

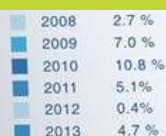
HOW TO SET UP A DEMAND DRIVEN SUPPLY CHAIN: MOVING FROM PUSH TO PULL TO MEET CUSTOMER NEEDS

Q&A WITH REVEAL VALUE

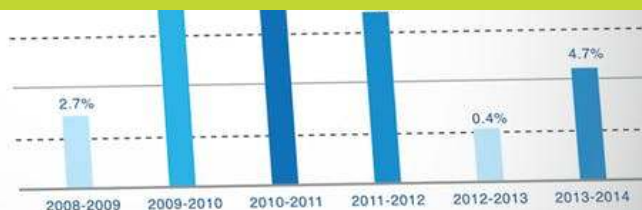




Ahead of the **American Supply Chain Summit 2019**, we spoke with Reveal Value to discuss how companies can set up a demand driven supply chain and move from push to pull in order to meet customer needs. In this Q&A, we address what steps companies need to take in order to reap the full benefits of a supply chain that is driven by demand, the key benefits of a mature supply chain, and how companies can leverage digitization to stay competitive.



global share of social networking.



Growth.

▲ 24.7050	▲ 86.560	0.650
47.0540	▲ 57.030	807.5
▲ 6760.70	▲ 5.7540	0.607
▲ 34.7080	▲ 0.7540	540.5
▲ 16.0680	▲ 0.7040	405.4



What steps do companies need to take in order to reap the full benefits of a supply chain that is driven by demand?

There is a natural progression to reap the full benefits of a supply chain that is demand driven, and it starts with optimizing the performance of your people, processes and systems -- including your ERP.

Is everyone working from one system of record and viewing the same set of information to make decisions? Or, are spreadsheets being utilized in many areas and therefore compromising the integrity of data to make real time decisions?

The second step is ensuring the rules companies are using in their system accurately reflect how they operate as a business. When demand comes into the supply chain, do you have your rules set up in your system to best meet the demand? For example, if a company wants to stock product to meet demand, then do they have the right safety stock levels set, the correct material replenishment lead times, and the appropriate coverage profiles in place?

The third step is education. Have we educated our supply chain to manage by exception or do we find ourselves constantly in firefighting mode? To be an agile supply chain that is demand driven, we need to reduce the noise that is in the system caused by bad data, bad processes and bad behaviors and get to a level of maturity where we are only addressing true supply exceptions like late vendor deliveries or unexpected demand.

The fourth step to reaping the full benefits of demand driven supply chain is the ability to work together, cross functionally, to innovate and address demand challenges. High performing supply chains leverage their people, processes and systems to meet and exceed customer demands and silos only slow down the ability to execute an end-to-end supply chain.

Finally, measure what matters to improve. Demand driven supply chains need to measure operational KPIs including forecast accuracy (plan vs actual), OTIF, production schedule attainment, overdue demand and supply, vendor performance, delivery blocks, and customer satisfaction. Without KPIs to measure how the organization is performing, it is difficult to identify where the company is having breakdowns in performance.

What are the key benefits of a mature supply chain within an organization?

A supply chain-oriented organization -- such as a manufacturer, distributor, wholesaler or asset-intensive company -- with a high Business Maturity® rating, has proven its ability to use and leverage its ERP's integrated capability to drive change and ongoing transformation to meet its evolving business goals. A mature supply chain realizes higher levels of business value from their people, processes and technology investments leading to reductions in working capital tied up in excess inventory, enhanced profitability, higher service levels, increased customer retention, and reduced operating costs. To raise its level of Business Maturity®, an organization must achieve faster response times to market fluctuations and align its people structures with its system structures. An integrated system equals an integrated organization that can muster the agility required to remain competitive.

How can companies use digitization to stay competitive in an ever-changing landscape?

Digitization helps connect processes and applications across multiple functional areas to sense and respond more quickly to customer needs and deliver value that is focused on outcomes. It changes how employees work by using intelligent technologies and reliable data to drive new levels of productivity and efficiency.



How can data enable real-time decision making?

Real-time decision making requires trustworthy data and behaviors aligned with the rules we have set in our system (master data). When data is accurate, and our supply chain rules reflect reality, then supply chains can react very quickly to exceptions and demand changes. The ability for the supply chain to quickly react provides the organization a competitive advantage in an ever-changing market.



Reveal transforms SAP-centric supply chain-driven businesses to run better. Our focus is to challenge the traditional thinking of the modern supply chain to ensure sustainable and successful businesses. We change the way people think and operate by revealing the hidden value in existing processes and deploying the smart use of technology. We combine wisdom, business smarts, technical expertise and artful precision to uncover exciting opportunities through our proprietary oVo® (ongoing VALUE optimization®) Methodology. Companies work with Reveal because they want to optimize value of their people, processes and the investments they have made in their systems. We help organizations achieve higher levels of efficiencies and profitability without additional investments in software.

To find out more, visit: www.revealvalue.com

A banner for the American Supply Chain Summit. The background is a black and white photograph of a large container port at night, with many stacked shipping containers and city lights in the distance. A large red diagonal shape cuts across the middle of the image. In the bottom left corner, on a green background, is the text for the summit.

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