Deploying the SAP® Integrated Business Planning S&OP Global Template at Stanley Black & Decker

Raghu Bhardvaj, Practice Director – SAP Supply Chain Solutions, Intrigo Systems
Chendur Anand, Manager, Accenture Technology
Session ID #84096
About the Speakers

Chendur Anand

- Manager – Client Delivery and Operations, Accenture Technology
- With > 6 Years experience in IBP, have been part of digital transformation projects for several industry leaders focusing on Supply Chain and related functions
- Loves reading, outdoors, and trips with family for

Raghu Bhardvaj

- Practice Director – SAP Supply Chain at Intrigo Systems - part of Accenture
- 20+ years of experience in SAP Supply Chain and helps COOs and Global Operations Leaders to implement Digital Supply Chain strategies and Roadmap as well as deploy S&OP Playbook with IBP Solution integrating with SAP S4 HANA and Business Network Collaboration
- Loves field sports like Golf and Cricket, camping and trips with friends and family
Key Outcomes/Objectives

1. Understand the Stanley Black and Decker SAP IBP solution scope
2. Design Global template with roll out roadmap for North America and Europe for SEF Business
3. Key Lessons Learnt from Global template deployment journey to date
Agenda

• Introductions
• Business case for IBP
• Solution Overview
• Keys Learnings
• Q&A
STANLEY BLACK & DECKER IS THE WORLD’S LARGEST TOOLS AND STORAGE COMPANY, THE WORLD’S SECOND-LARGEST COMMERCIAL ELECTRONIC SECURITY COMPANY, AND A WORLD-LEADING PROVIDER OF ENGINEERED FASTENING SYSTEMS, WITH UNIQUE AND POWERFUL GROWTH PLATFORMS IN THE OIL & GAS AND INFRASTRUCTURE INDUSTRIES.

Just as it was in 1843, our passion for excellence is seen around the world in our loyal customer relationships, disciplined operations and purposeful business growth.
Strategic Markets for Stanley Engineered Fastenings

Automotive
- Body
- Interiors
- Exterior Trim
- Powertrain & Chassi

Industrial
- Aerospace
- Infrastructure
- Recreation Vehicles
- Ground Transportation

Electronics
- Home Media
- Storage & Computing
- Handheld Electronics
- Automotive Electronics
Introduction

INTRIGO SYSTEMS
Black Belts in Enterprise Solutions

- 9 fully configured SAP E2E demo with 9 industry models
- Fortune 1000 clients across geographies
- 200+ highly experienced employee resources worldwide

SAP Solutions
- SAP IBP
- SAP Ariba
- SAP Hybris
- SAP ME
- SAP MII

Clients
- Stanley Black & Decker
- Yeti
- Blue Diamond Tools
- Nike
- Microsoft
- Fossil
- Corsair
- Yazaki
- Kimberly-Clark

- Strategic and deep seated partnerships with global leaders
- 200+ successful implementations globally
- Thought leaders in end-to-end supply chain solutions
Intrigo’s IBP Expertise

- SAP IBP launch partner
- Largest number of IBP Implementations worldwide
- 80+ Trained consultants
- First partner to deploy S&OP on HANA
- Proprietary agile implementation methodology
- 24x7 delivery and support for IBP
- Global partnership with SAP
- IBP development partner
- First IBP Edge Deployment
- S/4 Public Cloud Lighthouse partner
Intrigo’s IBP Implementation Know-how
BUSINESS CASE FOR IBP
Why IBP?

SBD’s Supply Chain Planning process is a monthly process with a planning horizon of 12 months plan covering all businesses in the division. The process earlier required:

- Significant amount of effort to consolidate/validate data (especially metrics)
- Limited/No ability to run Scenarios & Simulations
- Analyze data from different legacy tools/spreadsheets for Production/Purchase/Deployment etc.

The objective was to improve the efficiency and accuracy of these processes through the implementation of a central demand and supply planning software.

Ability to run quick simulations/scenarios & understand the impact before making decisions.
Business Benefits – Soft Savings

SAP IBP software enables:

– **Visibility and Velocity** of Information
– **Transparency** of data sources
– **One Set of Numbers** across demand & supply

People efficiency:

– Eliminates manual excel sheet hand-offs
– Focus on improvements

Demand and supply are integrated in one database with workflow methodology. This enables:

– **Collaboration**: Transparent & Efficient collaboration between supply and demand
– Reporting and Analytics
Business Benefits – Hard Savings

• **Forecast Accuracy improvement**
  – Statistical modeling and leveraging Contracts information
  – Ability to see accuracy impact of forecast changes across contributors
  – Transparency of the source of forecast changes

• **Faster Simulation/Scenario capabilities**
  – Scenarios in IBP can be created very quickly & very intuitive facilitating Users to analyze different scenarios before making decisions
SOLUTION OVERVIEW
SAP Integrated Business Planning (IBP) – Overview

**Key Stakeholders**
- Demand Planning
- Supply Planning
- Executives (Consensus)
- Financial Planning

**Value Proposition**
- Statistical Forecasting
- Consolidate Demand Streams
- Forecast Roll Up and Roll Down
- Rough Cut Capacity Planning (RCCP)
- Scenario Planning
- What-if analysis

**Technical Scope**
- Configuration of IBP S&OP platform
- Integration with
  - North America IND & Auto – JDE ERP & OAD (Decorah)
  - Europe – S/4 HANA
  - CribMaster – ECC P10

**L2 Process Flows**

**Purpose**
- Roll-out best in class S&OP process and technology
- Leverage technology to shorten process cycle for productivity and collaboration
- Integrate ESO&P and Financial Forecast activities – allowing for integrated leadership participation and decisions

**IBP S&OP Module In Scope**
SBD SEF S&OP Process

**Inputs**
- SFDC New Requirements
- Historical Orders
- Actual Orders

**Inputs**
- Demand Plan
- Inventory Data
- Capacity Data

**Inputs**
- Demand Plan
- Supply Plan
- Funnel Forecast

**Outputs**
- Funnel Forecast for Demand and ESOP
- Demand Plan
- Demand Plan
- Supply Plan
- Consensus Requirements for MRP consumption

**Steps**
1. PRB Review
2. Demand Review
3. Supply Review
4. ESOP Review
Data Imports From ERP To IBP

AD-HOC Master Data Imports From ERP to IBP

<table>
<thead>
<tr>
<th>Job Description</th>
<th>HCI JOB NAME</th>
</tr>
</thead>
<tbody>
<tr>
<td>Master Data for Customer</td>
<td>TASK_S4H_IBP_CUSTOMER</td>
</tr>
<tr>
<td>Master Data for Location</td>
<td>TASK_S4H_IBP_LOCATION</td>
</tr>
<tr>
<td>Master Data for Resource</td>
<td>TASK_S4H_IBP_RESOURCE</td>
</tr>
<tr>
<td>Master Data for Resource Location</td>
<td>TASK_S4H_IBP_RESOURCELOCATION</td>
</tr>
</tbody>
</table>

Daily Master Data Imports From ERP to IBP

<table>
<thead>
<tr>
<th>Job Description</th>
<th>HCI JOB NAME</th>
</tr>
</thead>
<tbody>
<tr>
<td>Master Data for Product</td>
<td>TASK_S4H_IBP_PRODUCT</td>
</tr>
<tr>
<td>Master Data for UOM Conversion</td>
<td>TASK_S4H_IBP_UOMCONVERSION</td>
</tr>
<tr>
<td>Master Data for Location Product</td>
<td>TASK_S4H_IBP_LOCATIONPRODUCT</td>
</tr>
<tr>
<td>Master Data for Source Location</td>
<td>TASK_S4H_IBP_LOCATIONSOURCE</td>
</tr>
<tr>
<td>Master Data for Production Source Header</td>
<td>TASK_S4H_IBP_PRODRESOURCESHEADER</td>
</tr>
<tr>
<td>Master Data for Production Source Item</td>
<td>TASK_S4H_IBP_PRODRESOURCESITEM</td>
</tr>
<tr>
<td>Master Data for Customer Resource</td>
<td>TASK_S4H_IBP_CUSTOMERRESOURCE</td>
</tr>
</tbody>
</table>

Daily Transactional Data Imports From ERP to IBP

<table>
<thead>
<tr>
<th>KEY FIGURE NAME</th>
<th>KEY FIGURE DESCRIPTION</th>
<th>PLANNING LEVEL</th>
</tr>
</thead>
<tbody>
<tr>
<td>ACTUALINCOMINGQTY</td>
<td>Incoming Ord Qty</td>
<td>PERIOD</td>
</tr>
<tr>
<td>ACTUALDELIVEREDQTY</td>
<td>Shipment Qty</td>
<td>PERIOD</td>
</tr>
<tr>
<td>ACTUALCONSUMPTIONQTY</td>
<td>Consumption Qty</td>
<td>PERIOD</td>
</tr>
<tr>
<td>ACTUALREV</td>
<td>Invoiced Revenue</td>
<td>PERIOD</td>
</tr>
<tr>
<td>OPENSALESORDERQTY</td>
<td>Open Sales Orders Qty</td>
<td>PERIOD</td>
</tr>
<tr>
<td>OPENSALESORDERREV</td>
<td>Open Sales Orders Rev</td>
<td>PERIOD</td>
</tr>
<tr>
<td>PASTDUEORDERQTY</td>
<td>Past Due Order Qty</td>
<td>PERIOD</td>
</tr>
<tr>
<td>PASTDUEORDERREV</td>
<td>Past Due Order Rev</td>
<td>PERIOD</td>
</tr>
<tr>
<td>CUSTOMERFORECASTQTY</td>
<td>Customer Forecast Qty</td>
<td>PERIOD</td>
</tr>
<tr>
<td>CUSTOMERFORECASTREV</td>
<td>Customer Forecast Rev</td>
<td>PERIOD</td>
</tr>
<tr>
<td>COSTPERUNIT</td>
<td>Cost Per Unit</td>
<td>PERIOD</td>
</tr>
<tr>
<td>TARGETSAFETYSTOCK</td>
<td>Target Safety Stock</td>
<td>PERIOD</td>
</tr>
<tr>
<td>ERPPLANORDQTY</td>
<td>ERP Planned Orders</td>
<td>PERIOD</td>
</tr>
<tr>
<td>ERPPRODORDQTY</td>
<td>ERP Production Orders</td>
<td>PERIOD</td>
</tr>
<tr>
<td>ERPPURCHASEORDQTY</td>
<td>ERP Purchase Orders</td>
<td>PERIOD</td>
</tr>
<tr>
<td>ERPPURCHASEREQQTY</td>
<td>ERP Purchase Requisitions</td>
<td>PERIOD</td>
</tr>
<tr>
<td>ERP Distribution Demand</td>
<td>ERP Distribution Demand</td>
<td>PERIOD</td>
</tr>
<tr>
<td>ERP Distribution Demand-Confirmed</td>
<td>ERP Distribution Demand-Confirmed</td>
<td>PERIOD</td>
</tr>
</tbody>
</table>

Planned Independent Requirements Exported to ERP Systems Daily
**Scope and Timeline**

1. **July 2017 – Nov 2017**
   - Integrator Selection Process
   - Internal Project Preparation

2. **Dec 2017 – Jan 2018**
   - Agile based Project Implementation
   - Prep Activities

3. **April 2018**
   - Sprint 0
   - Global Template requirements

4. **June 2018**
   - Initial Cycle in IBP
   - build ready

5. **July 2018**
   - Agile based Project
   - Implementation UAT activities

6. **Sept 2018**
   - North America Go-Live and Hypercare

7. **Nov 2018**
   - Europe Go-Live and Hypercare
SBD-SEF Integration Design

Master Data
- Products
- Locations
- Customers
- Exchange Rates

Transactional Data
- BoM’s
- Routings
- Assets
- Calendar
- Rates

Opportunities
Market Data
Market Insights
Budget Plans
Account Team Forecast
Market Trends
Stock on Hand
Sales Orders
Production WIP
Purchase Orders
Shipment Data

Includes specified historical data

Approved Requirements for execution

Americas
JD Edwards / ERP
SAP ECC

Onprem/Hosted Cloud
Hosted Cloud

Europe
SAP S/4HANA

CPI Data Service Agent (Flat Files)

CPI Cloud Platform Integration (CPI)
SAP Integrated Business Planning

Public Cloud
Key Learnings from the Journey to date

• Implementation of Global Template design
  • ERP agnostic IBP attribute definitions
  • ERP agnostic IBP key figure definitions
  • Ensure standardized processes are basis for global template
  • Design for opt-in/opt-out capabilities within the global framework

• Internal Team Training
  • Made sounder choices from provided options
  • Asked better questions
  • Appreciated the capabilities of the application better and therefore the possibilities
  • Moved faster and more confidently
  • Mitigation plans were in place to manage risk
  • Ability to make significant changes was possible by leveraging the agile implementation approach
Key Learnings from the Journey to date

• Learnings – Agile Approach (Waterfall Project Culture Vs Agile Approach)
  • Increased business user availability is required
  • Block out time several weeks
  • Manage business user expectations
  • Have clearly defined outcomes
  • Be ready for business when they are available
  • Have realistic sprint lengths (avoid carry overs)
  • Use methodology that fits your culture or change your culture

• Soft go-live - Parallel Processing Of Old Planning Solution & New Solution
  • Provided business the opportunity to validate production data with zero impact on the business result
  • Reduced anxiety encouraged business acceptance of soft go-live readiness
  • Post soft go-live provided more time for users to build their confidence before official go-live
Take the Session Survey

We want to hear from you! Be sure to complete the session evaluation on the SAPPHIRE NOW and ASUG Annual Conference mobile app.
Presentation Materials

Access the slides from 2019 ASUG Annual Conference here:
http://info.asug.com/2019-ac-slides
Q&A

For questions after this session, contact us at [Raghu.Bhardvaj@accenture.com] and [Chendur.Anand@Accenture.com].
Let’s Be Social.

Stay connected. Share your SAP experiences anytime, anywhere.
Join the ASUG conversation on social media: @ASUG365 #ASUG