



DemandPlanning.net presents:

# Integrated Sales and Operations Planning (S&OP)

*Sharpen Your Supply Chain with Accurate Planning and a Collaborative Approach!*



Workshop Leaders:

Mark Chockalingam

# Integrated Sales and Operations Planning

This workshop is a practical guide to designing and implementing an internal collaboration process which would improve your value chain planning and integrate into the business management.

Does your organization have a financial forecasting process that is distinct from your supply chain planning process? This could potentially result in a disconnected supply chain plan, causing sub-optimal inventories and inferior customer service. Implementing an efficient and cost-effective Sales and Operations Planning Process brings together all elements of Sales, Marketing, Finance and Operations into one integrated set of plans. This integrated planning forum greatly enhances communication of key market and customer intelligence into the supply chain.

Sales and Operations Planning is the best practice planning solution that starts with creating an unbiased demand forecast, reviews the feasibility of the demand plan in the face of supply constraints and arrives at a constrained operational plan to drive the supply chain operations in the immediate planning horizon. In this training workshop, we will explain the design and mechanics of this internal collaboration process which brings together all stakeholders. We will discuss the key components of the S&OP process – the mechanics, reports, consensus and hand-offs as well as the metrics. No other training program provides as much practical information and insight to all aspects of S&OP, as this.



## Who Should attend?

1. Demand Planners
2. Demand Planning Managers
3. Director of Forecasting and Demand Planning
4. Director of Supply Chain
5. Inventory and Operations Planners
6. Director or VP of Sales
7. Sales Managers
8. Finance Managers
9. Marketing Managers

## What will you learn?

- The key components of an effective Sales and Operations Planning process
- How to implement a quick-hit S&OP process using the five-step approach
- How to achieve a consensus demand forecast for use in supply chain planning
- How to identify and present supply constraints
- How to create and use sales, production and inventory plan templates to balance supply and demand
- How to create and use a supply chain score-card
- How to apply the principles of exception in S&OP

## Topics Covered:

- S&OP Overview - Key components
- Demand Forecasting Process
- Integrating the Sales Force to achieve Consensus
- Supply Review of Demand
- Implementation Methodology
- S&OP Templates and Reports
- S&OP Score-card
- New Product Planning
- Preparing for the Executive S&OP
- Exception Management in S&OP

To schedule this workshop at your company, contact us today  
training at [demandplanning.net](http://demandplanning.net) Phone: (781) 995-0685

# Workshop Agenda for Integrated S&OP

## Day 1

### 09:00 – 12 noon S&OP Overview

#### Sales and Operations Planning – What, Why and How?

- Do you regularly see lost sales due to stock-outs?
- Does your organization run into the problem of zero inventory of your most popular items?
- Are you keeping excess inventory of your “slow-moving” stock?
- Why S&OP?
  - Supply chain challenges – Service, costs and inventories
  - Financial forecasts and operational forecast disparities
  - Preparation to address external risks and opportunities
  - Balancing supply and demand

### 12:00 to 1:00pm – Lunch

### 1:00 – 3:00pm Demand Forecasting Process – How to integrate Sales and Marketing information to arrive at a consensus demand plan?

- Demand Forecasting Basics
- Key Terminology & Concepts
- Demand Process
- Organization Structure and Culture
- Role of the Demand Forecaster
- Roles and Responsibilities of Sales, Marketing, Finance and Supply Chain Demand Collaboration
- Consensus Demand Planning process
- Forecast Reconciliation with the financial forecast
- Business Unit Lead Presentation and Buy-in Integrated Planning

### 3:00pm – 3:30pm Assignment of a case example to participants

### 3:30pm – 5:00pm Demand Forecasting Error Metrics

- Importance of measuring forecast error
- Measurement Methodology
- Mean Absolute Percentage Error (MAPE) and Weighted Mean Percentage Error (WMAPE)
- Forecast Bias
- Relationship between Bias and Error
- Application of Error in inventory management strategies

## Day 2

### 09:00 – 11:00am Supply Collaboration

- Review of Supply performance metrics – Inventories and Schedule Adherence
- Rough Cut Capacity Planning
- S&OP review Charts
- Identify and review Supply Chain constraints
- Material/Supplier Sourcing Issues
- Financial impact of Supply Constraints
- Production Smoothing

### 11:00 to 12:00noon Executive S&OP

- Review GAPs between the financial plan and the constrained demand forecast
- Evaluating Risk and Opportunities to the Corporate Plan
- Summary of issues and resolutions for presentation to executive S&OP

### 12:00 to 1:00pm – Lunch

### 1:00 to 2:00pm Review of Supply Chain Metrics and the S&OP Score-card

- Balancing the Value Chain through Holistic Metrics
- Metrics to measure Customer Service
- Decomposition of Service Failure
- Demand, Inventory and Plant Metrics
- The S&OP Score-card

### 2:00pm to 3:00pm Implementing Sales and Operations Planning – the five step approach

In this session, we will review the steps in mapping and implementation of a formal S&OP process. We will outline the challenges in bringing all the stakeholders together, to get buy-in on the consensus format, meeting methodology and willingness to be measured using a shared metrics process.

- Define the problem and the S&OP Business Opportunity for the company
- Review the process for Sponsor support and approval, and Stakeholder education and buy-in
- Meeting Sequence and Methodology
- Illustration of Meeting templates
- Define consensus and how consensus is achieved
- Review of enabling technology.

### 3:15 Case Study Presentations

### 4:30pm Wrap-up

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# About Us

## Demand Planning, LLC

is a boutique consulting firm specializing in Business Process and Strategy consulting in the fields of Demand Forecasting and S&OP for medium-sized businesses. We offer specialized consulting services in the following practice areas:

- Demand Forecasting and Management
- Sales and Operations Planning (S&OP)
- Supply Chain Analytics and Measurement
- Inventory and market share forecasting
- Account Based Forecasting and CPFR©

Our full veriaty of training programs, webinars and customized on-site workshops includes:

- Demand Planning and Supply Chain Forecasting
- Metrics Design and Value Chain Performance
- Inventory Optimization and Management
- Sales and Operations Planning (S&OP)
- Market (POS) and Industry forecasting
- Customer Planning and Supply Chain Collaboration
- Forecasting and Planning for the Retail Sector

We also provide on-demand e-learning courses through our knowledge portal DemandPlanning.Net.

## A Sample of Workshop Clients:

- SAB Miller
- Texas Instruments
- Hewlett Packard
- World Kitchen
- FMC Lithium
- Campbell Soup
- McCain Foods
- Knoppen, Shanghai
- Vistakon J&J, Malaysia
- Pacific Cycles
- Smead Manufacturing
- Lifetime Products
- F. Schumaker
- Wyeth
- Celanese
- Abbott

## Mark Chockalingam Ph. D.

Dr. Mark Chockalingam is Managing Principal, Demand Planning, LLC. Mark specializes in demand forecasting, Sales and Operations Planning, Customer Planning and supply chain strategy. Mark has helped consulting clients in CPG, Pharmaceuticals, Chemicals and Retail to implement best practices to sharpen complex supply chains and help them be more customer-focused. He has worked on high profile projects with companies such as Abbott, FMC, Proctor and Gamble, Au Bon Pain, Teva Pharmaceuticals, and Miller SAB, Wyeth etc.

Mark has a Ph. D. in Finance from Arizona State University, an MBA from the University of Toledo and is a member of the Institute of Chartered Accountants of India.

## Contact Us:

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