



The S&OP Pulse Check 2015

Your yearly dose of S&OP insights



TRUEBRIDGES
CONSULTING

SupplyChain Trend

Shaping the world of S&OP and supply chain

I started the S&OP Pulse check in 2010 to find answers I couldn't get from any conference, consultant, whitepaper or report and to increase my own knowledge. Now in its fifth year, it is still there to share insights and knowledge with S&OP practitioners.



Niels van Hove, founder Truebridges
and author of the blog Supply Chain Trend

The S&OP pulse check is unique because:

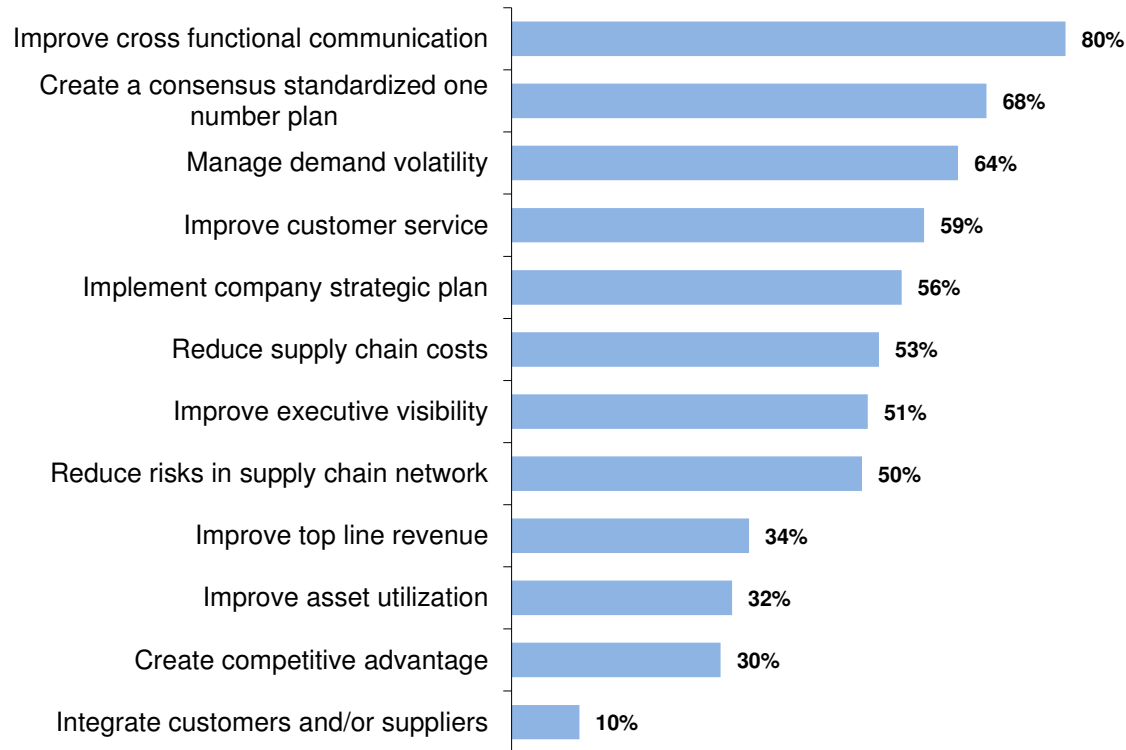
- 1. It is yearly recurring so trends can be identified*
- 2. The survey only takes 5 minutes of your time*
- 3. It is open source. The raw data is openly available*
- 4. No BS! It is from a practitioner for practitioners*

I hope you enjoy this years insights and my guiding comments. Feel free to create your own insights, the raw data is available on www.supplychaintrend.com

Key insights S&OP pulse check 2015:

1. **There is a need for clear S&OP and IBP definitions and industry standards**
2. **There is a lack of S&OP process and system innovation**
3. **Behaviours are not addressed enough in S&OP implementations**
4. **Strategy Alignment is becoming part of the S&OP conversation**
5. **S&OP is first of all about communication**
 - The main reason to implement S&OP is to improve cross functional communication
 - The main cultural change is improved understanding and communication between functions

The main reason to implement S&OP is to improve cross functional communication



Question: What are the main reasons to implement S&OP? (n=123)

Source: Supply Chain Trend 2015

Main reasons to implement S&OP: trends

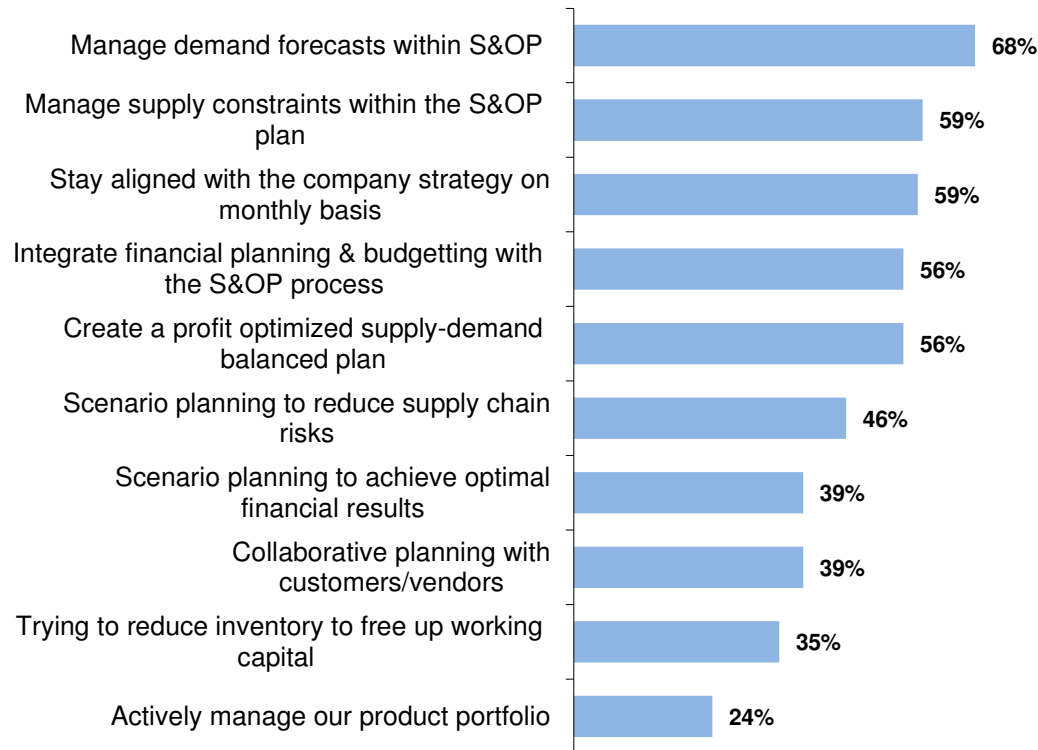
The top 3 main reasons to implement S&OP for the last 5 years

Question: What are the main reasons to implement S&OP?	2010 (n=50)	2011 (n=134)	2012 (n=52)	2014 (n=40)	2015 (n=123)
Improve cross functional communication	68%	75%	67%	77%	80%
Reduce supply chain costs	58%				
Improve customer service	56%	64%		62%	
Manage demand volatility		63%	65%		64%
Create a consensus one number plan			69%	77%	68%

“S&OP is first of all about improving communication and consensus. Other improvements follow from that”

Niels van Hove

The managing demand forecast & supply constraints are the main actions in S&OP



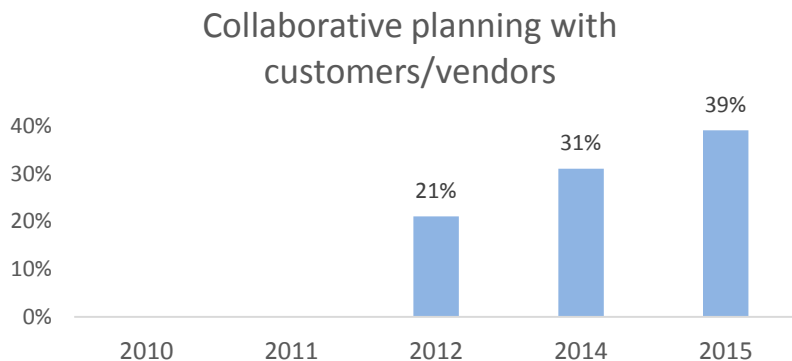
Question: What are the most important actions in an S&OP process? (n=123)

Source: Supply Chain Trend 2015

Main actions in S&OP process: trends

*The top 3 main actions in S&OP process for the last 5 years.
Strategy Alignment joins the top 3 for the first time*

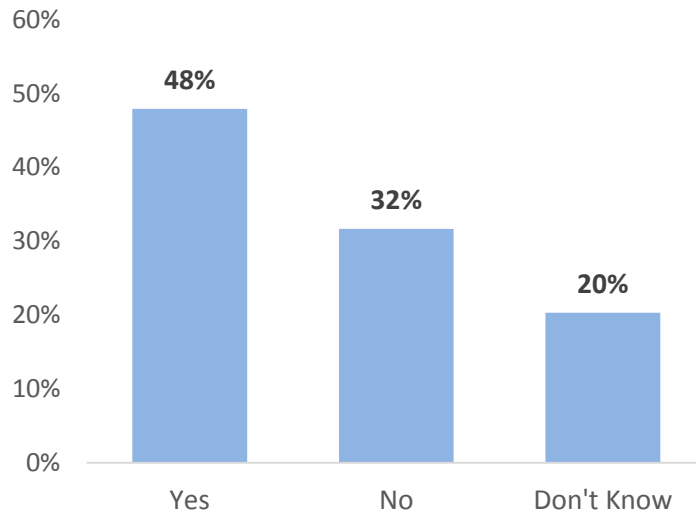
Question: What are the main actions in an S&OP process?	2010 (n=50)	2011 (n=134)	2012 (n=52)	2014 (n=40)	2015 (n=123)
Manage Demand Forecast in S&OP	71%	77%	73%	85%	68%
Manage Supply constraints in the S&OP plan	57%	62%	63%	56%	59%
Integrate financial planning & Budgeting in the S&OP plan	49%	52%	56%	67%	
Stay aligned with the company strategy					59%



“Strategy alignment is becoming part of the S&OP conversation and collaborative planning is on the rise”

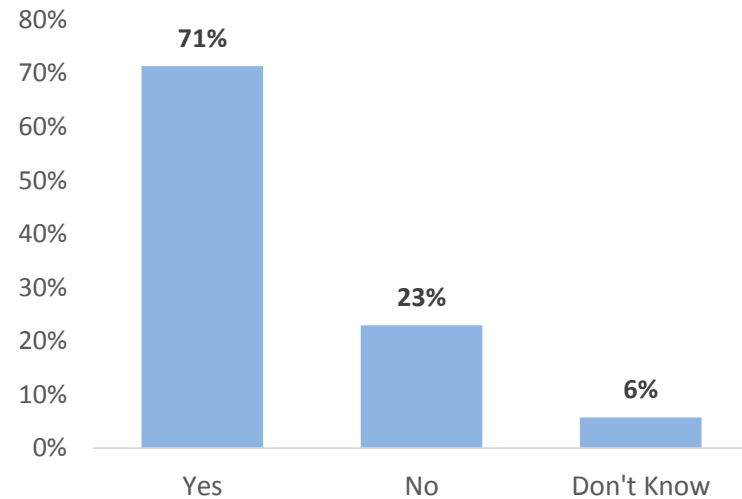
Niels van Hove

For practitioners it is simply unclear if there is a difference between S&OP and IBP. There is a clear need for industry standards.



Question: Do you think there is a difference between S&OP and IBP? (n=123)

Source: Supply Chain Trend 2015



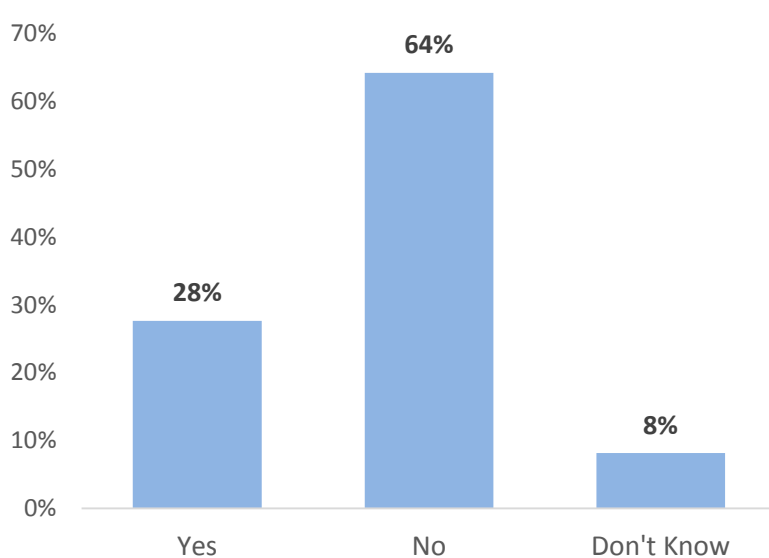
Question: Do you think we need more industry standards around S&OP? (n=123)

Source: Supply Chain Trend 2015

“If after 30 years of developing S&OP and IBP even supply chain people struggle to agree what it is, how can we get other business functions on board?”

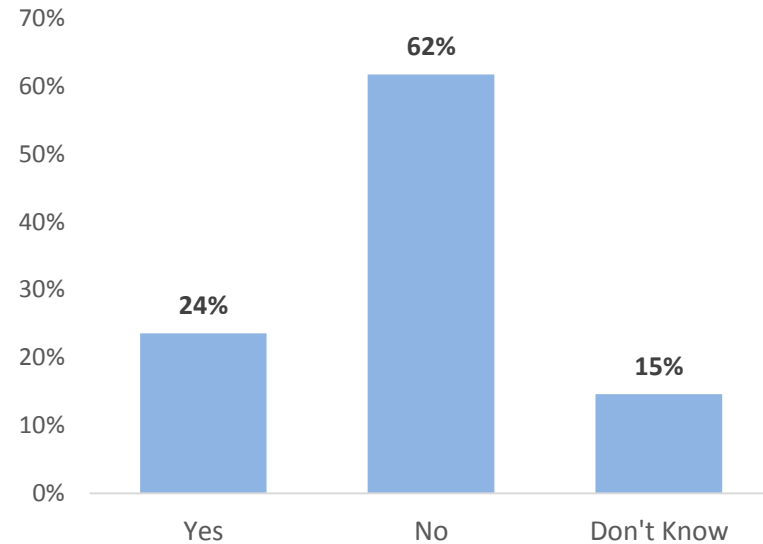
Niels van Hove

There is a perceived lack of process and system innovation in S&OP



Question: Do you think there is enough coordinated process innovation in S&OP? (n=123)

Source: Supply Chain Trend 2015



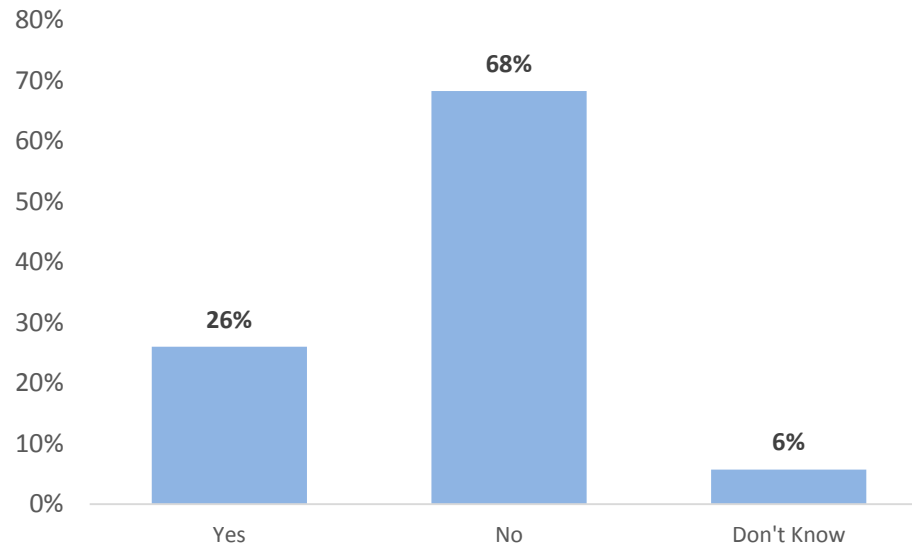
Question: Do you think there is enough innovation in S&OP systems? (n=123)

Source: Supply Chain Trend 2015

“There seems to be a disconnect between what vendors think S&OP innovation is and what the practitioner thinks this is”

Niels van Hove

Practitioners think that behaviours are not addressed enough in S&OP implementations



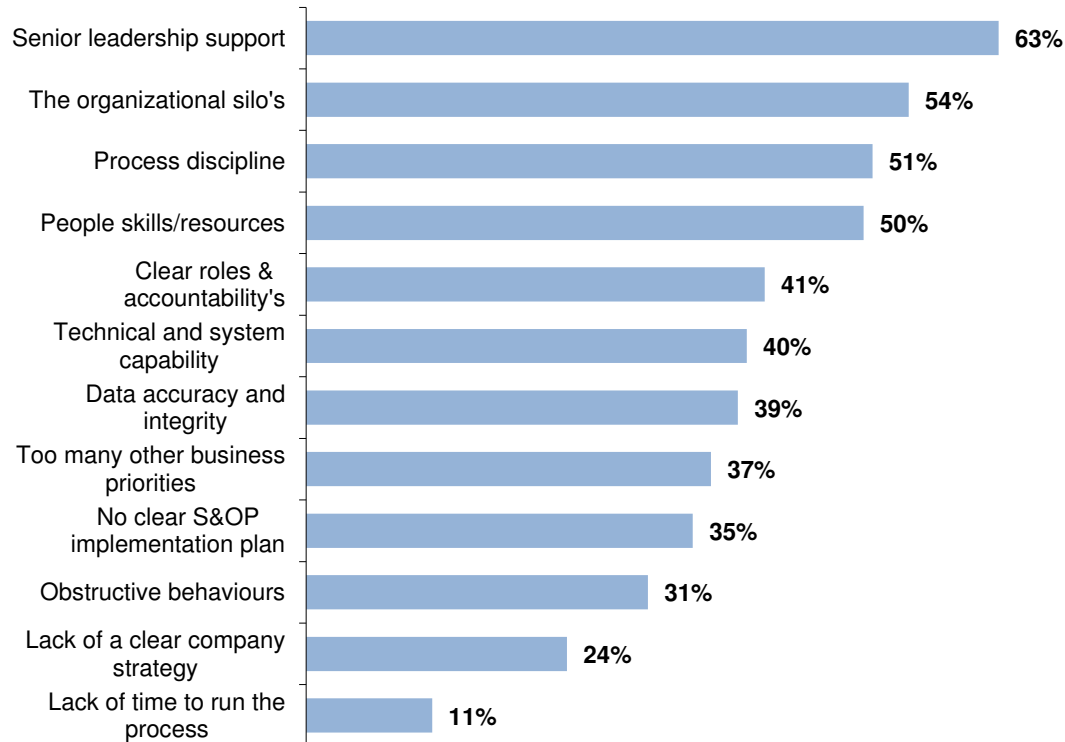
Question: Do you think behaviours are addressed enough in S&OP implementations? (n=123)

Source: Supply Chain Trend 2015

“Many consultancies scream out loud that behaviours are most important. Few of them have behavioural solutions in their value proposition”

Niels van Hove

The main roadblock in implementing S&OP is senior leadership support



Question: What are the main roadblocks in implementing S&OP? (n=123)

Source: Supply Chain Trend 2015

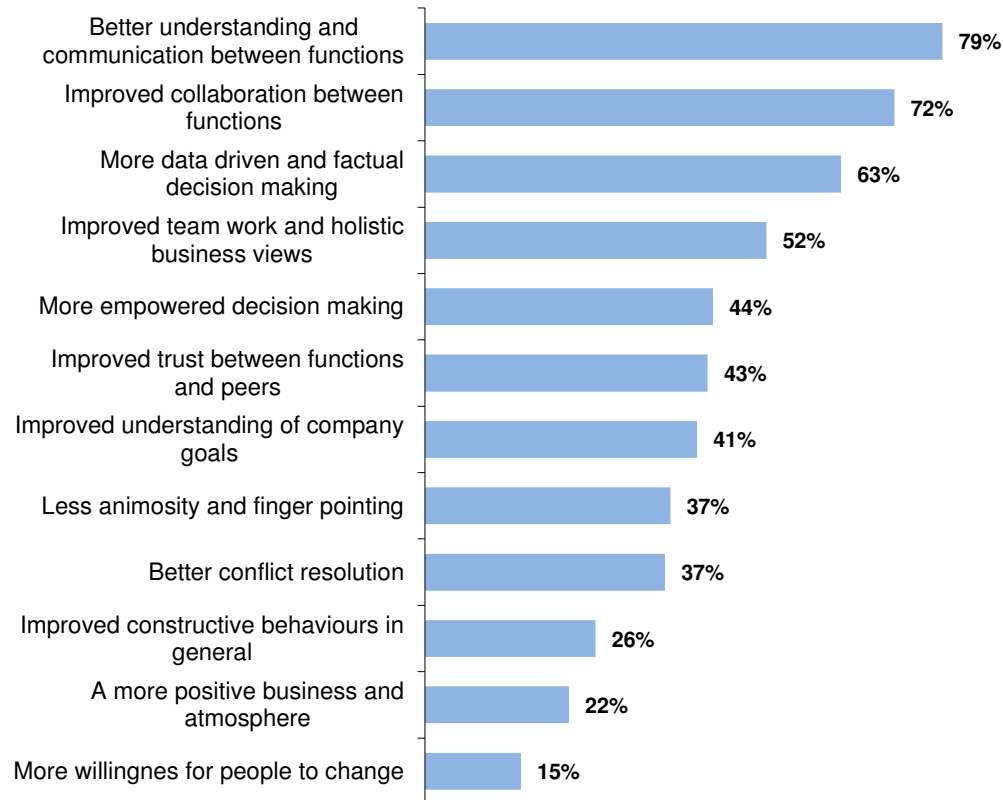
The top 3 main roadblocks in S&OP implementations for the last 5 years.

Question: What are the roadblocks in an S&OP implementation?	2010 (n=50)	2011 (n=134)	2012 (n=52)	2014 (n=40)	2015 (n=123)
Senior Leadership support	68%	61%	60%	38%	63%
Process Discipline	48%	51%	40%	33%	51%
The organizational silo's	48%	54%	44%	33%	54%
People Skills / Resources			40%	51%	
Technical and System capability			40%	33%	

“Main S&OP implementation roadblocks are very consistent over the years and only slightly technology, data or time driven ”

Niels van Hove

The main cultural change due to S&OP is improved understanding and communication between functions

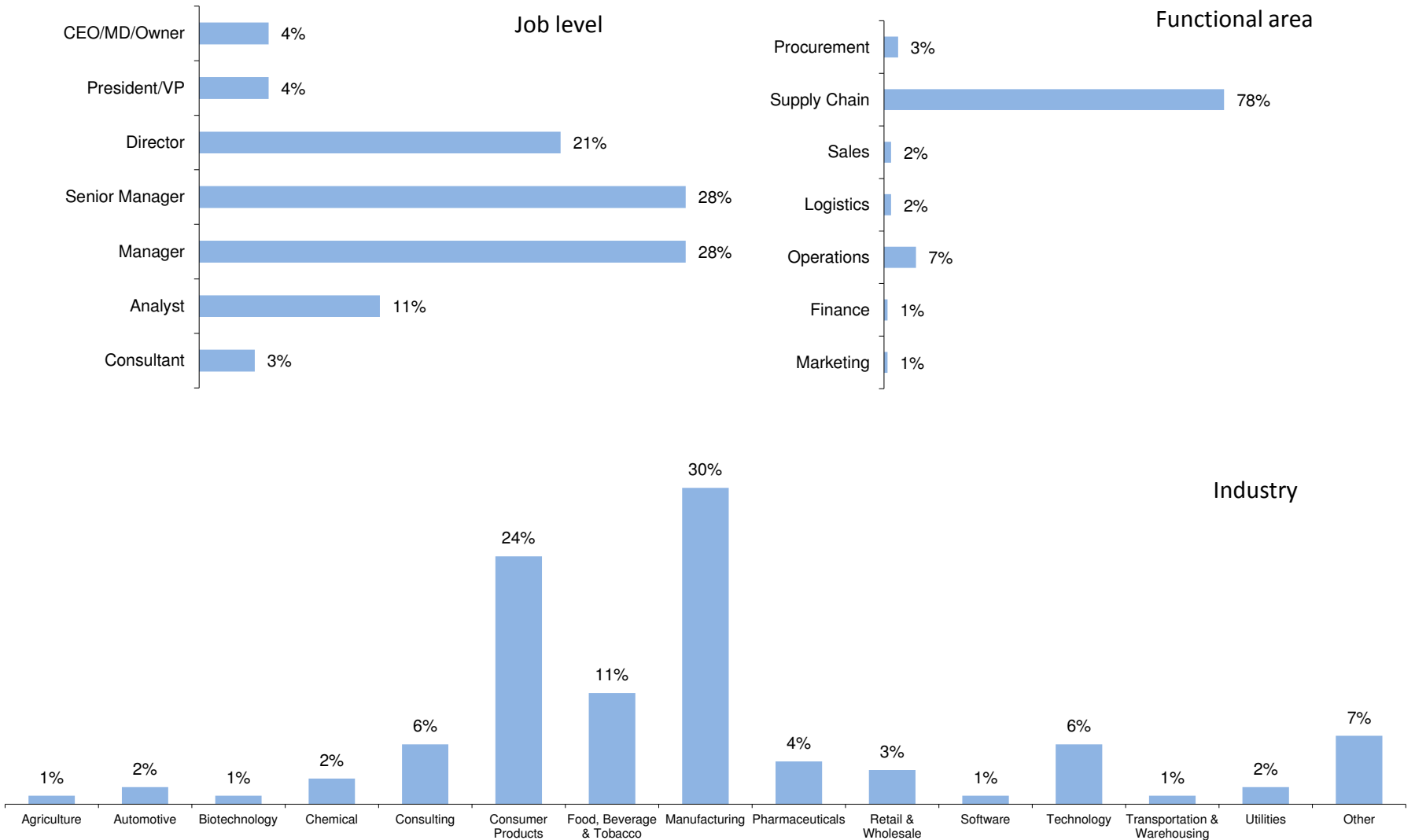


Question: What are the main cultural changes driven by S&OP? (n=123)

Source: Supply Chain Trend 2015

Survey Demographics

The 2015 S&OP pulse check had a total of 123 participants





Thank You

Feel free to connect with us



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