



*Supply Chain Trend presents:*

## The S&OP pulse check IV

October 2014





# Contents

---

- About

- 2014 Insights:

*1. Improving consensus and communication are the key drivers to implement S&OP*

*2. S&OP processes lack the extended supply chain and scenario planning*

*3. Over 50% of practitioners are satisfied with S&OP, but 31% is still dissatisfied*

*4. Companies don't use clear S&OP maturity goals and measurements*

*5. People skills/resources is the main roadblock in implementing S&OP*

*6. Excel and ERP are still king, specific S&OP software is lagging*

*7. Better understanding and communication between functions is the main cultural change driven by S&OP*



# About

---

## The S&OP pulse check

This is the 4<sup>th</sup> S&OP Pulse check with the objective to informally research, create and share insight in S&OP. This is done by using free survey software from Kwiksurvey and using social networks to find participants. The aim is to take only 5 minutes from participants their time.

## Supply Chain Trend



Supply Chain Trend is a blog in which Niels challenges the status quo of supply chain topics with a focus on S&OP, leadership and culture. Since 2010 has created S&OP insight with the yearly S&OP pulse.

## Niels van Hove



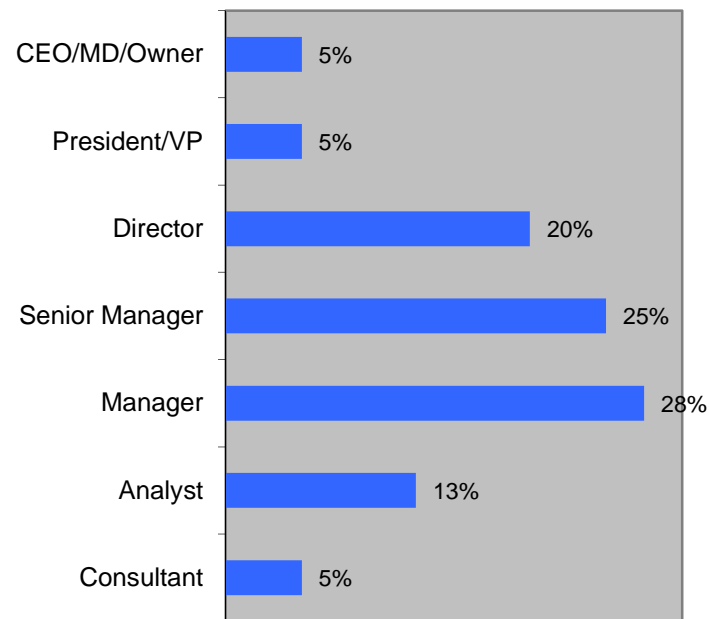
For almost 20 years, Niels has been working as consultant, supply chain manager and S&OP manager in several multi billion dollar companies in over 10 countries. Niels holds an MSc. in Operations Management from Amsterdam University, The Netherlands.



## Participants job level and company size

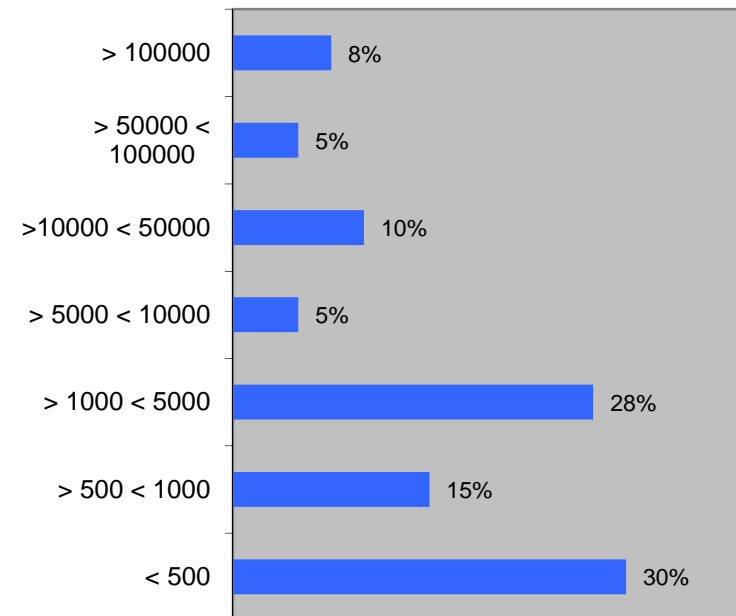
***Most participants are Senior Manager or higher.  
Company size is mostly under 5000 employees***

**55% is Senior Manager or higher**



Job level of survey participants. n=40

**73% has 5000 or less employees**



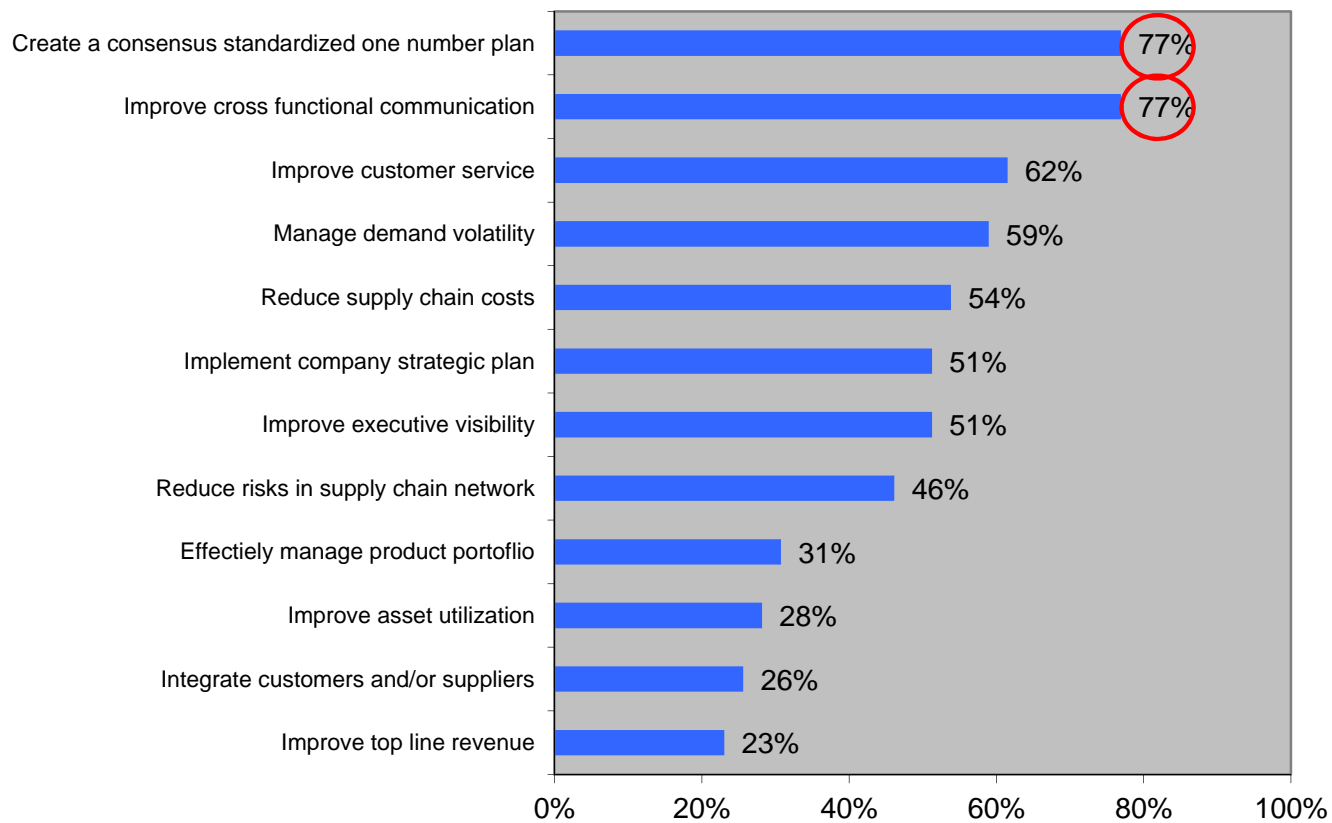
Company size in employees. n=40



# Key reasons to implement S&OP

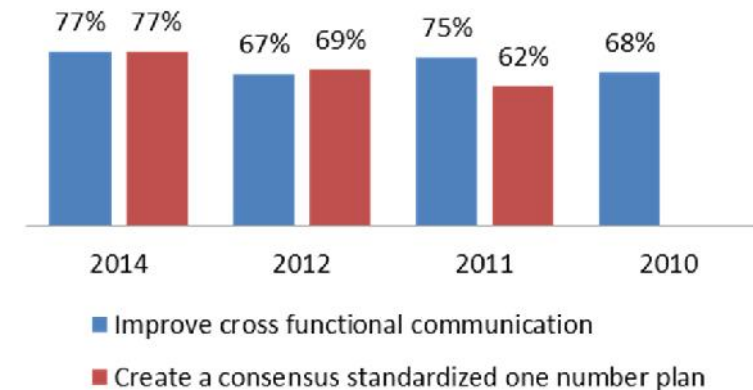
## Insight 1:

**Improving consensus and communication are the key reasons to implement S&OP. Creating consensus shows an increasing trend.**



Key reasons for S&OP according to survey participants. n=39

## Trend in top 2 S&OP reasons 2010-2014

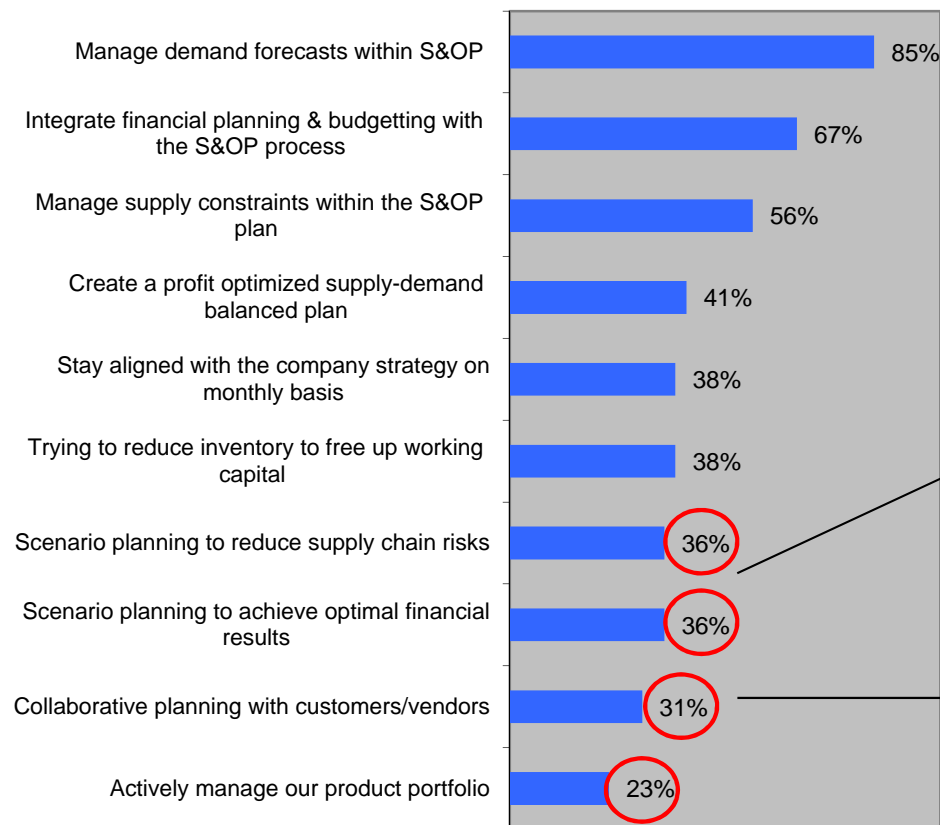




## Key actions in current S&OP process

### Insight 2:

**S&OP processes lack the extended supply chain and scenario planning. Actively managing product portfolio is lagging.**



**Scenario planning is not a key action in most S&OP processes**

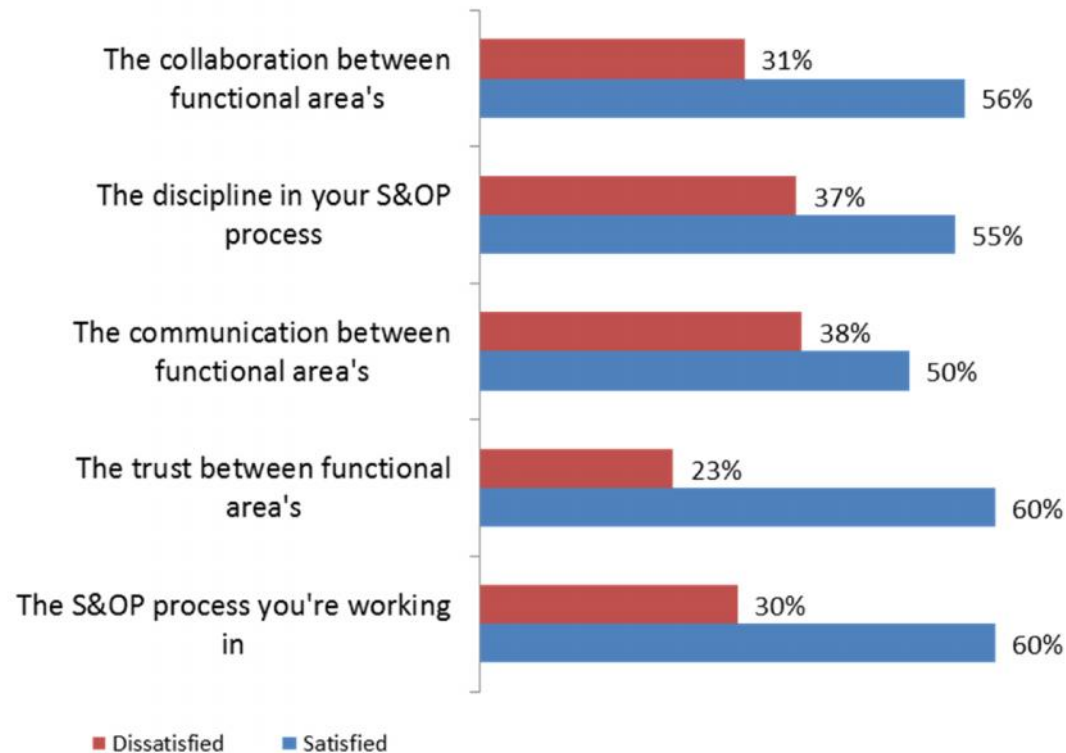
**The extended supply chain is not part of most S&OP processes**



## Level of satisfaction with S&OP

### **Insight 3:**

**Over 50% of practitioners are satisfied with S&OP, but 31% is still dissatisfied\***



S&OP satisfaction on S&OP according to survey participants. n=40

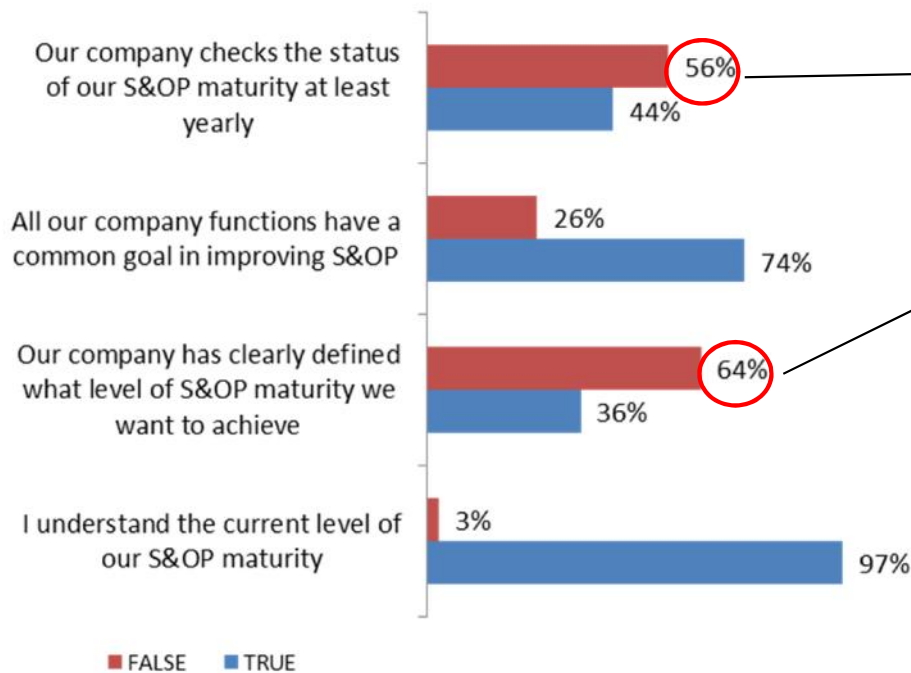
\* Overall average dissatisfaction is 31%. Graph does not add up to 100% because of N/A and neutral answers



# S&OP goals and measurements

## Insight 4:

### Companies don't use clear S&OP maturity goals and measurements



**Companies don't measure their S&OP maturity**

**Companies don't work towards a defined S&OP maturity**

**Only 28% has both clear S&OP maturity goals and measurements**

S&OP agreement on S&OP maturity statements according to survey participants. n=39

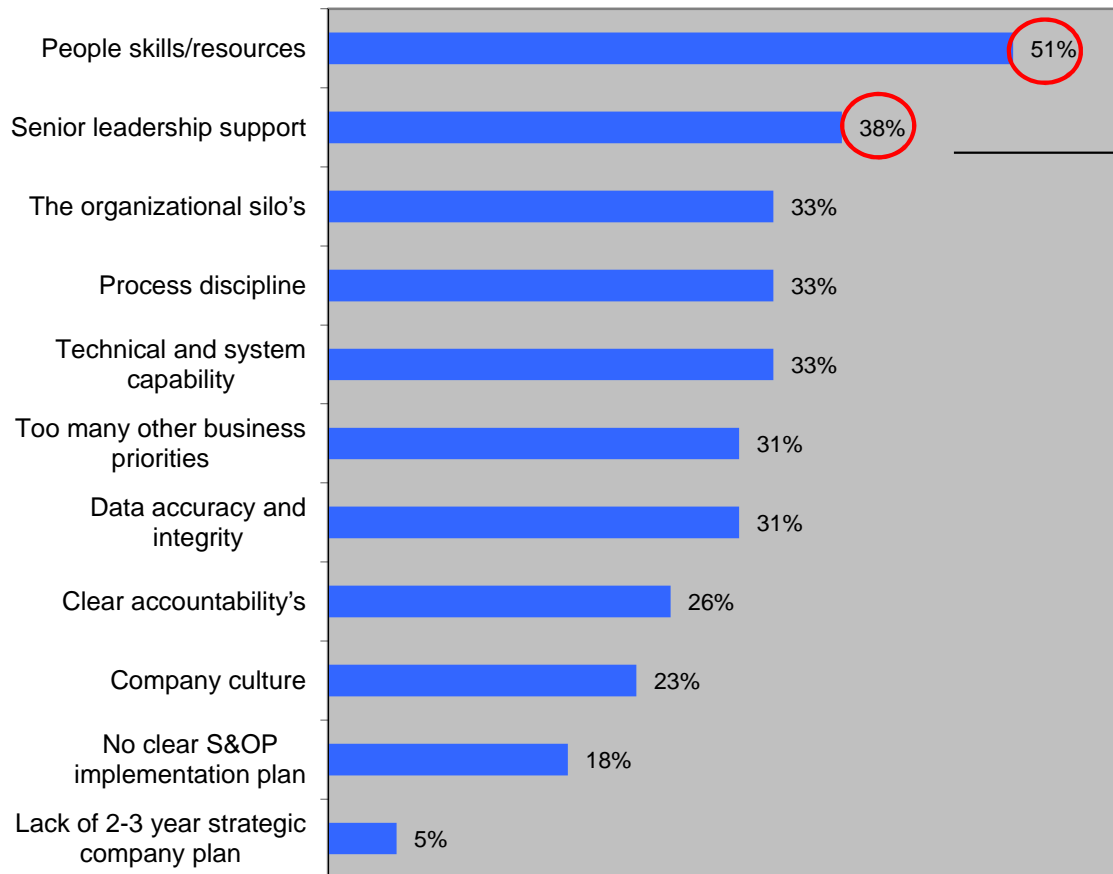




# Roadblock to implement S&OP

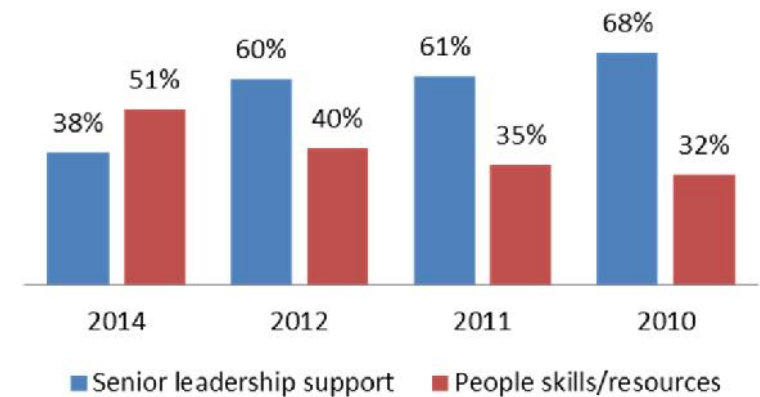
## Insight 5:

### People skills/resources is the main roadblock in implementing S&OP



**Senior leadership support was the main S&OP roadblock 2010-2012 and shows a decreasing trend**

Trend in top 2 S&OP roadblocks 2010-2014

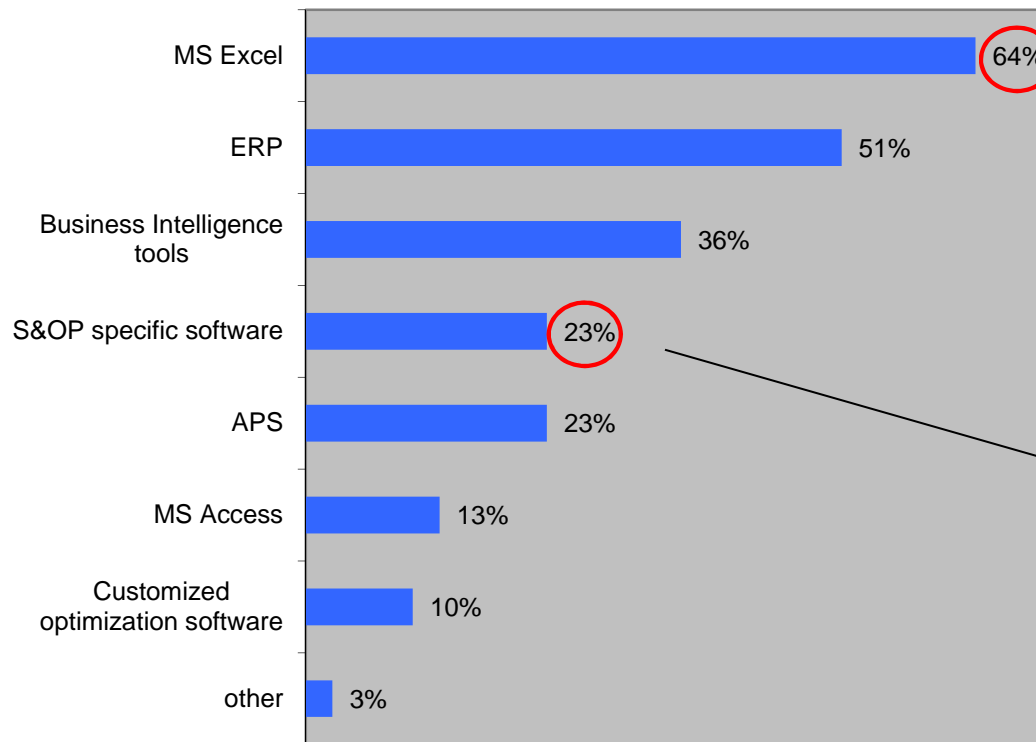


Roadblocks to implement S&OP according to survey participants. n=39



## Tools used in S&OP process

### **Insight 6:** **Excel and ERP are still king, S&OP specific software is lagging**



***Excel is the main tool used by practitioners in the S&OP cycle***

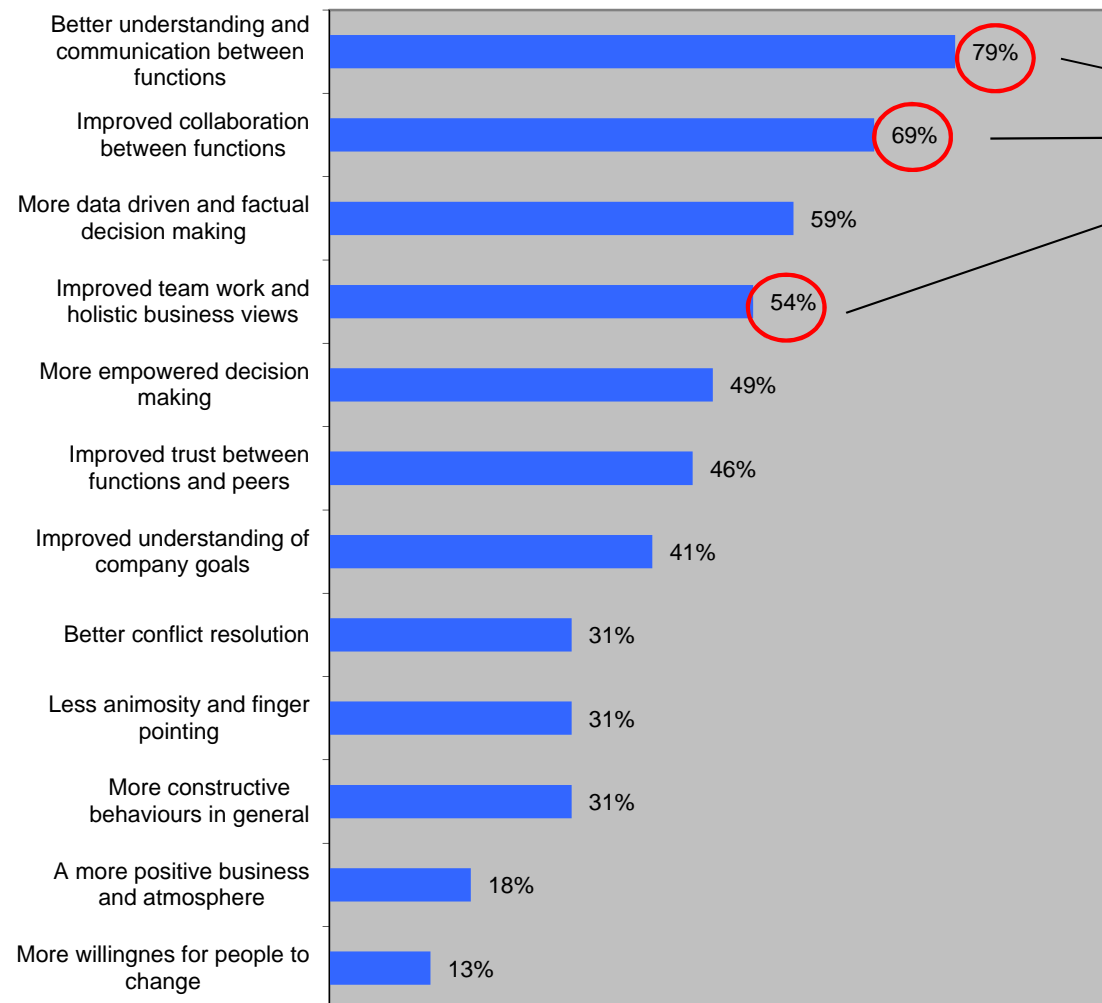
***S&OP specific software is not commonly used***

Tools used in the S&OP cycle according to survey participants. n=39



## Cultural changes due to S&OP

***Insight 7: Better understanding and communication between functions is the main cultural change driven by S&OP***



***S&OP drives cultural change in team work, collaboration and increased understanding between functional area's***

Thank You

---



**Supply Chain Trend**

