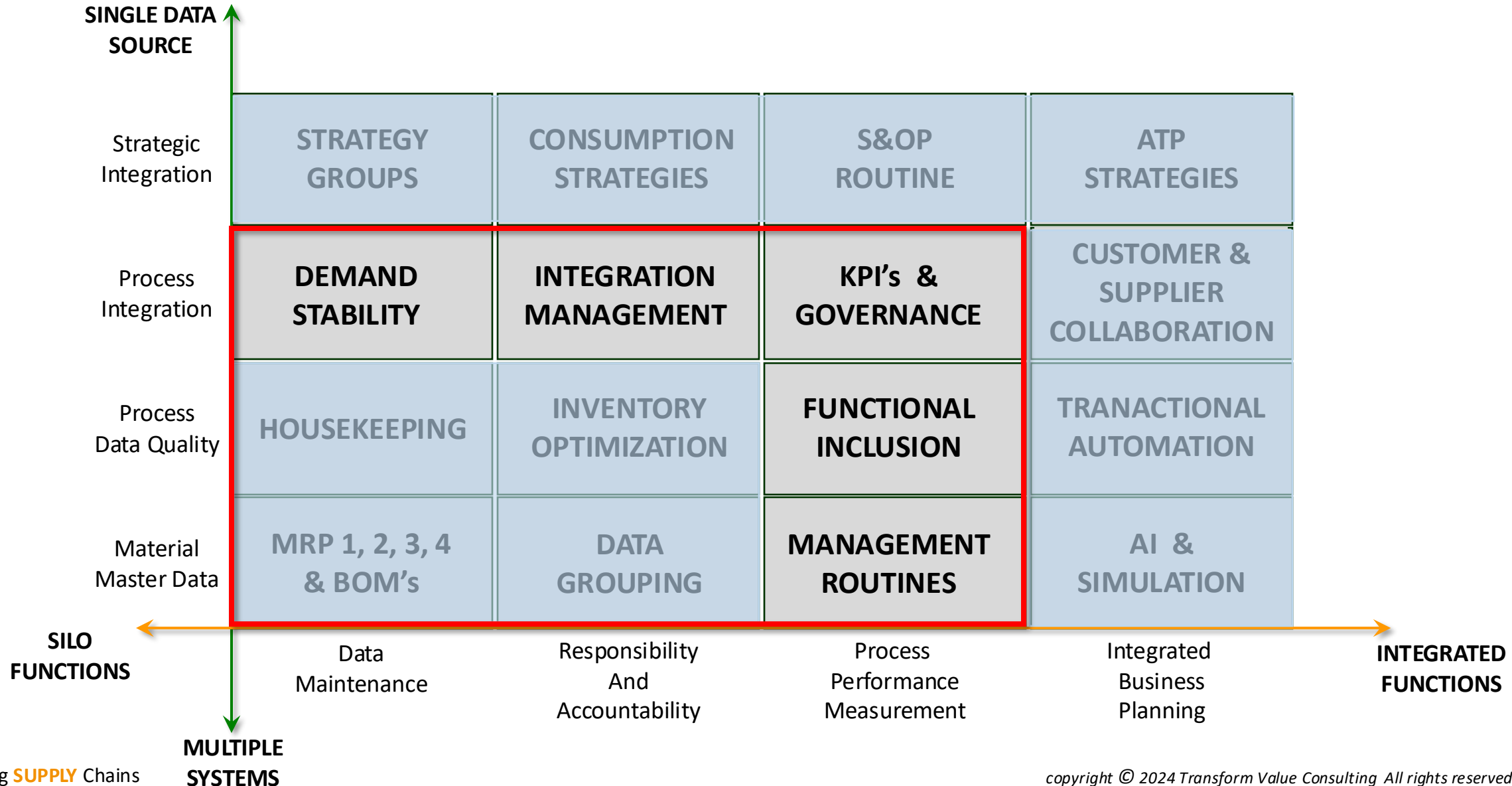


Integration Maturity – Phase 1



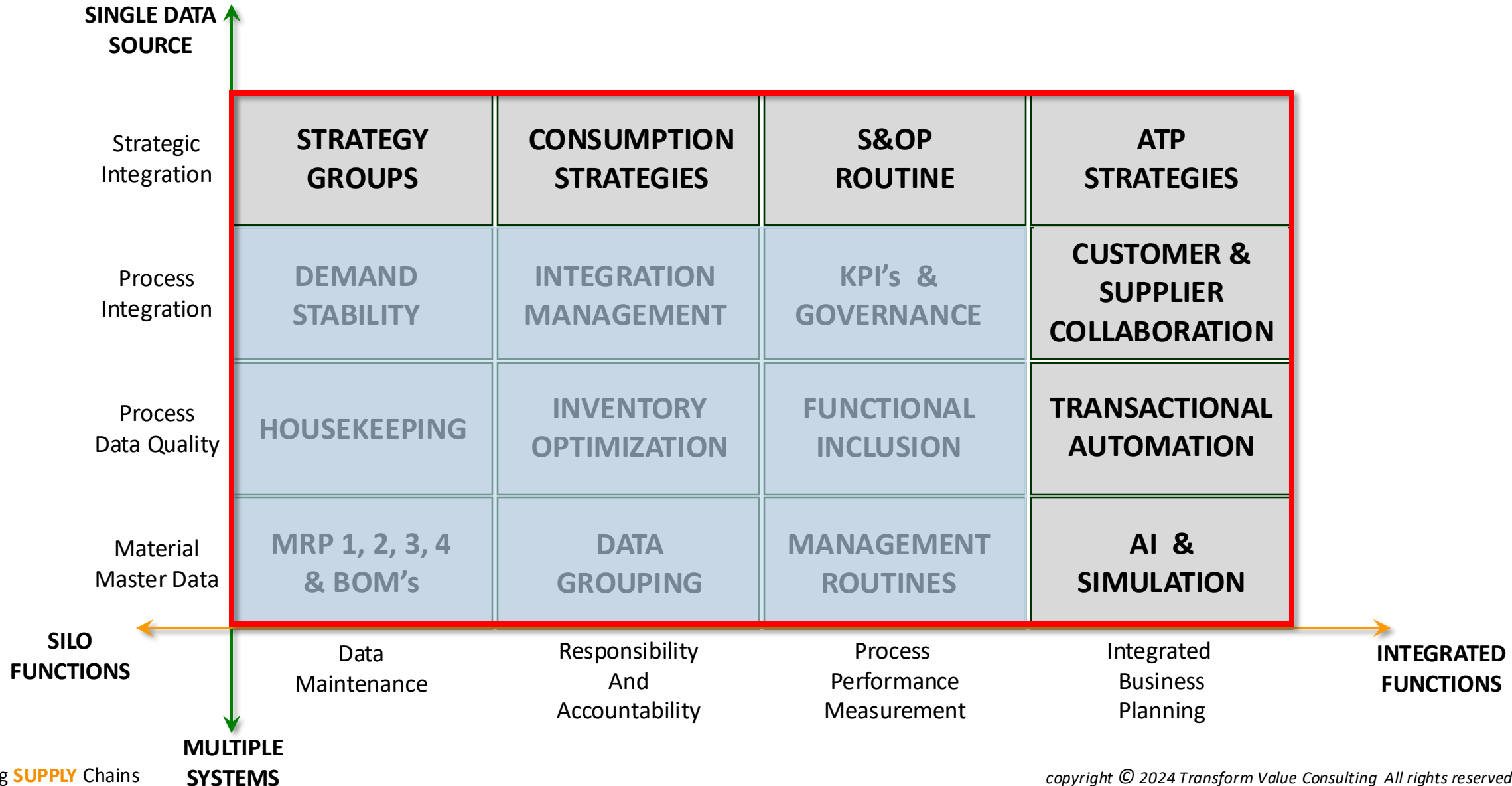


Integration Maturity – Phase 2



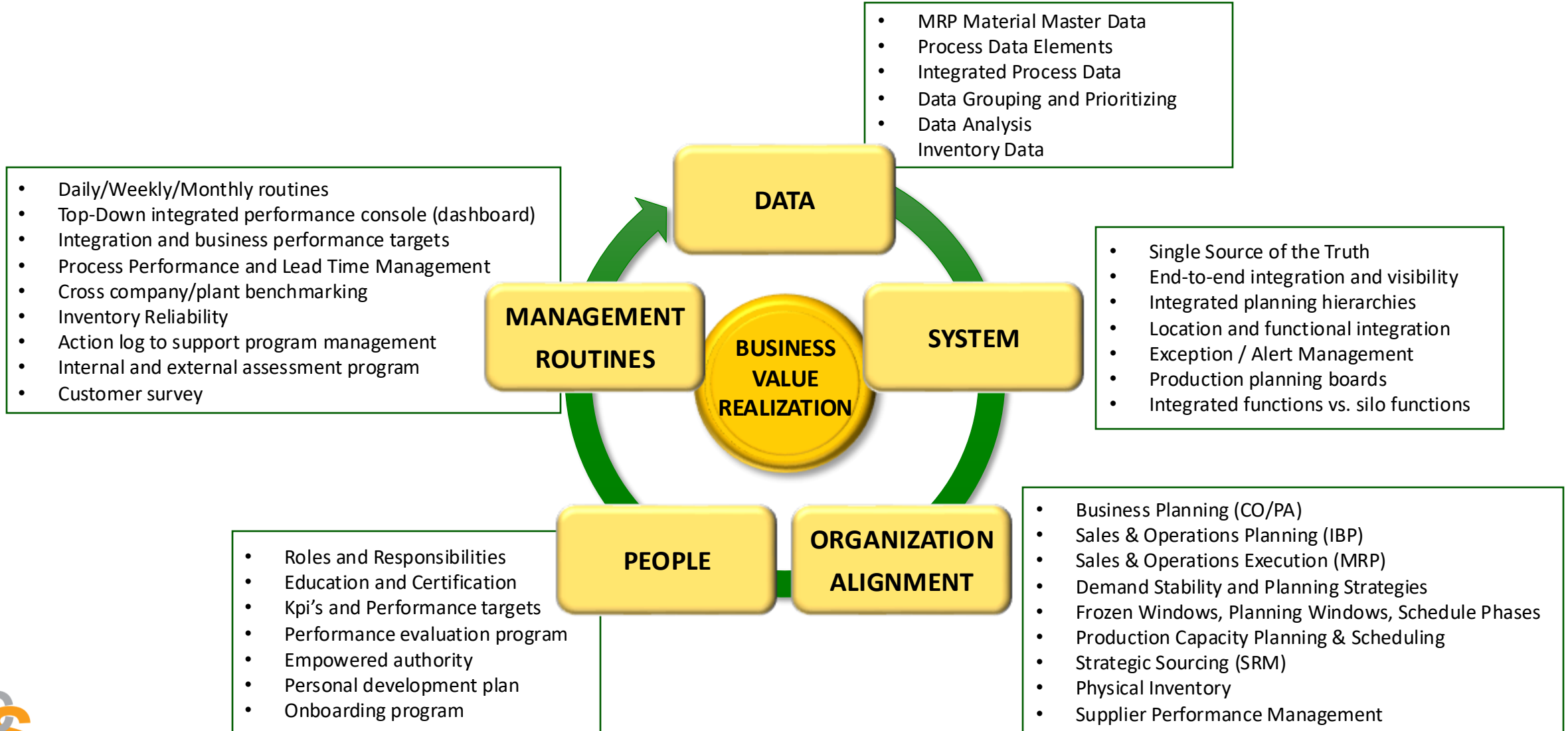


Integration Maturity – Phase 3





Business Value Realization – **FRAMEWORK**





- BUSINESS
VALUE
REALIZATION**



MRP 1 – Basic Data

General Data

MRP Procedure

Lot Size Data

Display Material C105PP20 (Semifinished Product)

Additional Data Org. Levels

Purchase order text MRP 1 MRP 2 MRP 3 MRP 4 Fo...

Material C105PP20 ASOLWAX C105 PAST20KG"P" BAG
Plant 7009 GOLDFIELDS WAREHOUSE

General Data

Base Unit of Measure	TO	t	MRP group	Z100
Purchasing Group	N45		ABC Indicator	
Plant-sp.matl status			Valid from	

MRP procedure

MRP Type	PD	MRP	Planning time fence	0
Reorder Point	0,000		MRP Controller	001
Planning cycle				

Lot size data

Lot size	PB	Period lot size = posting period		
Minimum Lot Size	0,000	Maximum Lot Size	0,000	
		Maximum stock level	0,000	
Assembly scrap (%)	0,00	Takt time	0	
Rounding Profile		Rounding value	0,000	
Unit of Measure Grp				



MRP 2 – Procurement Data

Procurement

Display Material C105PP20 (Semifinished Product)

Additional Data Org. Levels

MRP 1 MRP 2 MRP 3 MRP 4 Forecasting Plant data ...

Procurement

Procurement type	X	Batch entry	
Special procurement	77	Prod. stor. location	
Quota arr. usage		Default supply area	
Backflush		Storage loc. for EP	
JIT delivery sched.		Stock det. grp	
☐ Co-product			
☐ Bulk Material			

Scheduling

Refurbishment Information

☐ Refurbish Material

Scheduling

In-house production	1	days	Planned Deliv. Time	0	days
GR Processing Time	1	days	Planning calendar		
SchedMargin key	000				

Safety Stock

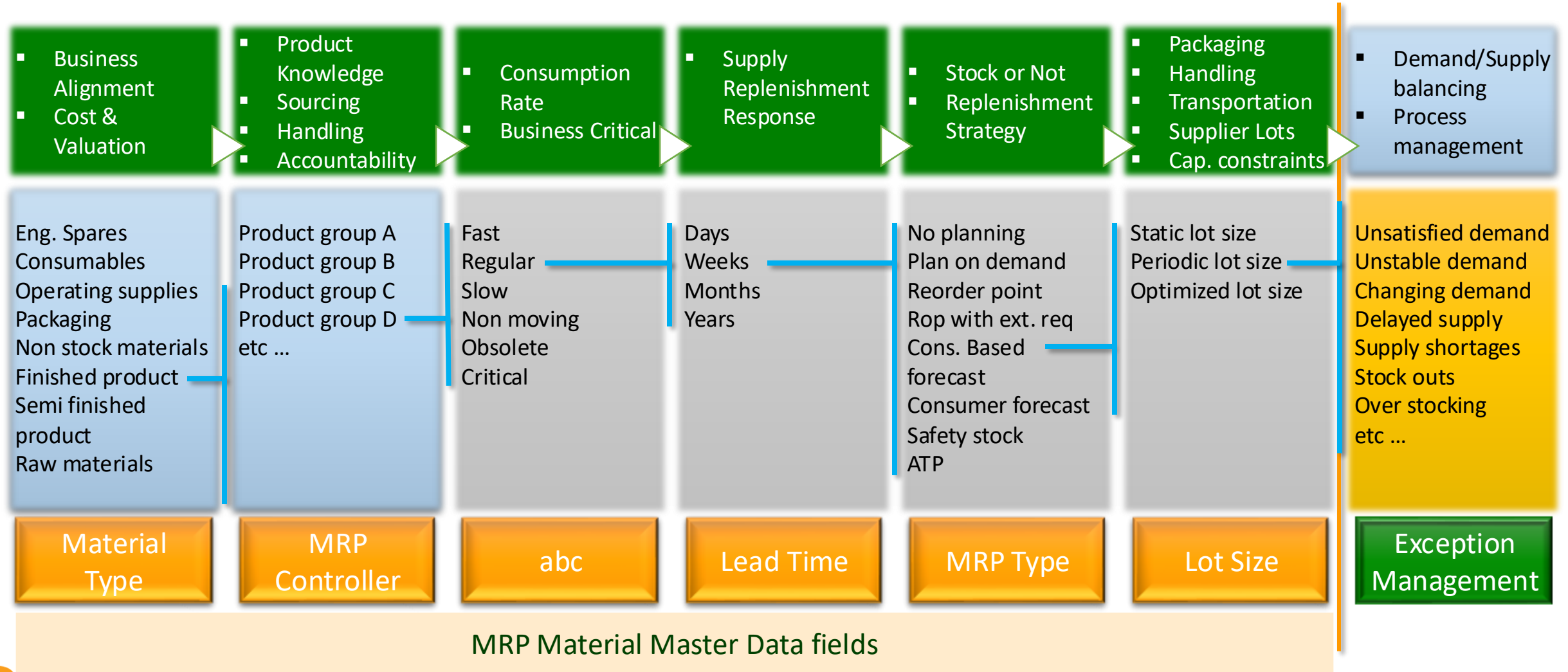
Net requirements calculation

Safety Stock	0,000	Service level (%)	0,0
Min safety stock	0,000	Coverage profile	
Safety time ind.		Safety time/act.cov.	0 days
STime period profile			





Material Grouping & Master Data





Integration Exception Management

Stock/Requirements List: Material List

Selected Stock/Requirements Lists | Define Traffic Light | Exception Groups

INVENTORY COVERAGE

Light	Valid from ...	Material	Ext. Manuf	MRP Area	Material Description	A StckDS	1st R...	2nd R	1	2	3	4	5	6	7	8	Plant
⊗		E290015537J1		2050	RU/WK EGR COOLER	999,9-	11,0-	11,0-			9	1					
⊗		E2990045711H0		2050	COOLER BYPASS & BRACKETS CD6	999,9-	9,0-	9,0-			1	1					
⊗		E1310042246B0		2050	OUTLET, SPIGOT Ø16 X 1MM 2 BEND	999,9-	8,0-	8,0-			1	1					
⊗		E1310042247B0		2050	SPIGOT, Ø19 X 1MM, 2 BEND	999,9-	8,0-	8,0-			1	1					
⊗		E1550022900C0		2050	HYBRID TUBE 52.12x5 L113 + FIN S1.37	999,9-	4,0-	4,0-			21	1					3.8
⊗		E3880022902B0		2050	DURATEC FIN V15 S1.37 H3.75 TO.1 L100 M4	999,9-	4,0-	4,0-			7	1					6.9
⊗		E1550027232C0		2050	GM HYBRID EGR TUBE ASSY	999,9-	3,9-	3,9-			6	1					8
⊗		E1010036991N0		2050	CYCLONE MODULE ASSEMBLY	999,9-	3,8-	3,8-			51	1					9
⊗		E3290036118E0		2050	GM EGR COOLER	999,9-	2,9-	2,9-			3	1					2
⊗		E3880027234B0		2050	GM PLACA FIN STEEL	999,9-	2,8-	2,8-			2	1					7.6
⊗		E3880032960A0		2050	EHR5 FIN 15V S1.37 H3.75 TO.1 L60 M4	999,9-	2,8-	2,8-	2		3	1					8.3
⊗		E1550038410A0		2050	EHR5 HYBRID TUBE 52.12x5 L74 + FIN S1.37	999,9-	2,7-	2,7-			4	1					3.1
⊗		E1620030975C0		2050	EGR TUBE ASSEMBLY HOT	999,9-	1,8-	1,8-			6	1					
⊗		E1550019022C0		2050	HYBRID EGR TUBE ASY NISSAN	999,9-	1,2-	1,2-			3	1					2.5
⊗		E1380022246B0		2050	GASKET OUTLET - EGR VLV CLR	999,9-	1,0-	1,0-				1					
⊗		E1380022246B0		2050	GASKET	999,9-	1,0-	1,0-				1					
⊗		E1310017526E0		2050	SPIGOT	999,9-	1,0-	1,0-			5	1					
⊗		E1310017526E0		2050	SPIGOT Ø18 - 16mm, 1 mm thk - INLET	999,9-	1,0-	1,0-			6	1					3
⊗		E1490036559C0		2050	BRACKET - ASSEMBLY	999,9-	1,0-	1,0-	2		6	1					
⊗		E1620020288B3		2050	RU/WK DIFFUSER TUBE	999,9-	1,0-	1,0-			7	1					
⊗		E1620029656E0		2050	HOT TUBE ASSY DURATEC VALENCIA	999,9-	1,0-	1,0-				1					
⊗		E1620044464A0		2050	EGR TUBE PRE ASSY COLD	999,9-	1,0-	1,0-			9	1					

1.153 materials were selected

UNSATISFIED
DEMAND

EXCEPTION
GROUPS

Find

Find in materials | Find exceptions | Find MRP elements

From To

MRP element	Frm	To
Delivery	24.11.2020	8.03.2022
Depend.req	09.11.2021	6.04.2023
Ind.Reqmts	25.05.2020	6.12.2022
Order	23.02.2021	3.02.2021
Order.res.	25.11.2020	7.03.2022
Plan.order	09.08.2021	6.04.2023
Prod.order	28.01.2022	8.03.2022
PurRequist	19.07.2021	6.12.2022
Purch SA	11.01.2022	1.03.2023
Purch.ord.	29.09.2020	1.04.2022
QM InspLot	31.03.2021	8.02.2022
Sched.agmt	31.03.2021	6.04.2023
Ship.note	10.01.2022	3.07.2022
SubctctReq	08.02.2022	4.02.2023

HOUSEKEEPING

Find

Find in materials | Find exceptions | Find MRP elements

E..	Exception Message	Nu...
1 05	Opening date in the past	1
1 06	Start date in the past	8
1 07	Finish date in the past	54
1 64	Production finish after order finish	2
2 20	Cancel process	64
3 10	Bring process forward	99
3 15	Postpone process	99
3 30	Plan process according to schedule	49
4 96	Stock fallen below safety stock level	55

EXCEPTION
SUBGROUPS





Inventory Graphs – Historic Data





Business Value Realization - **SYSTEM**

- Single Source of the Truth
- End-to-end integration and visibility
- Integrated planning hierarchies
- Location and functional integration
- Exception / Alert Management
- Production planning boards
- Integrated functions vs. silo functions

BUSINESS
VALUE
REALIZATION

SYSTEM

PEOPLE

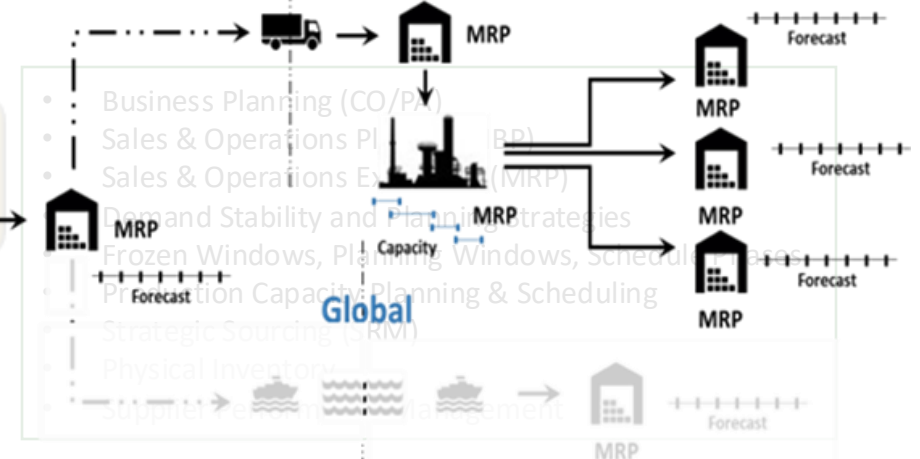
ORGANIZATION
ALIGNMENT

- Roles and Responsibilities
- Education and Certification
- Kpi's and Performance targets
- Performance evaluation program
- Empowered authority
- Personal development plan
- Onboarding program

- MRP Materi
- Process Data
- Integrated P
- Data Groupi
- Data Analysis
- Data Groupi
- Data Groupi

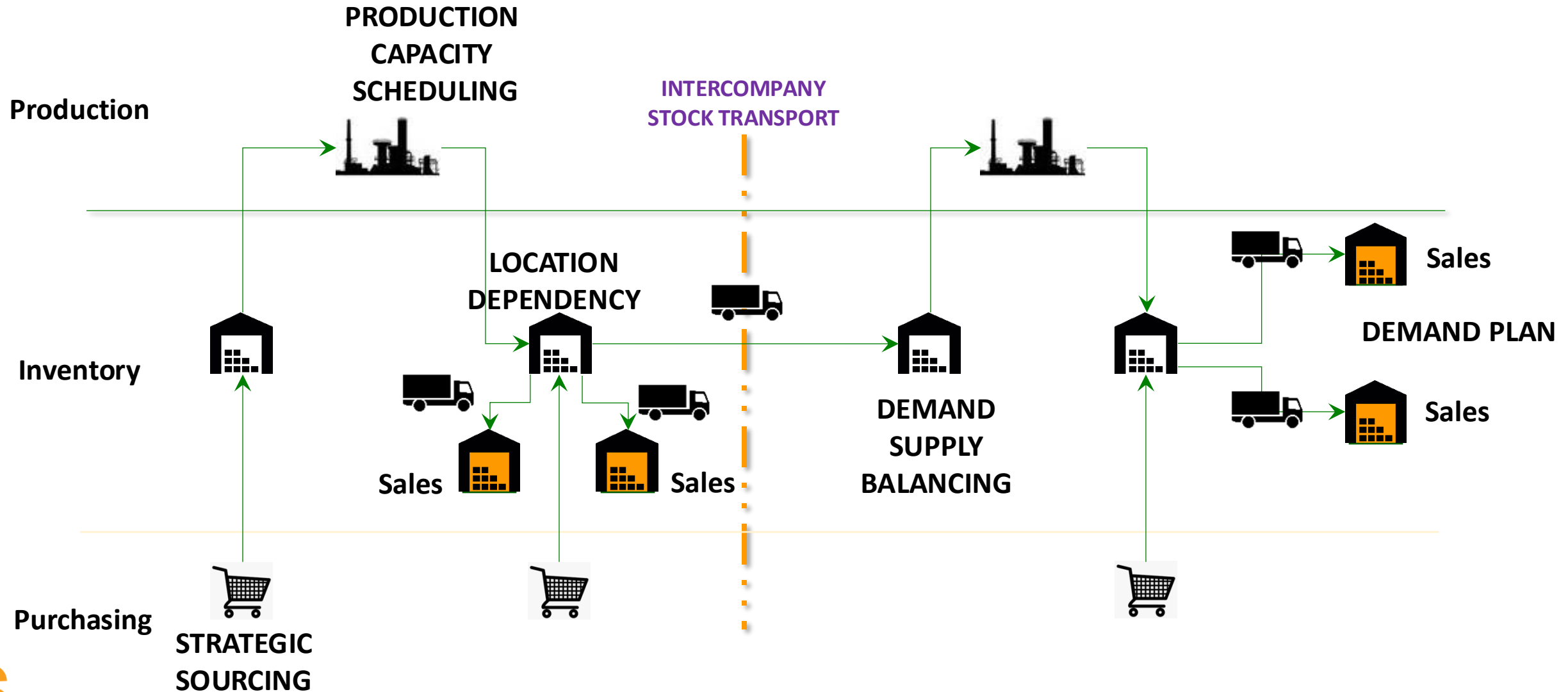
SAP
S/4 HANA

- Single Source of the Truth
- End-to-end integration and visibility
- Integrated planning hierarchies
- Location and functional integration
- Exception / Alert Management
- Production planning boards
- Integrated functions vs. silo functions



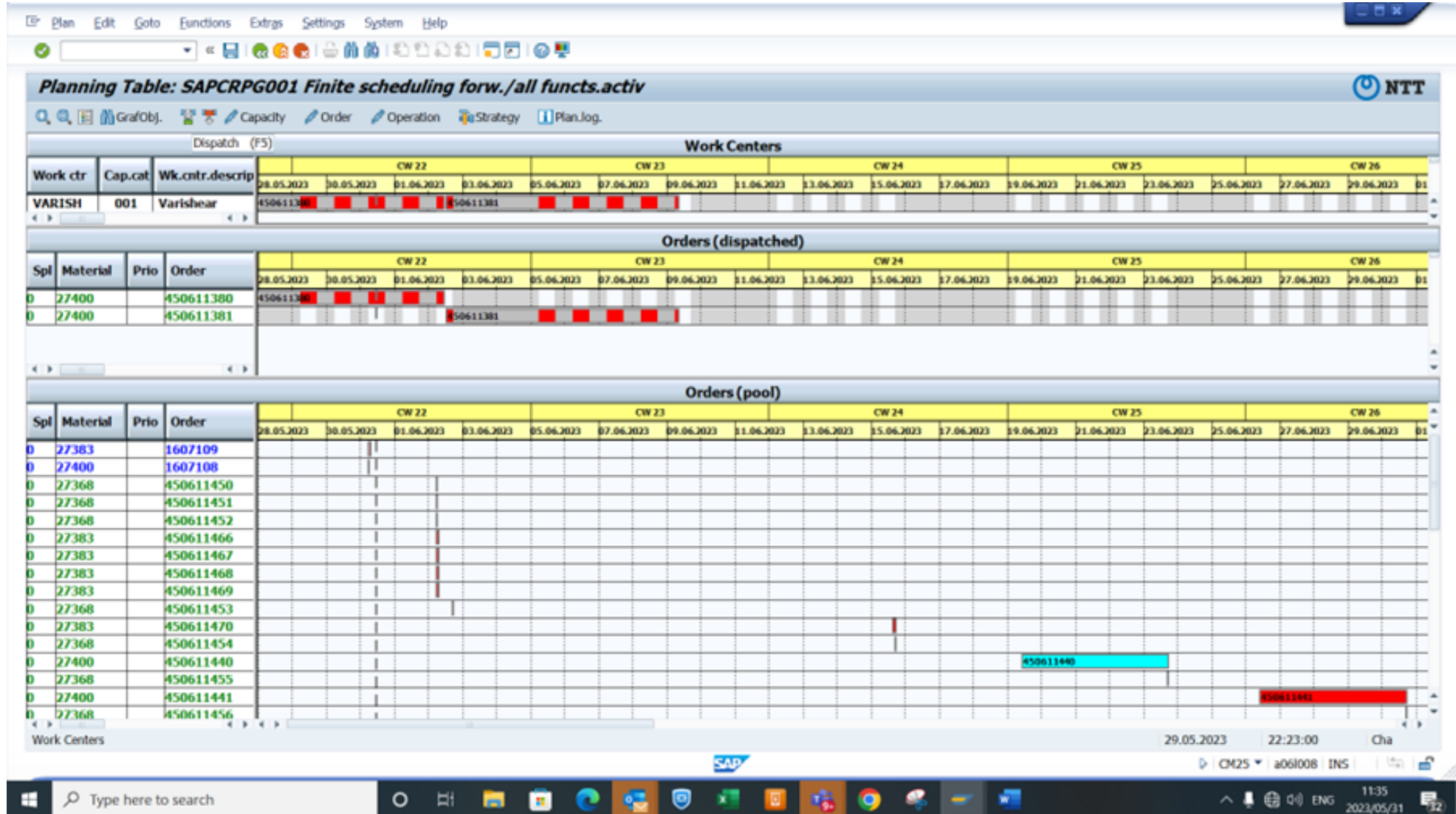


Inventory Management in Execution



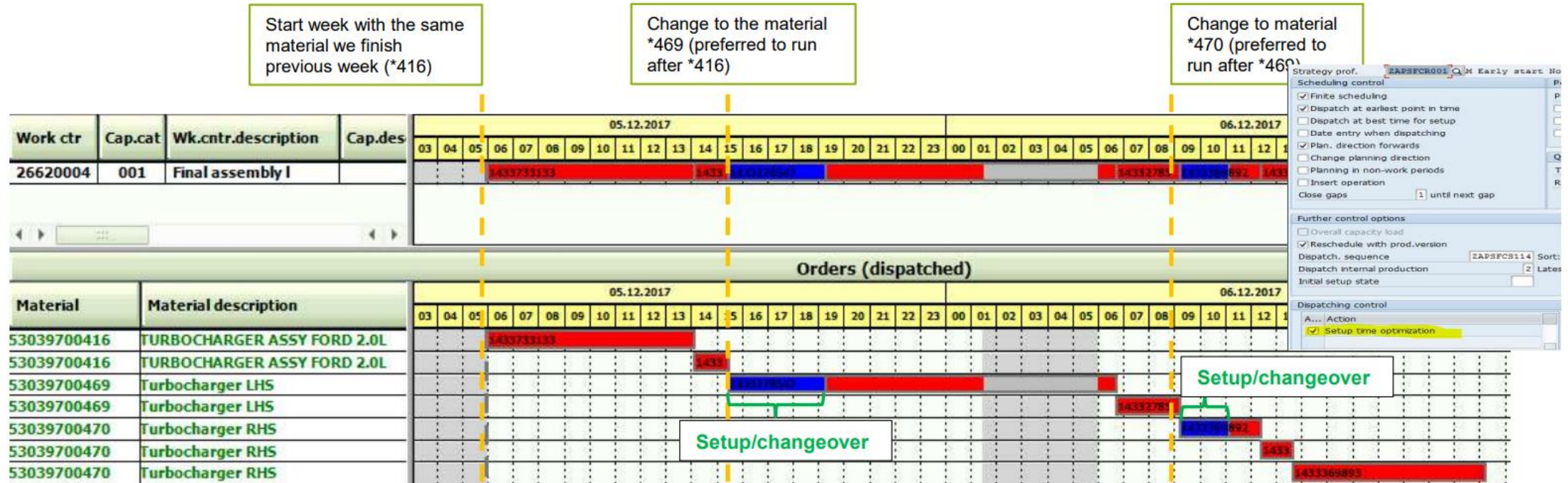


Production Planning Board

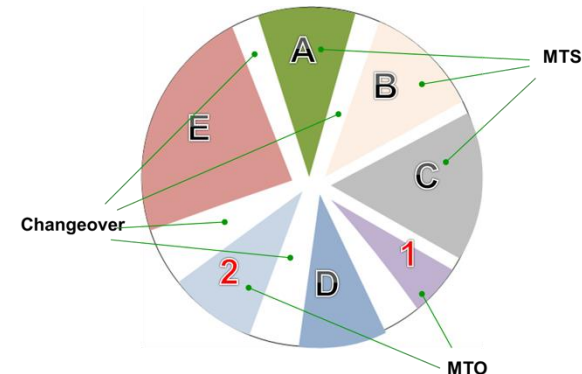




Using SAP's Planning Board

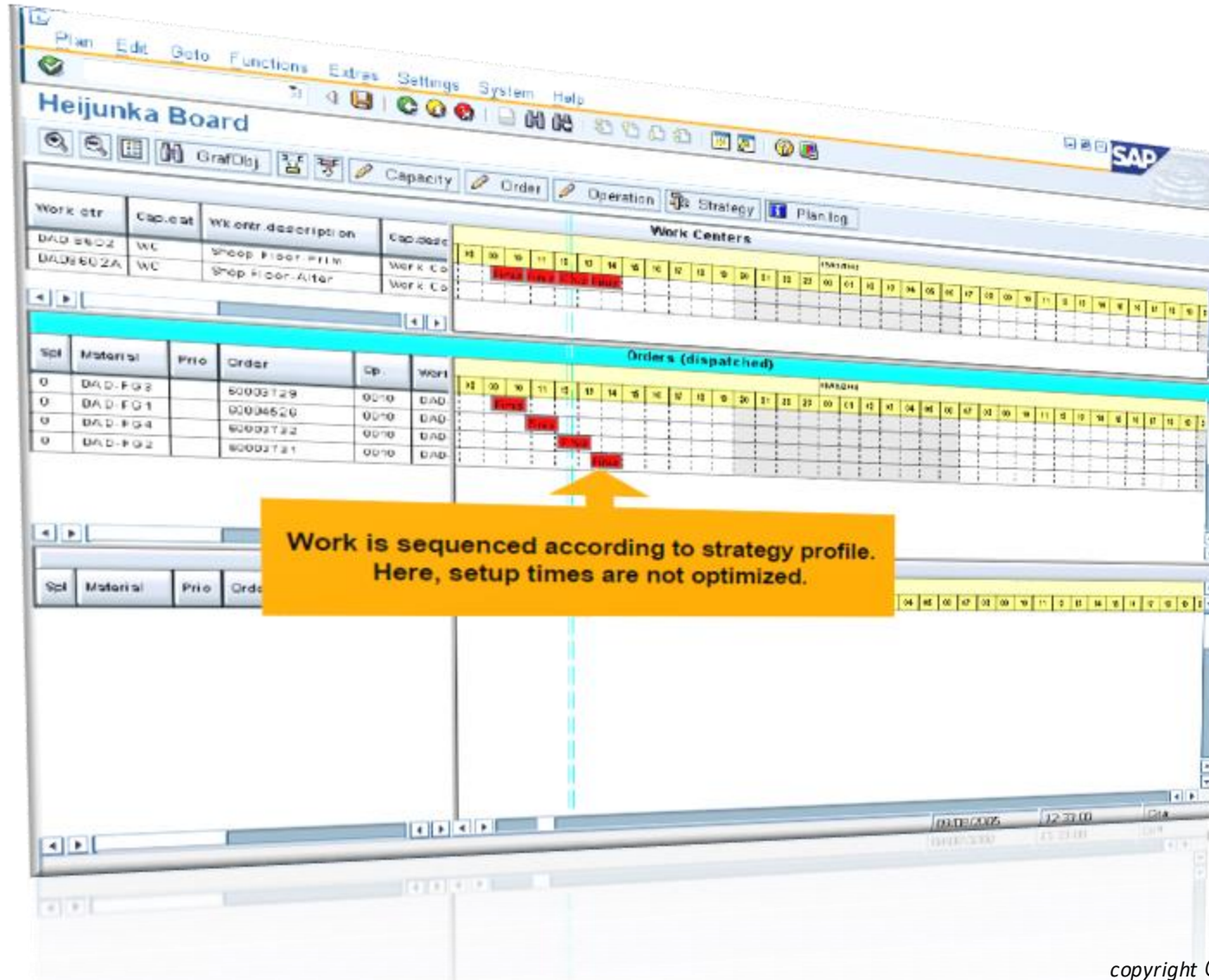


- Infinite vs. finite capacity planning
- Automated dispatching vs. manual and drag & drop
- Sequencing and scheduling



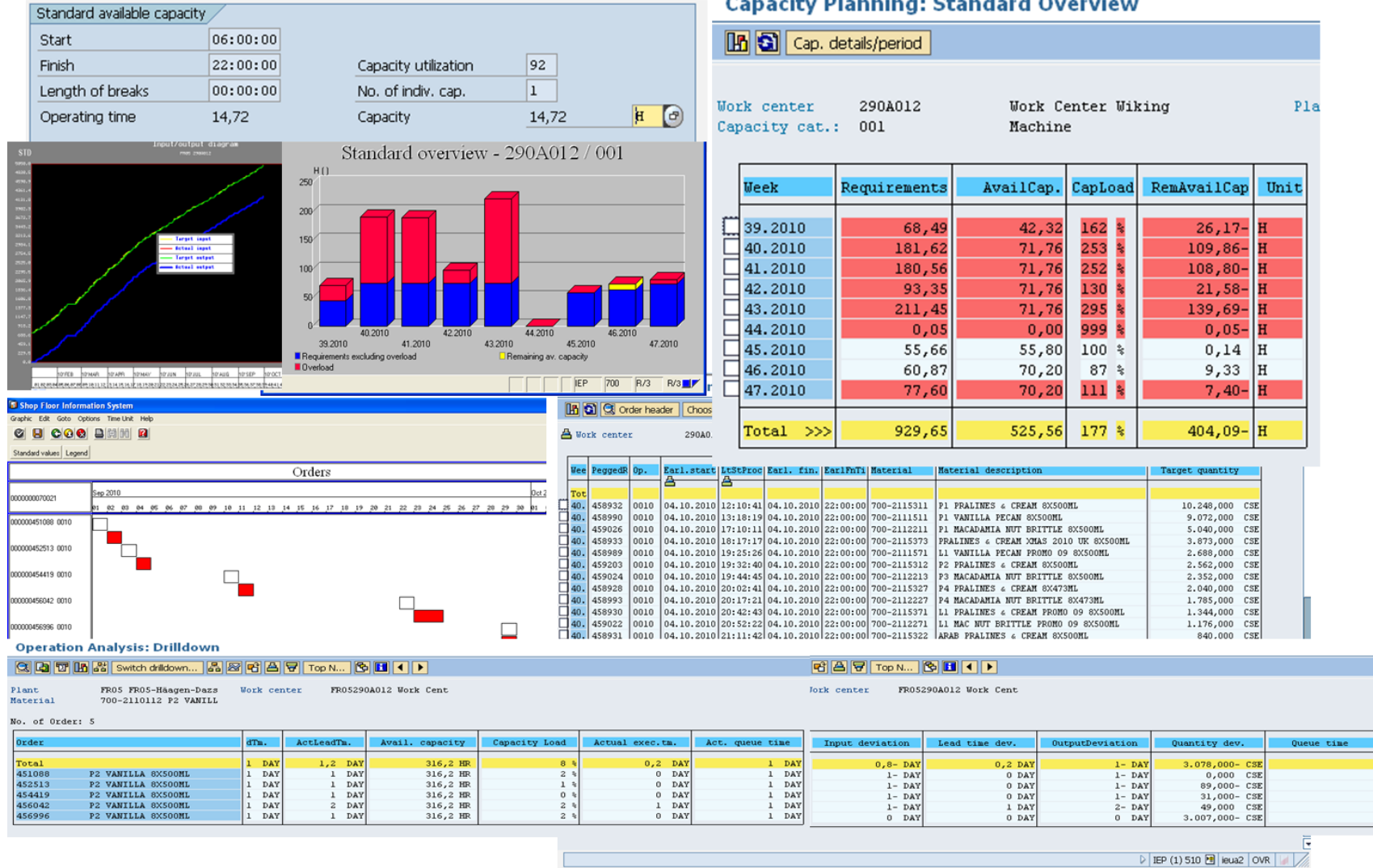


SAP's - Heijunka Board for Product Wheels



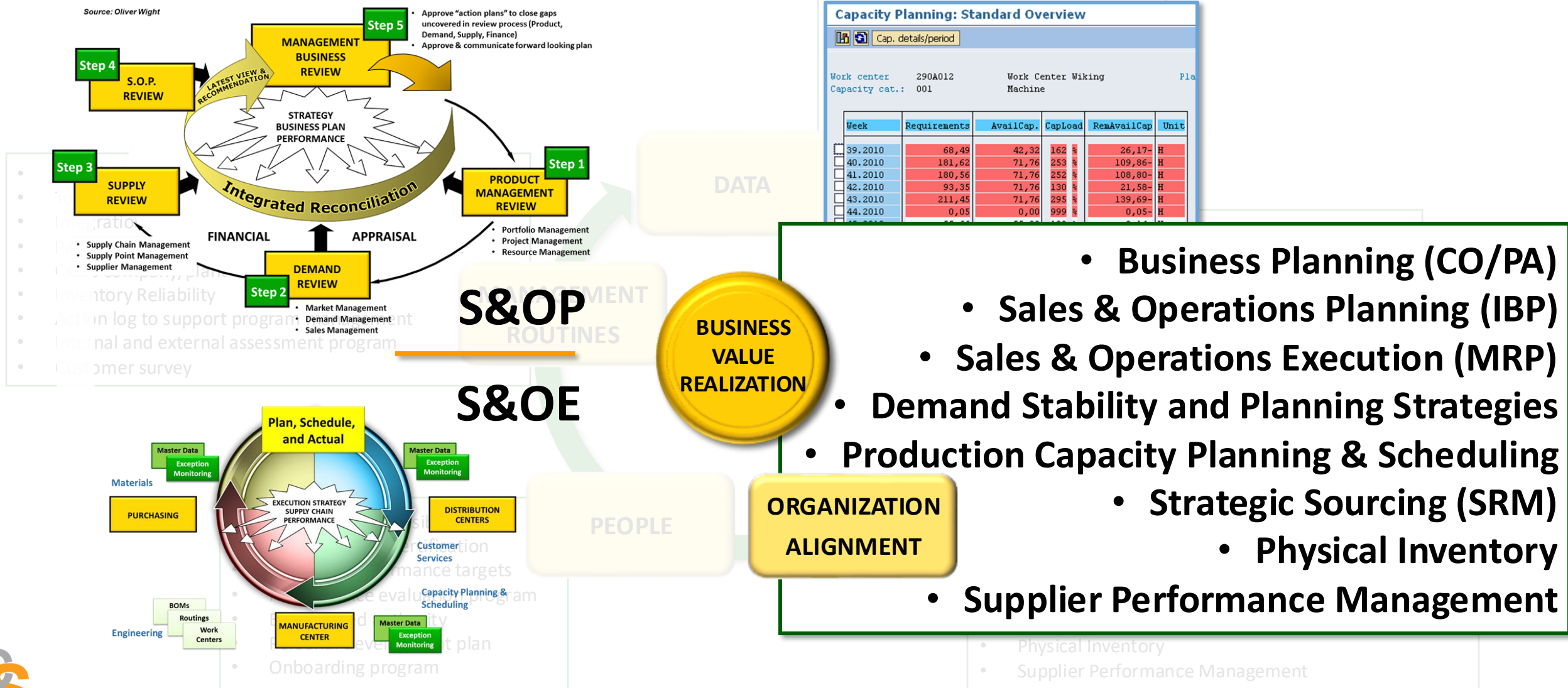


Production Shop Floor Analysis



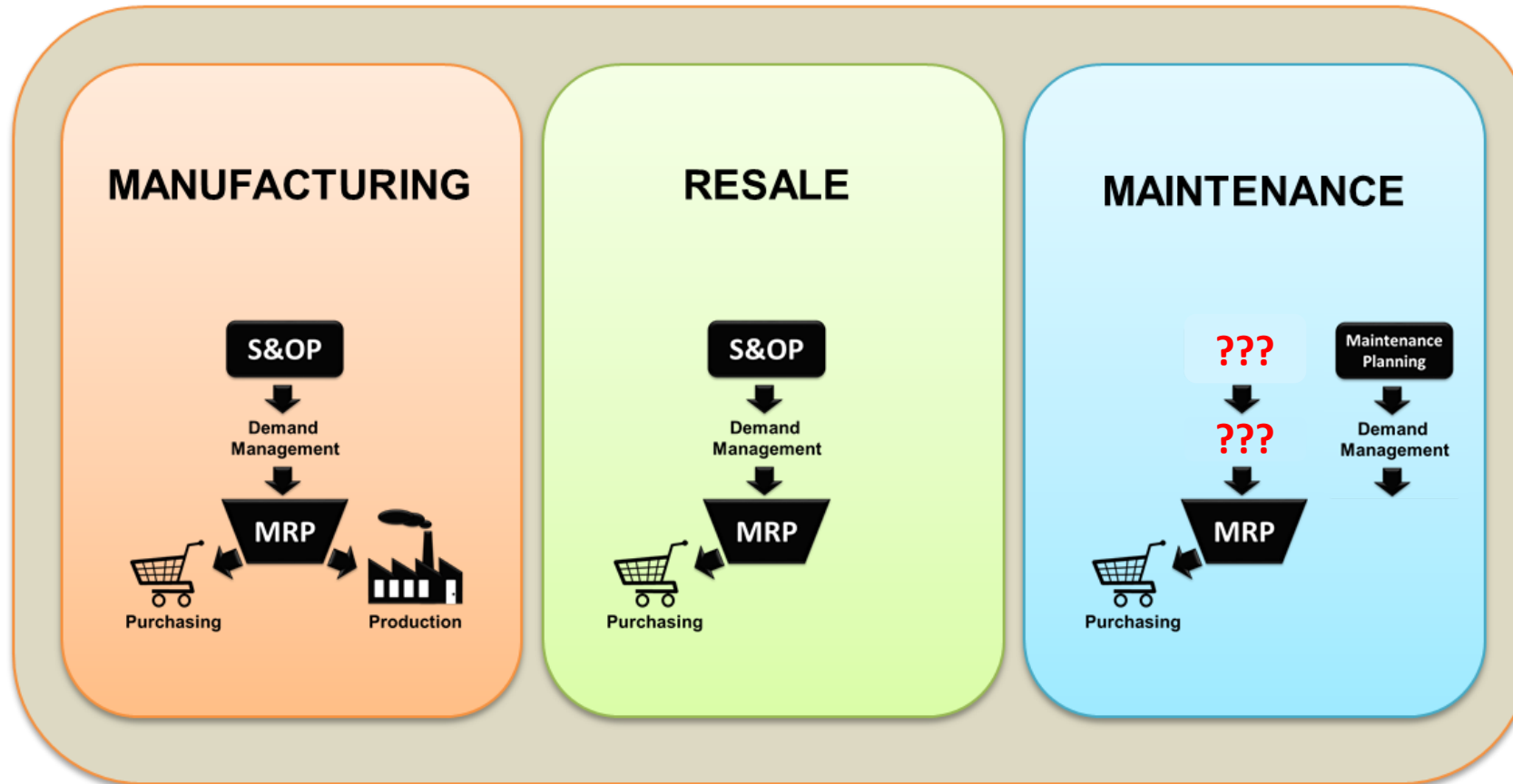


Business Value Realization – **ORG. ALIGNMENT**



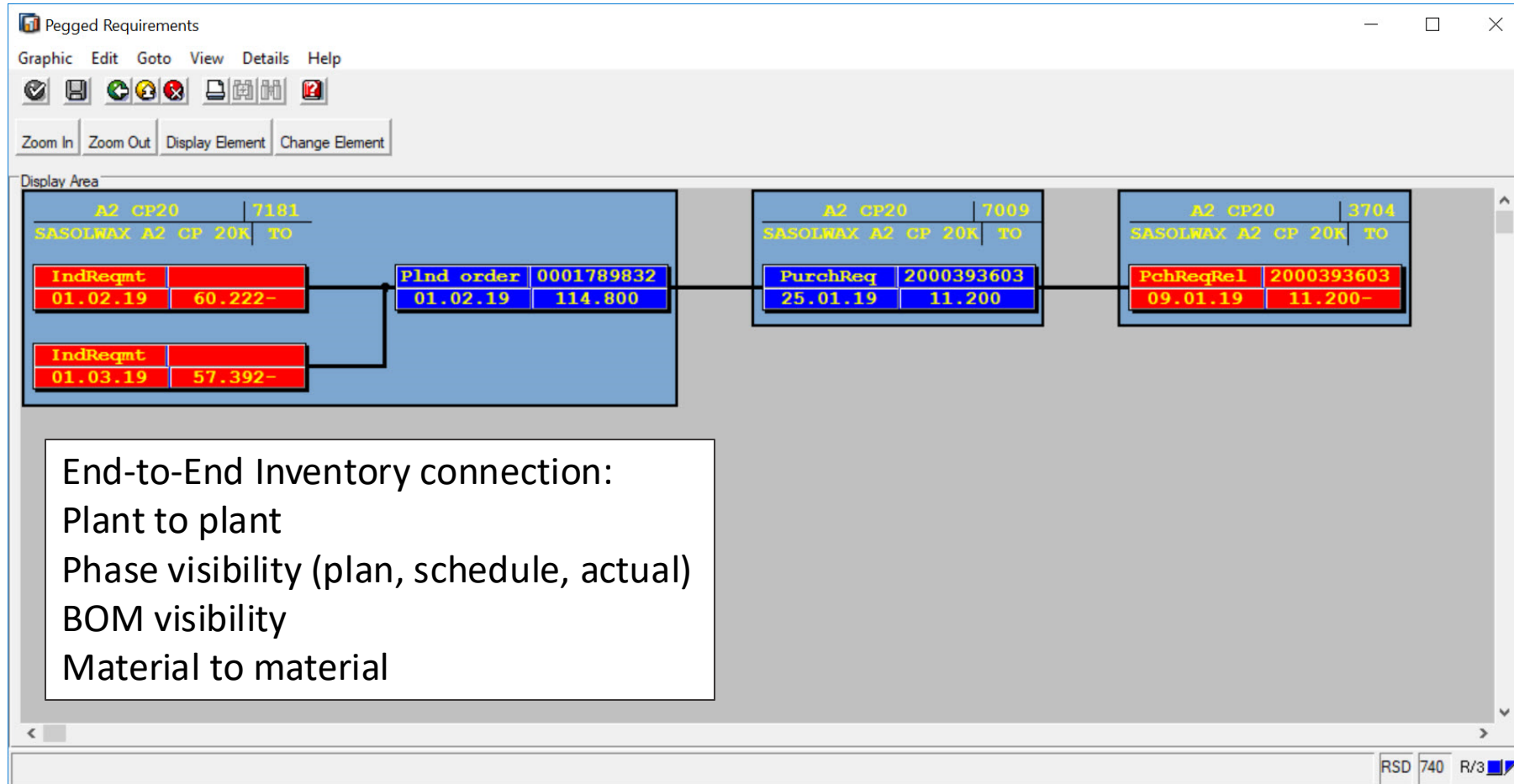


Across Industry Supply Chains





Looking up the chain





Looking down the chain

26.06.2018	CusOrd	0001682237/000030/0...	6-
26.06.2018	CusOrd	0001682238/000030/0...	6-



Peg UP

179367	1000	12001504002	1000
Turbocharger B2UV 60	ST	Bearing Housing Asse	ST
Sched.agmt	0030019156	Plan.order	0471326660
11/19/12	72.000-	11/14/12	144.000
Sched.agmt	0030019156	Depend.req	0079434640
11/26/12	90.000-	11/14/12	144.000-

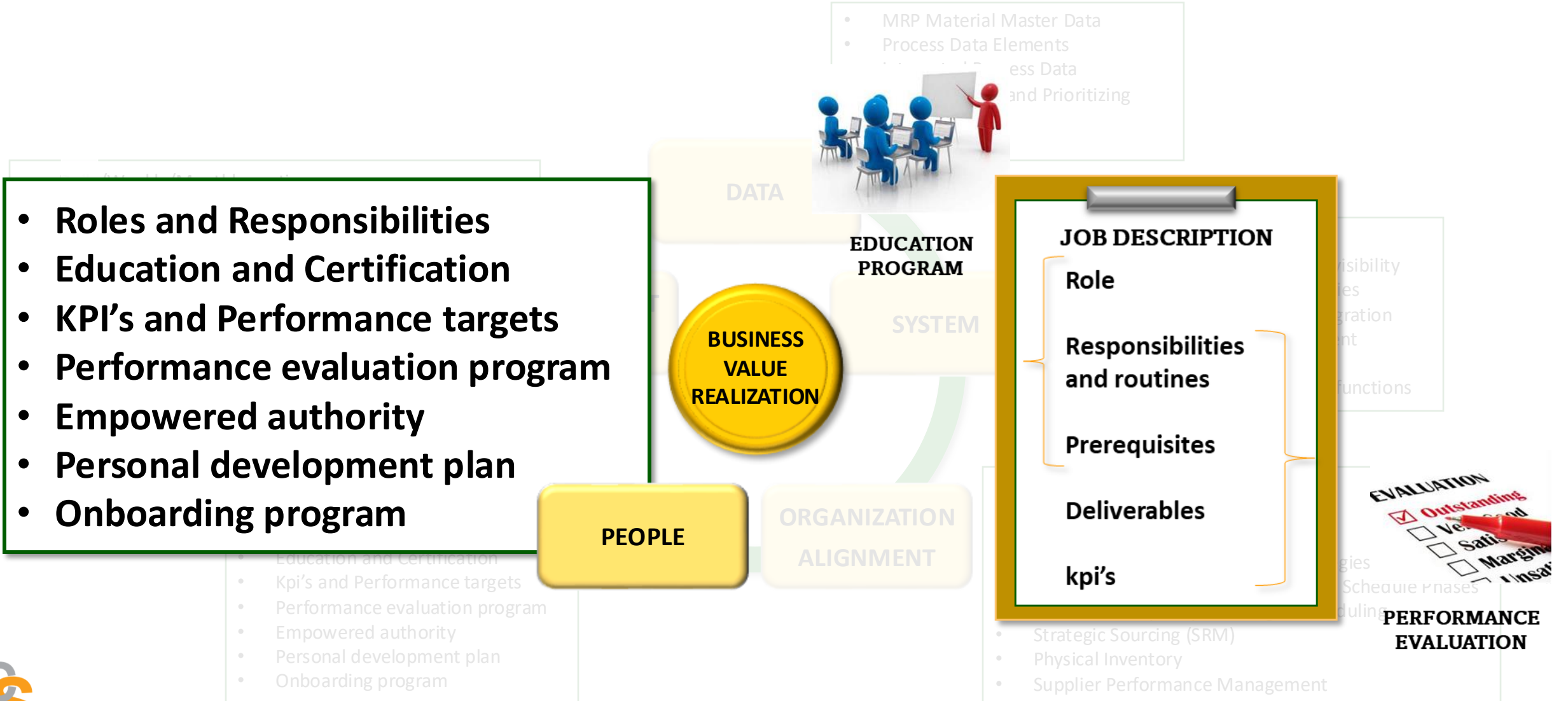
Order Report

PlannedOrd	Description	Require...	Requir...	Reqmt Ele...	R.	Rec.reqd qty	B	Receipt...	Rec...	Receipt...	R	Key	Error message
0001943535													
309813	...	07.12.2011	DepReq	2551214	1	1.908.495-	F...	...	...	...	...	...	Exception Message for Lower...
204518	...	07.12.2011	DepReq	2551214	2	2.035.735-	F...	...	...	...	...	...	Reschedule in (07.12.11)
309108	...	08.12.2011	PRgRel	12169184	1	17.532.986-	F...	...	...	...	...	...	Reschedule in (08.12.11)
201875	...	08.12.2011	OrdRes	2551362	1	67.324.740-	F...	...	...	...	...	...	Reschedule in (08.12.11)
200030	...	07.12.2011	DepReq	2550497	1	4.222.021-	LB	...	...	...	...	...	Reschedule in (07.12.11)
100009	...	07.12.2011	DepReq	2550749	1	114.701.252-	LB	...	...	...	...	...	Reschedule in (07.12.11)
100031	...	07.12.2011	DepReq	2550776	1	145.697.168-	LB	...	...	...	...	...	Reschedule in (07.12.11)
100182	...	07.12.2011	DepReq	2550776	2	55.018.511-	LB	...	...	...	...	...	Reschedule in (07.12.11)
100144	...	07.12.2011	DepReq	2550776	3	82.527.767-	LB	...	...	...	...	...	Reschedule in (07.12.11)
100169	...	07.12.2011	DepReq	2550776	4	125.279.188-	LB	...	...	...	...	...	Reschedule in (07.12.11)
100168	...	07.12.2011	DepReq	2550776	5	79.471.183-	LB	...	...	...	...	...	Reschedule in (07.12.11)
100171	...	07.12.2011	DepReq	2550776	6	50.943.066-	LB	...	...	...	...	...	Reschedule in (07.12.11)
100069	...	07.12.2011	DepReq	2550776	7	44.829.898-	LB	...	...	...	...	...	Reschedule in (07.12.11)
100071	...	07.12.2011	DepReq	2550776	8	26.490.395-	LB	...	...	...	...	...	Reschedule in (07.12.11)
100060	...	07.12.2011	DepReq	2550776	9	10.005.219-	LB	...	...	...	...	...	Reschedule in (07.12.11)
100071	...	07.12.2011	DepReq	2550776	10	1.996.969-	LB	...	...	...	...	...	Reschedule in (07.12.11)
100136	...	07.12.2011	DepReq	2550776	11	998.485-	LB	...	...	...	...	...	Reschedule in (07.12.11)
	...	07.12.2011	DepReq	2550776	12	3.015.830-	LB	...	...	...	...	...	Reschedule in (07.12.11)



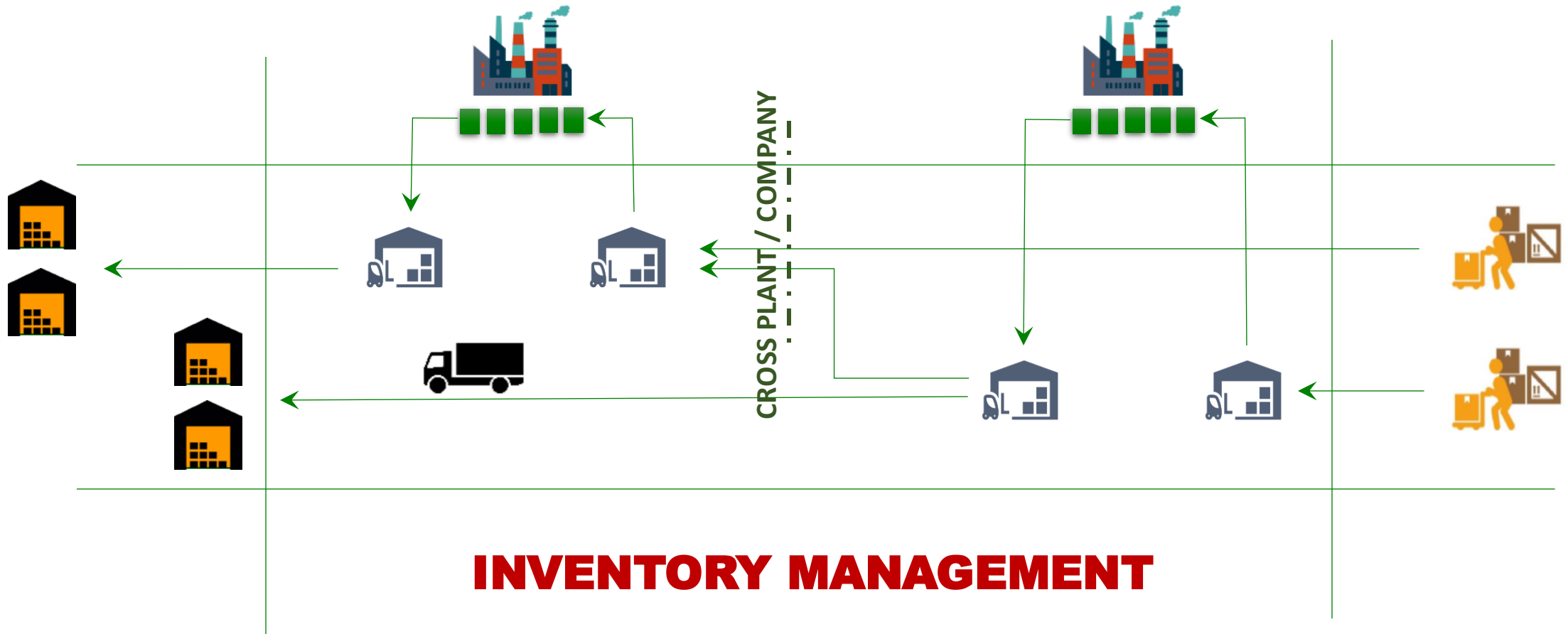


Business Value Realization - **PEOPLE**



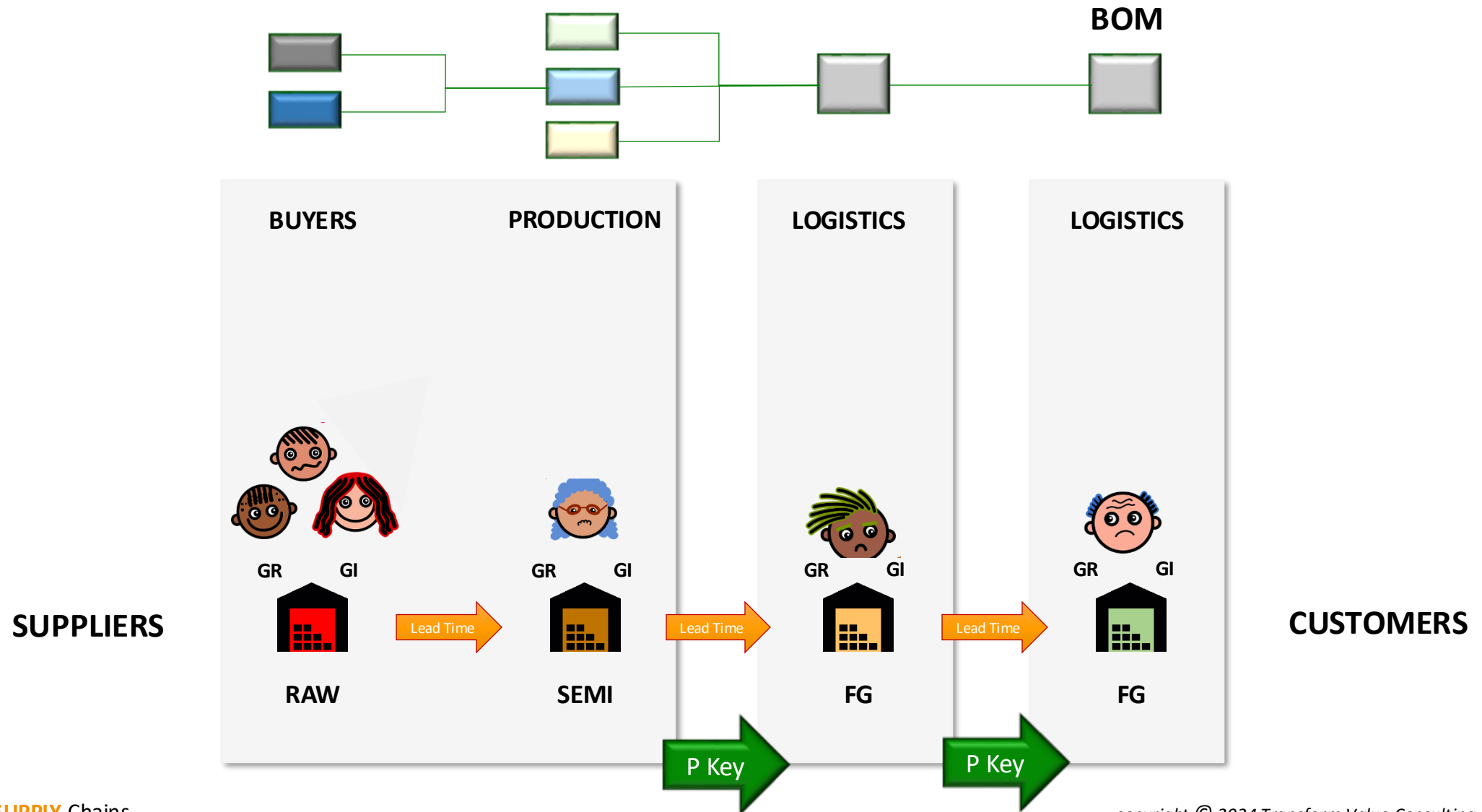


Stay focused on the inventory



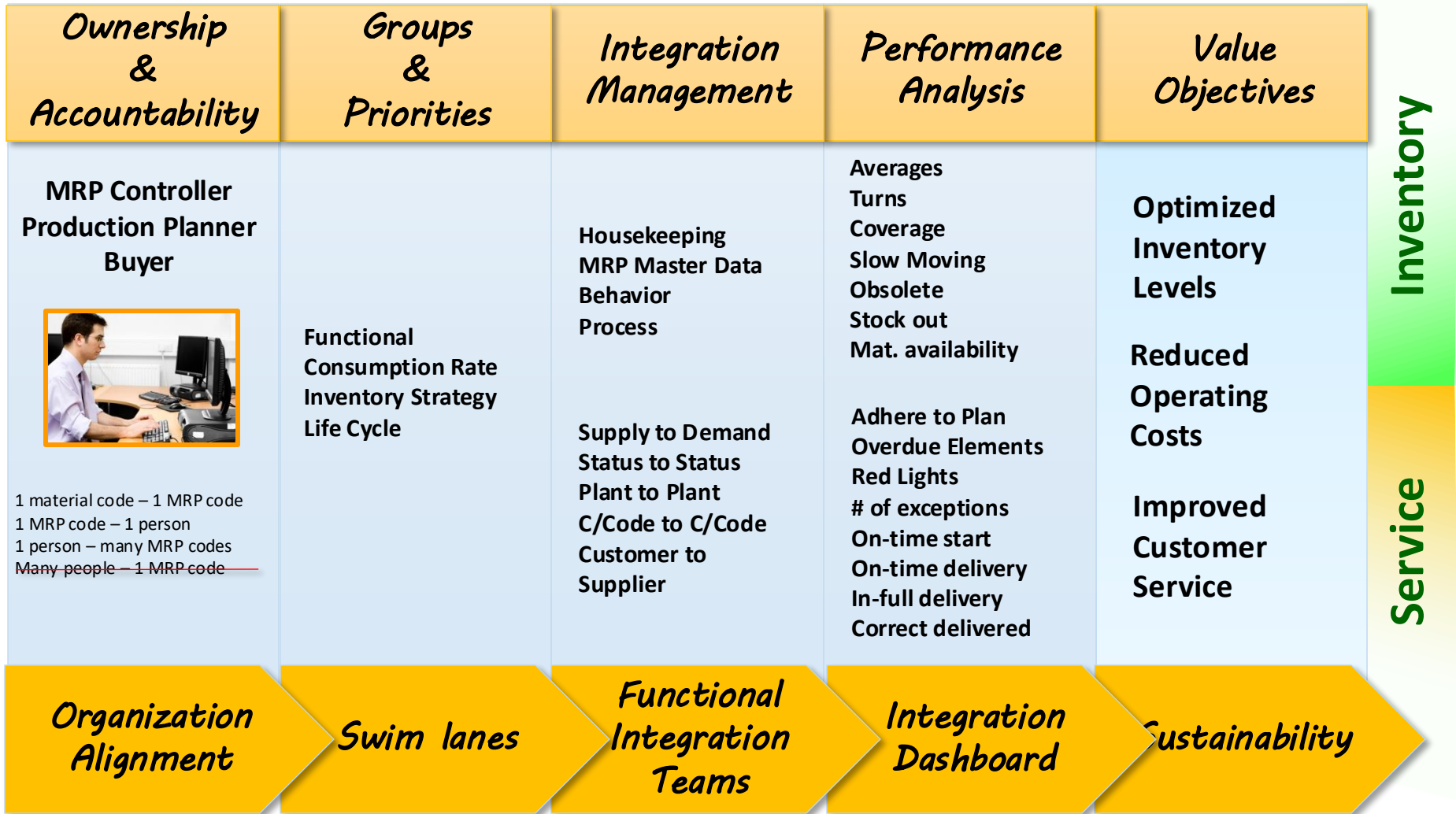


Manufacturing Supply Chain





Accountability/Education/Certification





MRP - Distribution Controller

**Responsible for
inventory availability
at the DC/s**

DELIVERY SCHEDULING

On-Time Delivers (Scheduled STO's)
Optimized Transport Capacity
Reduced Cost of Transport



**DISTRIBUTION
CONTROLLER / PLANNER**
Ensuring distribution of the
correct product to DC's
(Point of Sale)

SUPPLY CHAIN PROCESS INTEGRATION

Increased Service Levels
Increased Inventory Availability
Reduced Inventory Shortages
Demand Stability
Effective Strategies

- Forecast Consumption
- Production Strategy Group
- Inventory Replenishment Strategy

Data Accuracy

Red Lights
Exceptions
Conformance
Process Performance

INVENTORY OPTIMIZATION



Inventory Accuracy
Over Stocking
Shortages
Buffers/Safety Stock
Inventory Coverage
Discontinued Parts





MRP - Production Planner

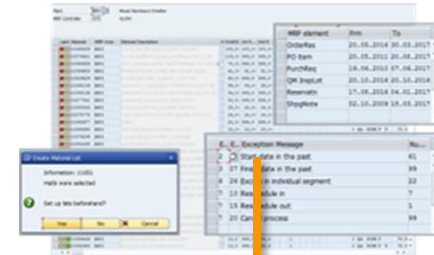
Responsible for Finish Goods inventory availability to Sales

CAPACITY PLANNING BOARD

Use of the Planning Board to avoid production overload
Optimized Production Capacity
Reduced Cost of Production

PRODUCTION SEQUENCING

According to Strategy Profile



PRODUCTION PLANNER
Ensuring production of the correct Finish Goods to Sales

SUPPLY CHAIN PROCESS INTEGRATION

Increased Service Levels
Increased Inventory Availability
Reduced Inventory Shortages
Demand Stability
Effective Strategies

- Forecast Consumption
- Production Strategy Group
- Inventory Replenishment Strategy

Data Accuracy

Red Lights
Exceptions
Conformance
Process Performance

INVENTORY OPTIMIZATION



Inventory Accuracy
Over Stocking
Shortages
Buffers/Safety Stock
Inventory Coverage
Discontinued Parts





MRP - Buyer

**Responsible for
inventory availability
to Production, Traded
Goods sales, and
Maintenance demand**

PURCHASING STRATEGIC SOURCING

Use of info records, contracts & scheduling agreements
Discounted buying

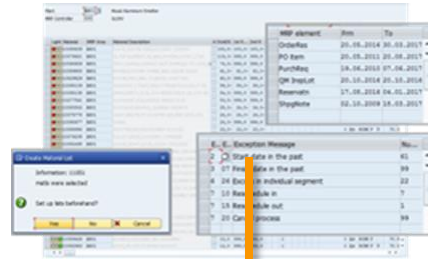
BUYING

Timely purchase of
materials to satisfy the
plan



BUYER

Ensuring raw material
availability for production



SUPPLY CHAIN PROCESS INTEGRATION

Increased Service Levels
Increased Inventory Availability
Reduced Inventory Shortages
Demand Stability
Effective Strategies

- Forecast Consumption
- Production Strategy Group
- Inventory Replenishment Strategy

Data Accuracy

Red Lights
Exceptions
Conformance
Process Performance

INVENTORY OPTIMIZATION



Inventory Accuracy
Over Stocking
Shortages
Buffers/Safety Stock
Inventory Coverage
Discontinued Parts



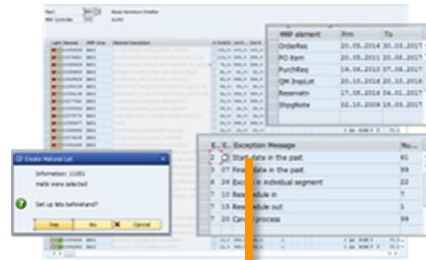


MRP - Inventory Controller

Responsible for inventory availability, inventory replenishment strategies, and inventory optimization

WAREHOUSE LAYOUT

Avoid over-stocking and inventory holding costs
Keeping correct inventory mix
FIFO – to avoid product expirations



INVENTORY CONTROLLER
responsible for inventory planning

SUPPLY CHAIN PROCESS INTEGRATION

Increased Service Levels
Increased Inventory Availability
Reduced Inventory Shortages
Demand Stability
Effective Strategies

- Forecast Consumption
- Production Strategy Group
- Inventory Replenishment Strategy

Data Accuracy

Red Lights
Exceptions
Conformance
Process Performance

INVENTORY OPTIMIZATION



Inventory Accuracy
Over Stocking
Shortages
Buffers/Safety Stock
Inventory Coverage
Discontinued Parts





Comprehensive education program

Aligning Education and Optimization with Business Value Realization

EDUCATION PHASE		(Balance Supply with Demand)	Understand how to interpret the single stock requirements lists	Aligning Supply With Understand the impact
	SAP Standard Tools and Reports	An understanding of the role and the value of standard tools and reports in SAP	Reports	List Display Reports Functional Information Document Evaluation
			Tools	Stock Requirements, ABC Analysis Classification Dual Classification Inventory Graphs
	MRP Material Master Data	Understanding the evolution from MRP 1 to MRP 2 to MRP 3 to MRP 4	Functional Integration: MRP 1 - Inventory Replenishment Strategy MRP 2 - Procurement lead times and S/Stock MRP 3 - Strategic Planning Strategies MRP 4 - Integration to MPS	Understand the field of
		Functional Focus in MRP	Lot Sizes and Lead Times	The impact on exception
			Safety Stock	Static vs. Dynamic
	MTS - Make to Stock	MTS - Make to Stock	Buffer the demand signal	Forecast Consumption
			Production Strategy Groups - MTS, FTO, MTO	Where to buffer inventory
			ATP Strategy	ATP - Available to Promise
			IndReq, DepReq, Unplanned Demand Position of the Demand Plan Planning for Unplanned Demand	Forecast Consumption Ensuring a healthy demand Protecting planned forecast



Business Value Realization – **Mngmt. ROUTINES**

EXECUTIVE DIRECTION

B2B PRESENTATIONS

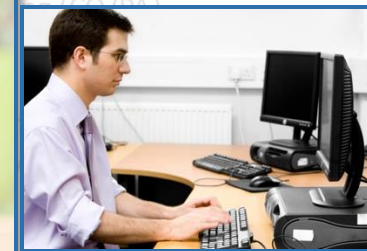
MANAGEMENT ROUTINES

BUSINESS VALUE REALIZATION

- Daily/Weekly/Monthly routines
 - MRP data quality
- Top-Down integrated performance console (dashboard)
 - Integration and business performance targets
 - Cross company/plant benchmarking
 - Action log to support program management
 - Internal and external assessment program
 - Customer survey



- Personal development plan
- Onboarding program



INTEGRATION MANAGEMENT





Integration Exception Management

Stock/Requirements List: Material List

Selected Stock/Requirements Lists | Define Traffic Light | Exception Groups

INVENTORY COVERAGE

Light	Valid from ...	Material	Ext. Manuf	MRP Area	Material Description	A StckDS	1st R...	2nd R	1	2	3	4	5	6	7	8	Plant
⊗		E290015537J1		2050	RU/WK EGR COOLER	999,9-	11,0-	11,0-			9	1					
⊗		E2990045711H0		2050	COOLER BYPASS & BRACKETS CD6	999,9-	9,0-	9,0-			1	1					
⊗		E1310042246B0		2050	OUTLET, SPIGOT Ø16 X 1MM 2 BEND	999,9-	8,0-	8,0-			1	1					
⊗		E1310042247B0		2050	SPIGOT, Ø19 X 1MM, 2 BEND	999,9-	8,0-	8,0-			1	1					
⊗		E1550022900C0		2050	HYBRID TUBE 52.12x5 L113 + FIN S1.37	999,9-	4,0-	4,0-			21	1					3.8
⊗		E3880022902B0		2050	DURATEC FIN V15 S1.37 H3.75 TO.1 L100 M4	999,9-	4,0-	4,0-			7	1					6.9
⊗		E1550027232C0		2050	GM HYBRID EGR TUBE ASSY	999,9-	3,9-	3,9-			6	1					8
⊗		E1010036991N0		2050	CYCLONE MODULE ASSEMBLY	999,9-	3,8-	3,8-			51	1					9
⊗		E3290036118E0		2050	GM EGR COOLER	999,9-	2,9-	2,9-			3	1					2
⊗		E3880027234B0		2050	GM PLACA FIN STEEL	999,9-	2,8-	2,8-			2	1					7.6
⊗		E3880032960A0		2050	EHR5 FIN 15V S1.37 H3.75 TO.1 L60 M4	999,9-	2,8-	2,8-	2		3	1					8.3
⊗		E1550038410A0		2050	EHR5 HYBRID TUBE 52.12x5 L74 + FIN S1.37	999,9-	2,7-	2,7-			4	1					3.1
⊗		E1620030975C0		2050	EGR TUBE ASSEMBLY HOT	999,9-	1,8-	1,8-			6	1					
⊗		E1550019022C0		2050	HYBRID EGR TUBE ASY NISSAN	999,9-	1,2-	1,2-			3	1					2.5
⊗		E1380022344B0		2050	GASKET OUTLET - EGR VLV CLR	999,9-	1,0-	1,0-				1					
⊗		E1380022344B0		2050	GASKET	999,9-	1,0-	1,0-				1					
⊗		E1310017526E0		2050	SPIGOT	999,9-	1,0-	1,0-			5	1					
⊗		E1310017526E0		2050	SPIGOT Ø18 - 16mm, 1 mm thk - INLET	999,9-	1,0-	1,0-			6	1					3
⊗		E1490036559C0		2050	BRACKET - ASSEMBLY	999,9-	1,0-	1,0-	2		6	1					
⊗		E1620020288B3		2050	RU/WK DIFFUSER TUBE	999,9-	1,0-	1,0-			7	1					
⊗		E1620029656E0		2050	HOT TUBE ASSY DURATEC VALENCIA	999,9-	1,0-	1,0-				1					
⊗		E1620044464A0		2050	EGR TUBE PRE ASSY COLD	999,9-	1,0-	1,0-			9	1					

1.153 materials were selected

UNSATISFIED
DEMAND

EXCEPTION
GROUPS

Find

Find in materials | Find exceptions | Find MRP elements

From To

MRP element	Frm	To
Delivery	24.11.2020	8.03.2022
Depend.req	09.11.2021	6.04.2023
Ind.Reqmts	25.05.2020	6.12.2022
Order	23.02.2021	3.02.2021
Order.res.	25.11.2020	7.03.2022
Plan.order	09.08.2021	6.04.2023
Prod.order	28.01.2022	8.03.2022
PurRequist	19.07.2021	6.12.2022
Purch SA	11.01.2022	1.03.2023
Purch.ord.	29.09.2020	1.04.2022
QM InspLot	31.03.2021	8.02.2022
Sched.agmt	31.03.2021	6.04.2023
Ship.note	10.01.2022	3.07.2022
SubctctReq	08.02.2022	4.02.2023

HOUSEKEEPING

Find

Find in materials | Find exceptions | Find MRP elements

E..	Exception Message	Nu...
1 05	Opening date in the past	1
1 06	Start date in the past	8
1 07	Finish date in the past	54
1 64	Production finish after order finish	2
2 20	Cancel process	64
3 10	Bring process forward	99
3 15	Postpone process	99
3 30	Plan process according to schedule	49
4 96	Stock fallen below safety stock level	55

EXCEPTION
SUBGROUPS





Integration Console

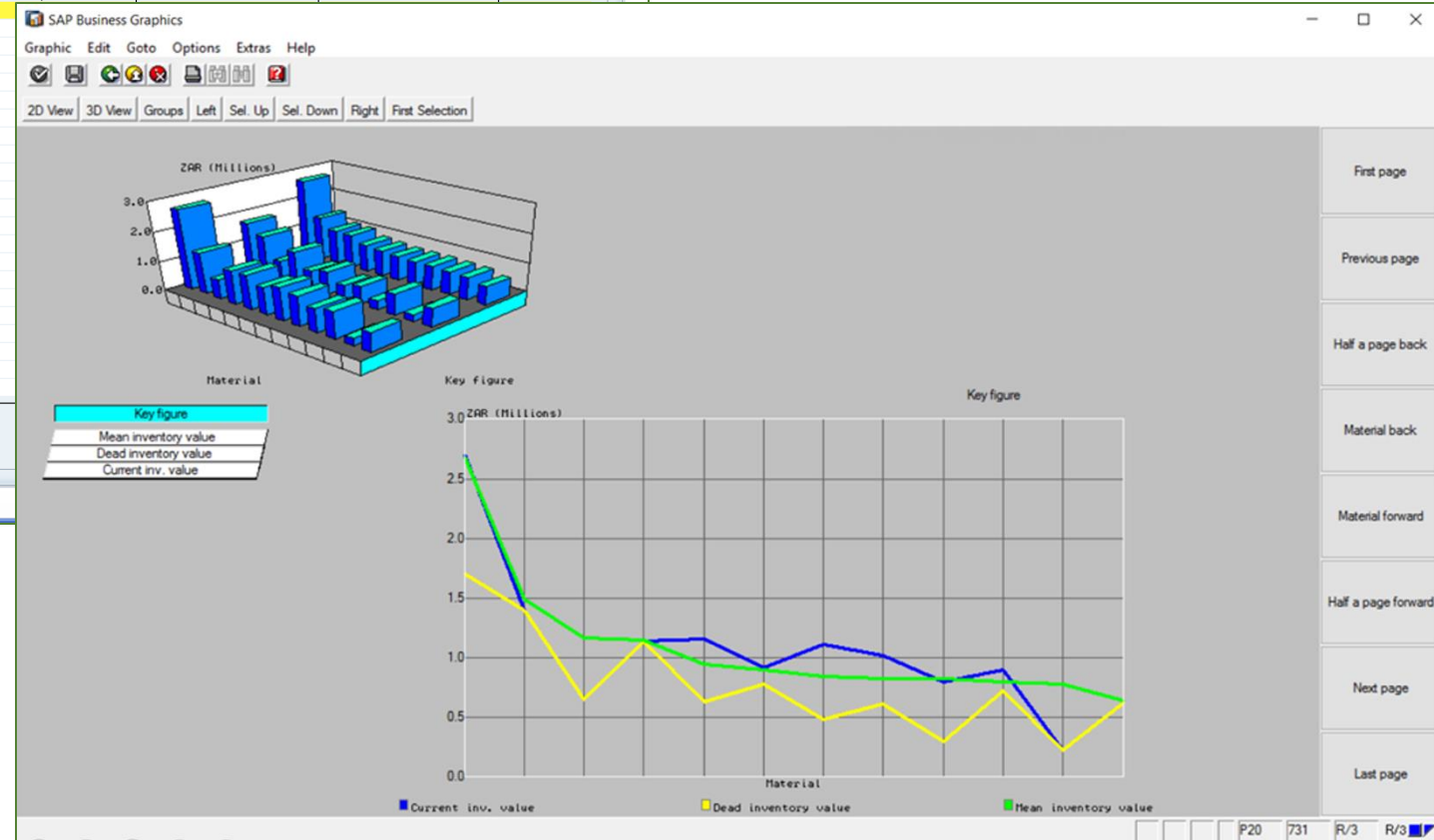
117 Business Value Measures
guaranteed to drive Change
and Improvement

Standard analysis for info structure S701: Drilldown

Date: 31.08.2018 Plant: P120 Division: 11

No. of MRP Controller: 21 Mean inventory

MRP Controller	Red lights	Exc. total	Exc. gr. 2	Exc. gr. 3	Exc. gr. 7	Ovd.Demand	Ovd.Supply	Current inventory	Mean inventory	Dead inventory	Slow movin
Total	75	2,240	10	733	1,377	647	751				
065 AR	73	2,012	0	718	1,196	587	742				
293 Ar	1	129	10	0	101	24	5				
545 Ar	1	47	0	11	34	13	0				
246 SO	0	9	0	0	8	3	0				
572 AR	0	40	0	4	36	20	4				
208 FI	0	3	0	0	2	0	0				
100 GE	0	0	0	0	0	0	0				
628 CA	0	0	0	0	0	0	0				
437 NS	0	0	0	0	0	0	0				
070 IN	0	0	0	0	0	0	0				
598 St	0	0	0	0	0	0	0				
667 LI	0	0	0	0	0	0	0				
699 MU	0	0	0	0	0	0	0				
697 UN	0	0	0	0	0	0	0				
607 SW	0	0	0	0	0	0	0				
588 Q	0	0	0	0	0	0	0				
297 S	0	0	0	0	0	0	0				
291 S	0	0	0	0	0	0	0				
076 S	0	0	0	0	0	0	0				
068 S	0	0	0	0	0	0	0				
067 S	0	0	0	0	0	0	0				



Dual Classification: Consumption/Mean inventory

Details Graphic Class limits

Overview of segments - Material

Consumption	0	10	40	80	120	>	Total
0	2,770	458	81	2	1	1	3,313
50	32	573	453	129	7	4	1,198
150	0	8	71	35	12	15	141
300	0	1	5	17	7	7	37
450	0	0	2	4	6	6	18
>	0	0	0	3	4	39	46
Total	2,802	1,040	612	190	37	72	4,753





Are we there yet?

CUSTOMER SATISFACTION IMPROVEMENT



BUSINESS VALUE REALIZATION

INVENTORY OPTIMIZATION



OPERATING COST REDUCTION



TRANSPORTATION OPTIMIZATION



How to Connect with Me

E: joseph.grobler@transformval.com

M: +27 83 631 5701

Li: [linkedin.com/in/value2u](https://www.linkedin.com/in/value2u)

www.Transformval.com

#MasteringSAP #MasteringSAPConnect2024

MASTERINGSAP
Connect



MASTERINGSAP
An SAPinsider Company



Business Value Measures - **SALES**

- Increased sales revenues
- Optimized profit margins
- Sales Forecast accuracy improvement
- Improved response to customer expectation
- Improved OTIF (on time and in full)
- Reliable delivery dates to customers
- Reduction in customer Back Orders
- Reduction in customer returns
- Reduction in lost sales
- Quick and effective response to customer queries





Business Value Measures – **DEMAND MANAGEMENT**

- Increased planning horizons
- Effective Demand Management Strategy Group/s
- Effective Forecast Consumption Strategy
- Effective ATP Strategy
- Stable demand plan within managed buffers
- Reduced deviation between the demand plan & actual consumption
- Reduced volatility on the production schedule



Business Value Measures – **PRODUCTION**

- Increased alignment with sales demand
- Reduced demand volatility on the production schedule
- Reduce disruption on the production schedule
- Improve WIP (work in progress) visibility
- Reduction in WIP (work in progress)
- Improved capacity visibility and optimization
- Reduced cost of rework



Business Value Measures – **INVENTORY**

- Increased inventory availability
- Increased inventory visibility
- Reduced cost of unnecessary inventory
- Increased Inventory turns
- Reduced dead stock (large buffers/safety stock)
- Reduced cost due to expired or redundant inventory



Business Value Measures – **PURCHASING**

- Reduced inventory expediting costs
- Reduced safety stock buffers
- Reduction in supplier's price variance
- Improved 3 way match – GR/IR (PO, GR, invoice)
- Increased transactional automation
- Improved strategic sourcing
 - ☐ Contracts
 - ☐ Quota Arrangements
 - ☐ Schedule Agreements



Business Value Measures – **DISTRIBUTION**

- Proactive planning of transportation
- Opportunity for distribution optimization
- Reduced cost of distribution
- Improved integration with supply chain demand/supply signals
- Improved inventory availability at distribution centers



Business Value Measures – **SUPPLIER PERFORMANCE**

- On-Time Delivery
- In-Full Delivery
- Self Life performance
- Quality of Product (Product and Packaging)