

The S&OP Pulse Check 2017

Your yearly dose of S&OP insights



Background

I started the S&OP Pulse check in 2010 to find answers I couldn't get from any conference, consultant or whitepaper. Now in its 6th year, it is still there to share insights and knowledge with S&OP practitioners



Niels van Hove, author of the blog [Supply Chain Trend](#)

As a coach, I'm very interested in culture, mindset and behaviours. The S&OP pulse check 2017 shows that:

- 1. Effective S&OP is related to positive cultural change*
- 2. Mental Toughness supports effective S&OP*
- 3. Behaviours are not addressed enough in S&OP*

I hope you enjoy this years insights

Summary

Key insights S&OP pulse check 2017



People & Culture

- Effective S&OP processes see more positive cultural change
- Mental Toughness supports effective S&OP
- Behaviours are not addressed enough in S&OP implementations

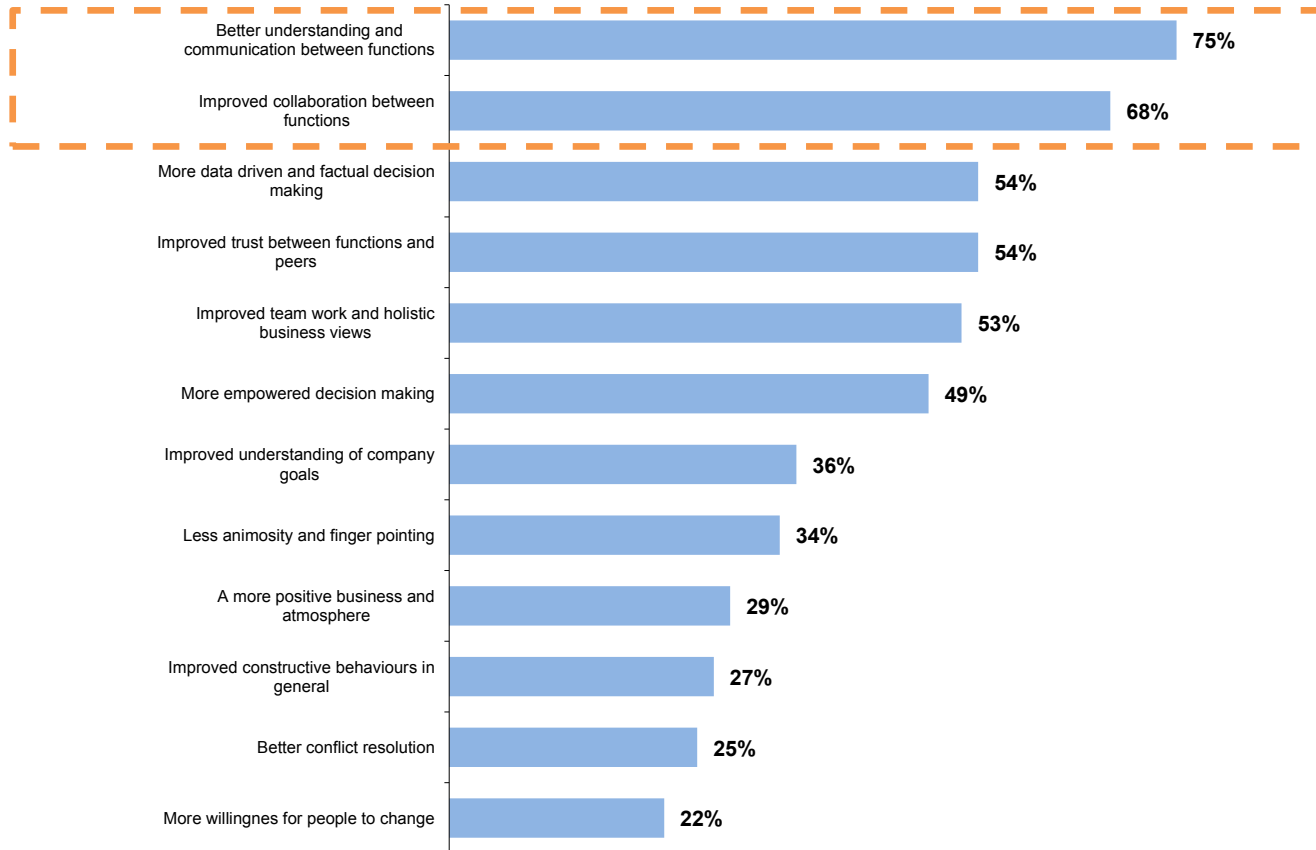


Process & Systems

- Integrating financial planning is now the main action in S&OP
- Managing the product portfolio remains underused
- 51% believes there is a lack of S&OP process & system innovation
- 64% believes there is a need for more S&OP standards
- People skills & resources is the main roadblock to implement S&OP

The main cultural changes driven by S&OP

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

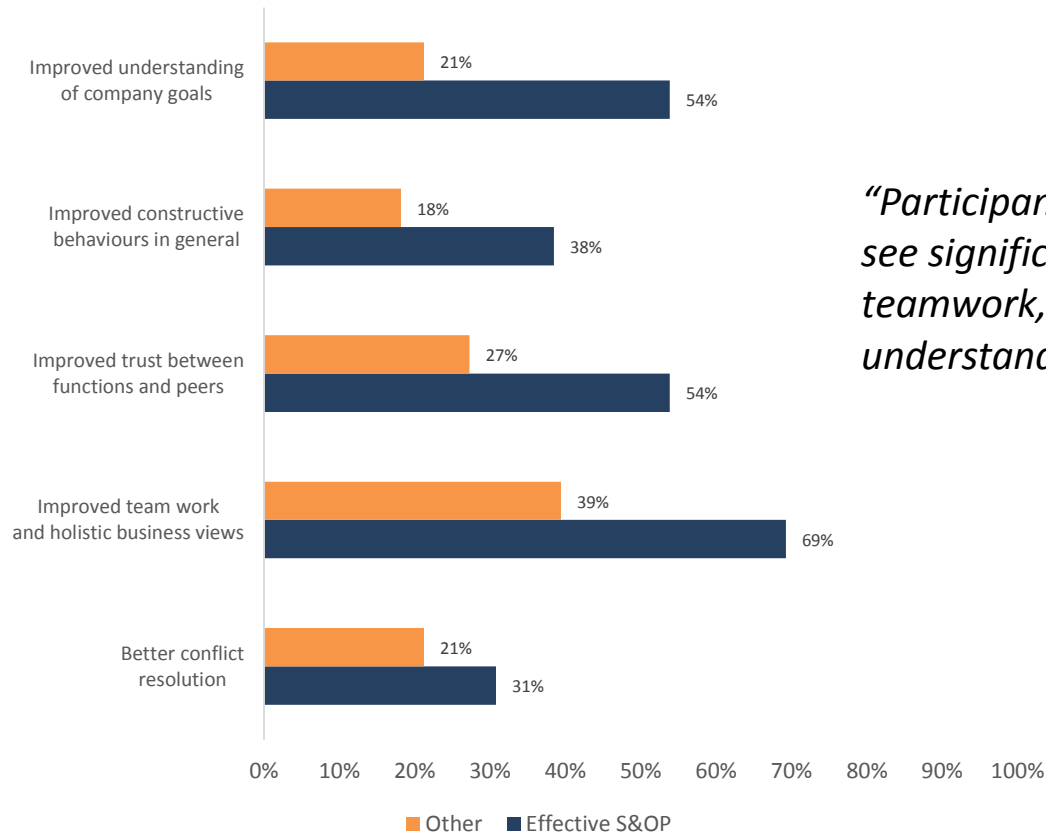


Question: What are the main cultural changes driven by S&OP? (n=59)

Source: Supply Chain Trend 2017

The main cultural changes driven by S&OP

However, effective S&OP processes see much more positive cultural change impact versus non-effective S&OP processes



“Participants in effective S&OP processes, see significant more proof of trust, teamwork, constructive behaviours and understanding of company goals.”

Niels van Hove

Question: What are the main cultural changes driven by S&OP? (n=59)

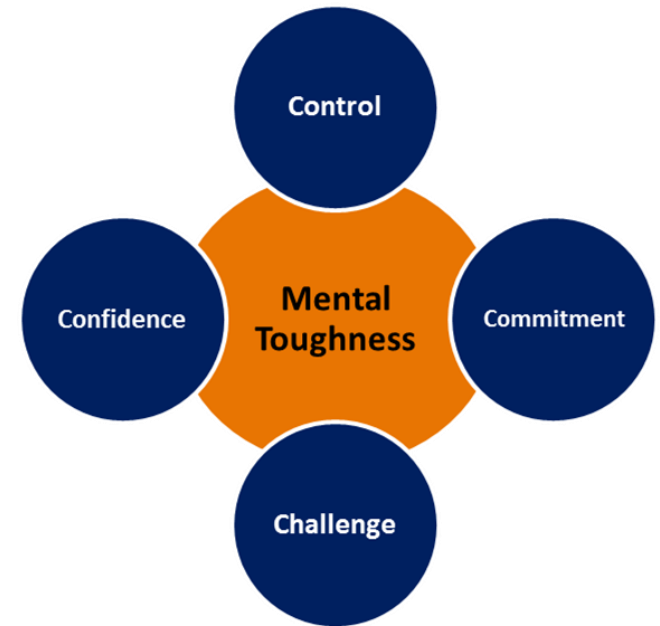
Source: Supply Chain Trend 2017

Mental Toughness supports effective S&OP

Mentally Tough individuals are pro-active, perform under pressure, are open to change and confident. Mental Toughness has four components

The 4 C's of Mental Toughness

1. **Control:** 'I really believe I *can do it*'. 'I can keep my *emotions in check* when doing it'. Self worth, Efficacy.
2. **Commitment:** 'I *promise* to do it – I'll set a goal'. 'I'll plan it'. Tenacity, Stickability, Grit.
3. **Challenge:** 'I am *driven* to do it'. 'Setbacks make me stronger.' Seeing opportunities not threats.
4. **Confidence:** 'I *believe* I have the ability to do it.' 'I can *stand my ground* if I need to.' Self Belief.



Mental Toughness can be measured and improved.
For more information go to [MentalToughness.online](https://www.mentaltoughnessonline.com)

Mental Toughness supports effective S&OP

Organizations with effective S&OP processes show more commitment, challenge, emotional control and willingness to change



Other Effective S&OP

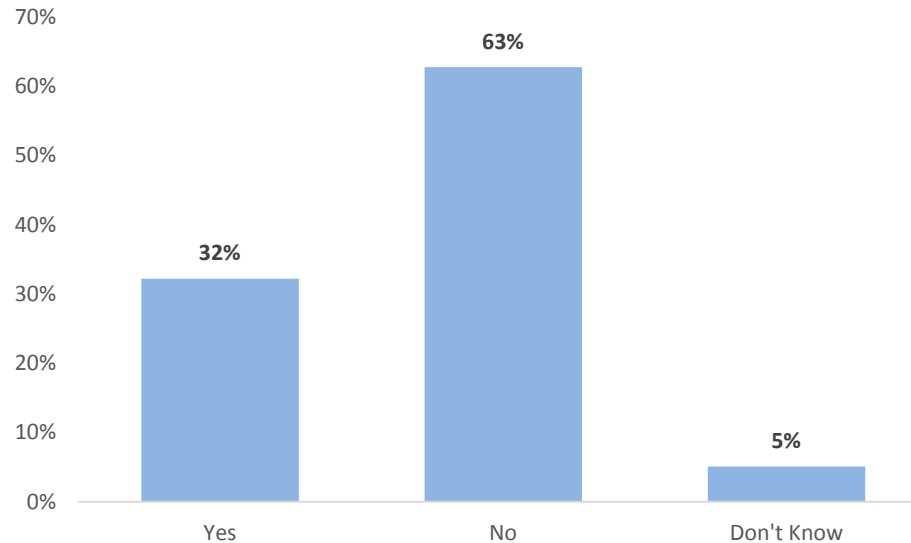
Question: what is your level of agreement with the following statements? (n=59). Percentages in graph shows agree and strongly agree

Source: Supply Chain Trend 2017



Behaviours are not addressed enough

63% of 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=59)

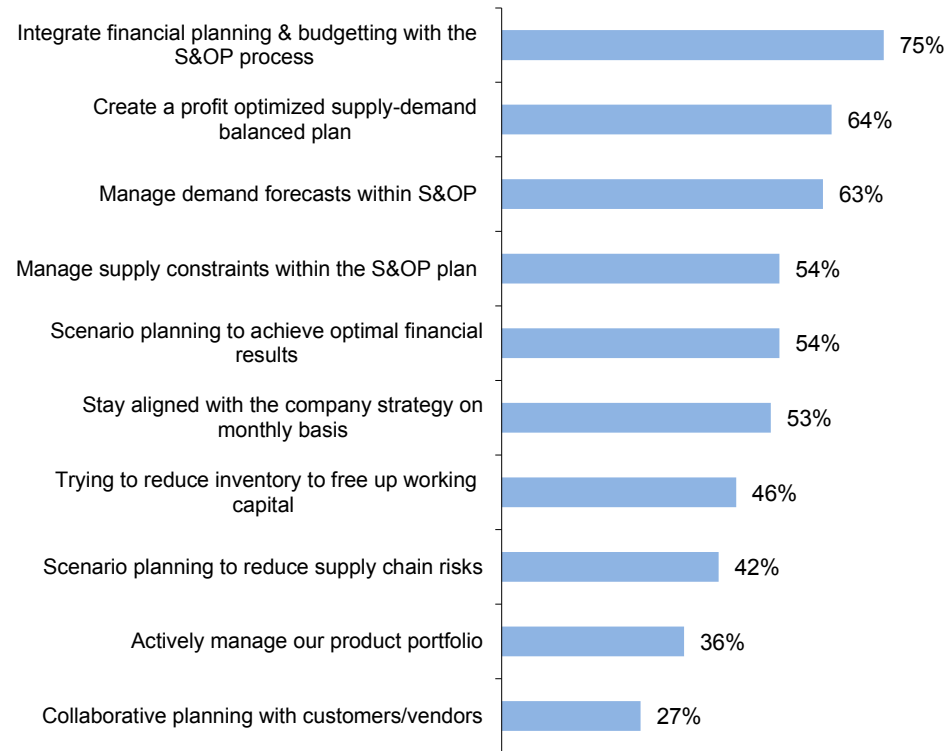
Source: Supply Chain Trend 2017

“Over time, company behaviours define company culture. If behaviours are not addressed, company culture will not significantly change”

Niels van Hove

The main actions in the S&OP process are evolving

Integrating financial planning & budgeting is chosen as the main action in S&OP for the first time since 2010



Question: What are the most important actions in an S&OP process? (n=59)

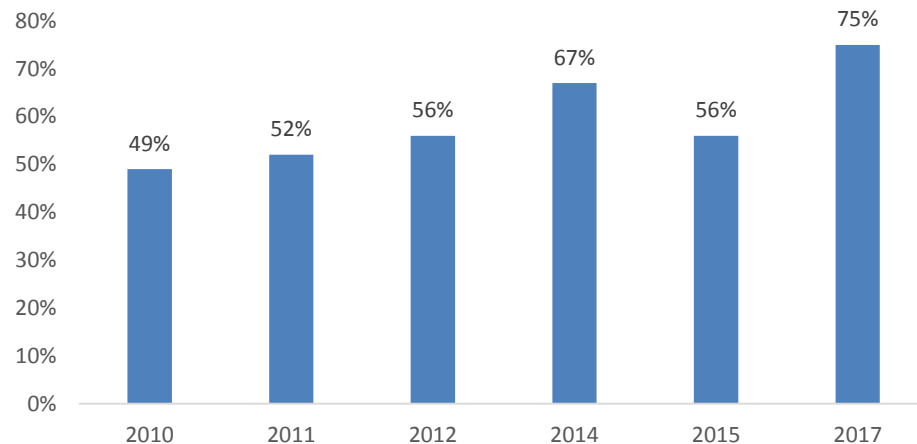
Source: Supply Chain Trend 2017

The main actions in the S&OP process: trends

Including the integration of financial planning has been growing, whilst product portfolio management remains underused

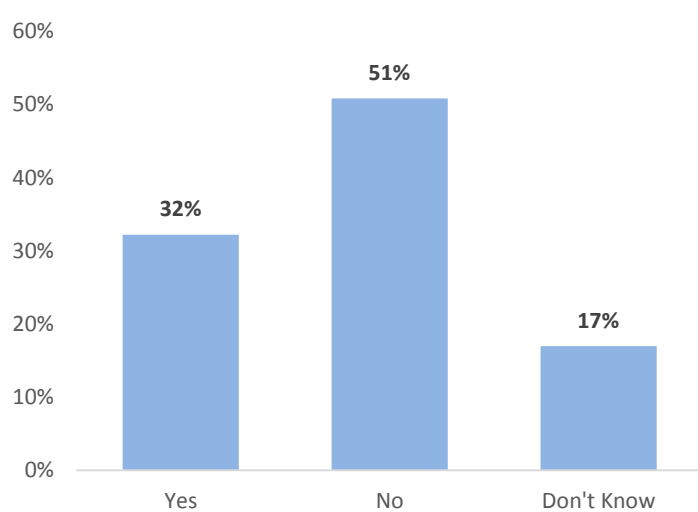
Question: What are the main actions in an S&OP process?	2010 (n=50)	2011 (n=134)	2012 (n=52)	2014 (n=40)	2015 (n=123)	2017 (n=59)
Integrate financial planning & Budgeting in the S&OP plan	49%	52%	56%	67%	56%	75%
Actively manage our Product Portfolio			23%	23%	24%	36%

Integrate financial planning & budgeting in the S&OP plan



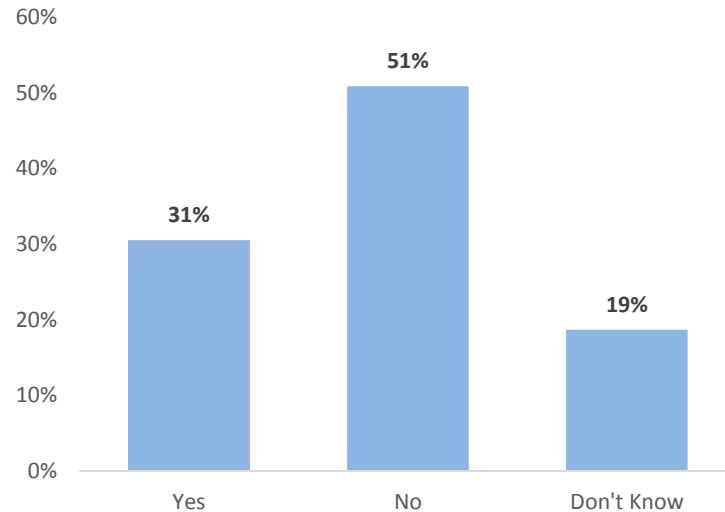
There is a perceived lack of S&OP innovation

Over 50% of participants think there is a lack of S&OP process and system innovation



Question: Do you think there is enough coordinated process innovation in S&OP? (n=59)

Source: Supply Chain Trend 2017



Question: Do you think there is enough innovation in S&OP systems? (n=59)

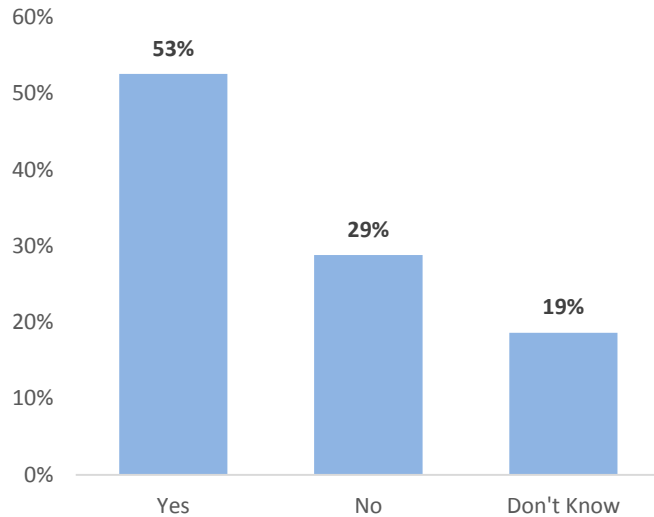
Source: Supply Chain Trend 2017

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

Niels van Hove

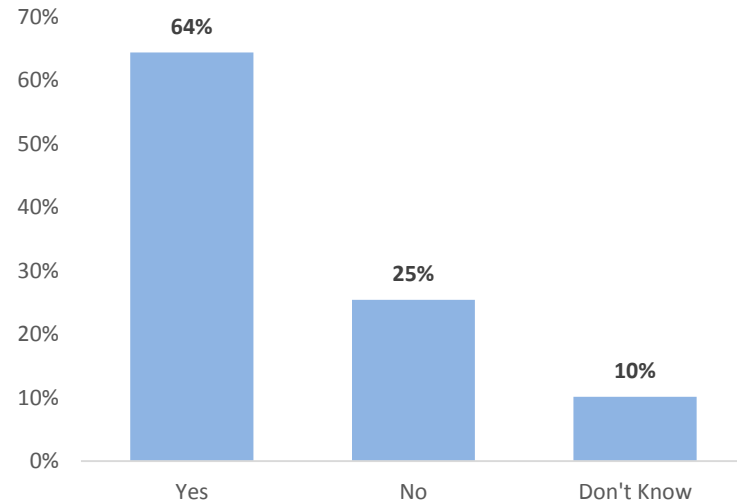
S&OP and IBP definitions and standards

***For practitioners it is still 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=59)

Source: Supply Chain Trend 2017



Question: Do you think we need more industry standards around S&OP? (n=59)

Source: Supply Chain Trend 2017

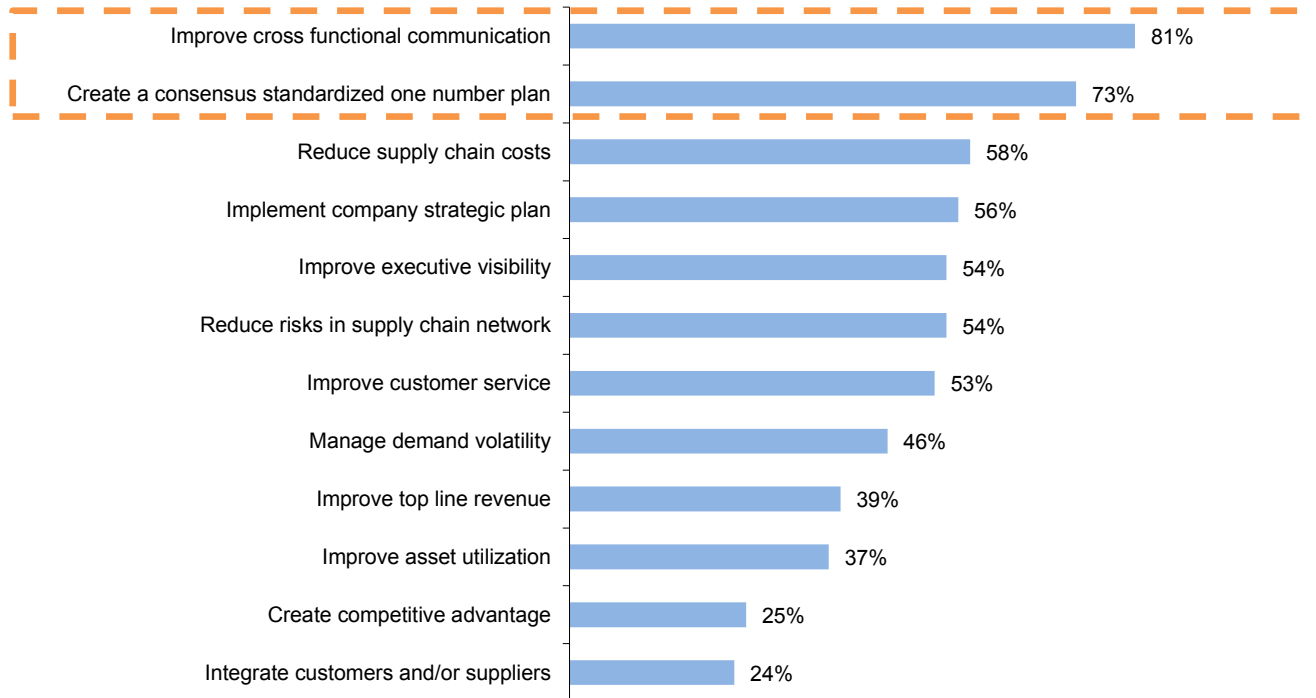
“If after 30 years of developing S&OP and IBP even supply chain people struggle to understand what it is, how can we get other business functions on board?”

Niels van Hove

The main reasons to implement S&OP

For the 6th year in a row, the top two reasons to implement S&OP are about communication and creating consensus

Top 2
since 2010

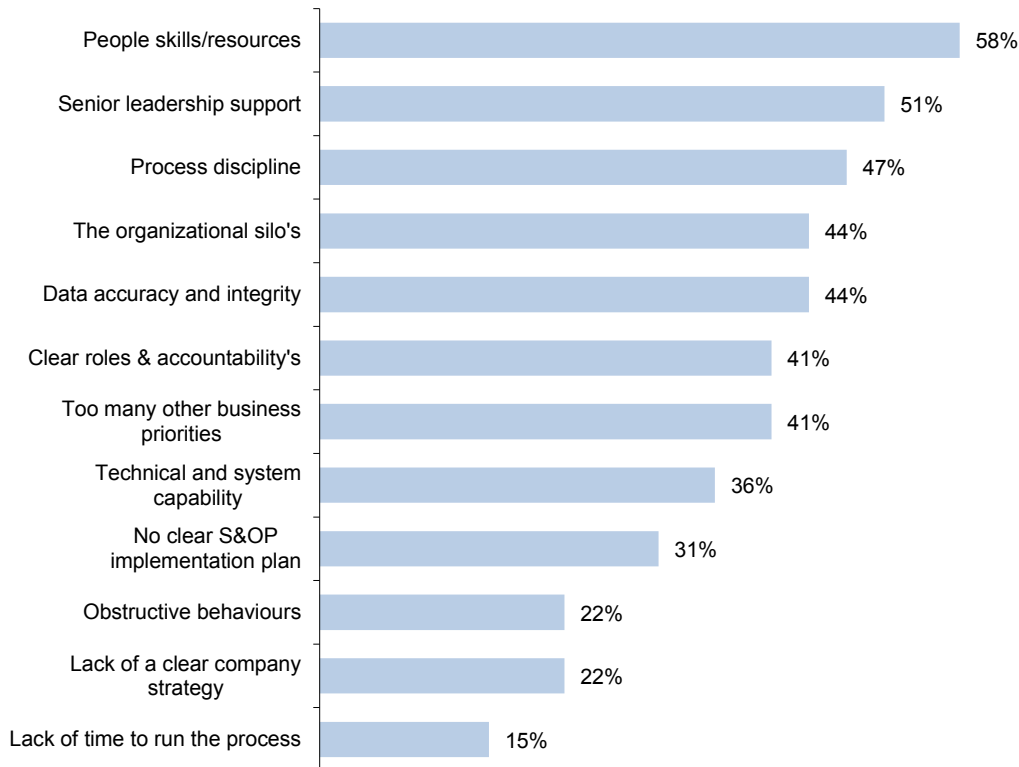


Question: What are the main reasons to implement S&OP? (n=59)

Source: Supply Chain Trend 2017

The main roadblocks to implement S&OP

People skills & resources is now the main roadblock in implementing S&OP, overtaking the usual number 1 senior leadership support

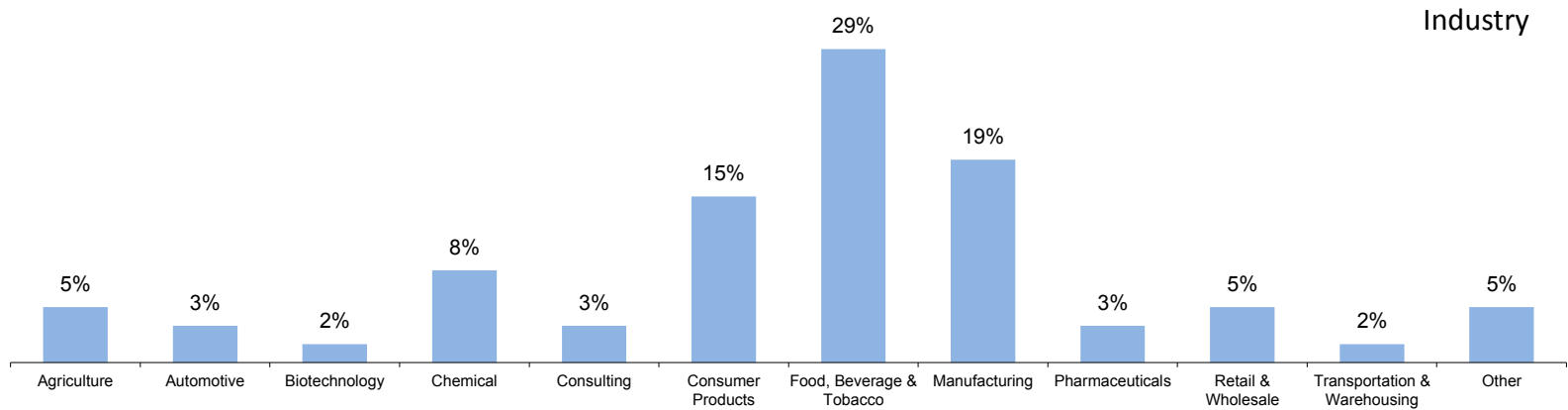
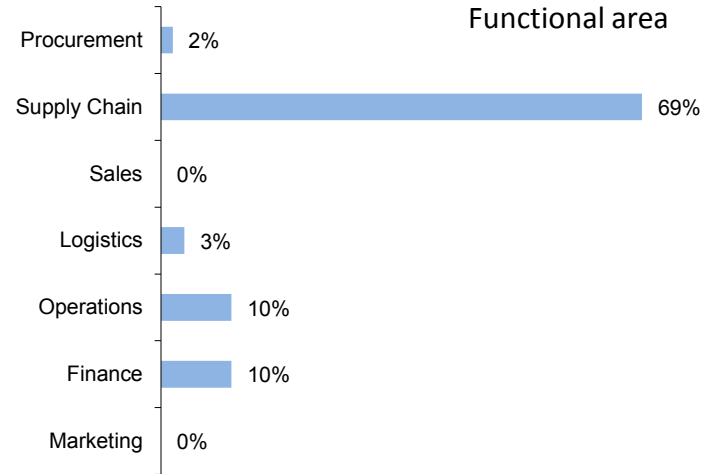
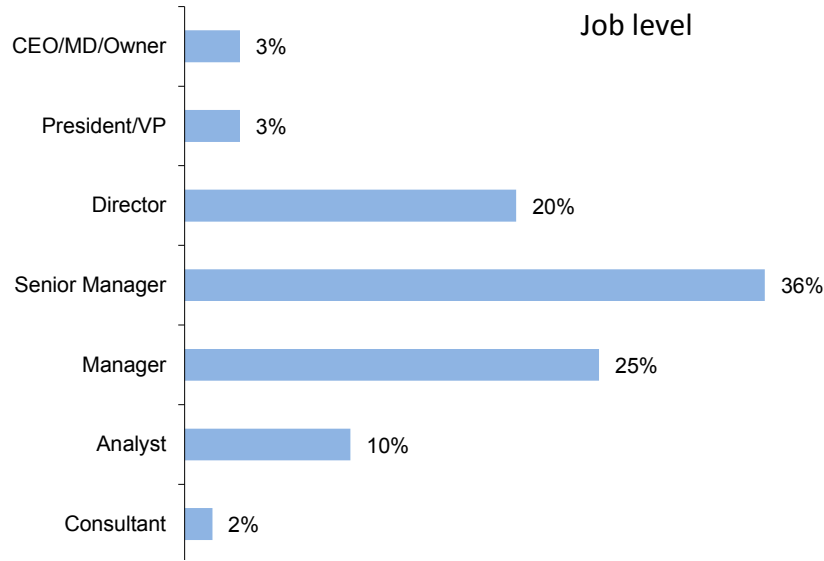


Question: What are the main roadblocks in implementing S&OP? (n=59)

Source: Supply Chain Trend 2017

Survey Demographics

The 2017 S&OP pulse check had a total of 59 participants



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Shaping the world of S&OP and supply chain



Read an introduction to Mental
Toughness and measure yourself

**MENTAL
TOUGHNESS
ONLINE**

Grab a copy of my e-book on
Building Mental Toughness



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Thank You

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