Birlasoft IBP SPRINT – Rapid Implementation Services for Supply Chain Optimization post COVID-19

Certain Outcomes in Uncertain Times

- 40-60% Reduction in Implementation Time
- 100% Remote Delivery Model
- 50% Reduction in Project Costs

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The Business Reality and Supply Chain Imperative

Corona Virus Shutdown strained Supply Chains

- Organizations are experiencing high demand volatility and longer recovery times
- Some industry segments are doing extremely well (300% increase in demand) and in others demand is down drastically
- Immediate need to re-optimize supply chains to new operating levels
  - Re-plan demand and inventory
  - Model uncertainties (supply and demand), macroeconomic and external factors
  - Reduce cost
  - Reduce working capital
  - Automate and enable touchless if possible

We looked at a range of solutions and screened them based on fastest deployment, largest ROI

<table>
<thead>
<tr>
<th>Solution &amp; Main Focus</th>
<th>Inventory</th>
<th>Mfg Cost</th>
<th>Logistics</th>
<th>SG&amp;A</th>
<th>ROI Size</th>
<th>ROI Speed</th>
<th>Complexity</th>
<th>Technology</th>
<th>Solution Fit</th>
</tr>
</thead>
<tbody>
<tr>
<td>Forecasting with Machine Learning</td>
<td>![Inventory]</td>
<td>![Mfg Cost]</td>
<td>![Logistics]</td>
<td>![SG&amp;A]</td>
<td>Large</td>
<td>&gt;&gt; &lt;1 Yr</td>
<td>Low</td>
<td>IBP Demand</td>
<td>![Icon]</td>
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<tr>
<td>Inventory Re-balancing and SC Performance Analytics engine</td>
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<td>SAC**</td>
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* IO: Inventory Optimization  SAC**: SAP Analytics Cloud
Forecasting with Machine Learning

Inventory Re-balancing & SC Performance Analytics Engine

Preparation Phase (4 weeks)

Opportunity Identification
Presentation and Demo

Diagnostic Data Analysis and Value Opportunity Discussion

Off-Shore Support

Packaged Delivery Phase (8 weeks)

IO* Design (2 Weeks)

Implement (5 Weeks)

Supply Chain KPIs:
- Supply Chain Cycle Time
- Inventory Days of Supply
- Inventory Turnover (a.k.a. Turns)
- Days Sales Outstanding
- Cash-to-cash Cycle Time

Assessment (1 Week)

Design (3 Weeks)

Implement (6 Weeks)

- Assess input parameters
- Assess supply chain design
- Develop preliminary model
- Target IO* model and scenarios
- Identify parameters
- Data sources
- Develop excel templates

- Finalize parameters
- Develop final model
- Finalize supply chain design and deploy
- Target SL** and optimize IO* nodes and inventory
- Finalize excel templates
- Measure performance & inventory reduction

Assessment (2 Weeks)

Design (4 Weeks)

Implement (8 Weeks)

- Assess demand planning process
- Identify Causals
- Develop preliminary model
- Data science assessment

- To-be design
- Define key metrics
- Data analysis and model development
- System configuration

- Implement new model
- Develop scenarios
- Assess performance
- Validate and deploy model

* IO-Inventory Optimization  SL**-Service levels
Pre-Defined Solutions for IBPSPRINT

IBPSPRINT MODULES

**Forecasting with Machine Learning**

- Implementation of one Machine learning(ML) model (@SKU-DC-Week level) for volume prediction with up to 12 factors like weather, promotions and stay-at-home etc.
- Data analysis and data science support for project
- Best fit model comparison and forecast error analysis for current model vs the ML results
- Interactive ML capability with ability to adjust model outputs.
- Model fine tuning/re learning during the implementation and 2 weeks of hyper care period.
- Excel or Flat file interfaces for external data.
- Automation possible with public data
- 3 delivered excel Template for forecast analysis- Daily/weekly
- Forecast accuracy(MAPE) comparison and 5 delivered metrics.
- 2 scenarios delivered templates for best and worst case scenarios

**Inventory Re-balancing And Supply Chain Performance Analytics Engine**

- Implementation of Inventory Optimization - Finished goods only for critical supply chain nodes
- Data analysis, Target service level analysis, WC analysis.
- Excel or Flat file interfaces for inventory data.
- Automation possible with some ERP data
- 3 delivered excel Template for Inventory weekly analysis.2 scenarios delivered with templates for Best and worst
- Inventory optimization input factors include Vendor Lead Time, Forecast accuracy, Volatility PBR(period between replenishment) etc.
- Key Supply chain KPI’s up to 6 to measure inventory performance
- 3-4 Sources of data, Standard ECC,APO and IBP sources. External sources of data included but data transformations limited to specific KPI’s
- Multi-functional und multi-dimensional visualization of KPIs; ability to drill down to the local level for each KPI’s

**Budget:** Fixed Price $300k/14+2 weeks  
**Scope:** Operational in 3 months  
**Approach:** Best Practice SAP® Methodology leveraging Birlasoft’s Unique Tools and Accelerators

**Budget:** Fixed Price $250k/12+2 Weeks  
**Scope:** Operational in 3 Months  
**Approach:** Best Practice SAP® Methodology leveraging Birlasoft’s Unique Tools and Accelerators

**Benefits**

- **Return on Investment**
  - **20x**
  - **5-8%**
- **Order Fulfillment rate and Margin improvements**
  - **5-8%**
- **Forecast accuracy improvements at lowest level**
  - **15-25%**
  - **3-8%**
- **Reduction in inventory levels without negative impact on service levels**
- **Working capital improvements***
  - **3-8%**

*Note: Reduction in inventory levels without negative impact on service levels; Working capital improvements indicate improved cash flow and reduced investment in inventory.
Implementation of SAP IBP and optimized sales and operations planning processes at one of the largest multinational pizza chain in the world to enable better decision making, increase velocity of operations, and achieve the agility to consistently deliver to the customers in post COVID-19 world.

**Birlasoft’s IBP Differentiators**

- **Global IBP Projects**
- **200+ Supply Chain Practitioners Worldwide**
- **SAP S/4HANA, ECC IBP and legacy End-to-End Integration**
- **Proven Results with Deep Supply Chain Domain Expertise**
- **25 Year Footprint Across the SAP Landscape**

**Global Deployment Capabilities**
- Multi-country deployments
- Local country resources
- Award Winning AMS Support

**Strong Value Prop**
- Cost effective onshore/offshore model
- 16 years of SAP relationship
- Innovation, IP and offshore COE
- Dedicated Marketing team

**Our Sweetspots**
- Machine Learning Automated Forecasting and Planning
- Process Consulting
- End-to-End IBP Implementation
- Touchless Planning

**Full complement of IBP skills**
- Digital Transformation
- TECHNICAL: Onshore/offshore developers
- INTEGRATION: SAP ECC, S/4 and 3rd party and other ERP’s and legacy

**We implement the full IBP solutions**
- IBP for Demand
- Sales and Operations Planning (S&OP)
- Inventory Optimization
- Control Tower
- Response and Supply

**We do the Plumbing**
- SAP Cloud Platform Integration
- Legacy System Integration
- SAP S/4HANA integration knowledge

**Birlasoft’s other Pre-Packaged Solutions for SAP IBP**

- Fair share -Supply shortage
- Transport Capacity Utilization
- SKU Rationalization
- Touchless auto planning
- Collaborative S&OP
- Dynamic Managed Inventory

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Derive Transformational Value with our SmartAMS for Supply Chain Optimization

What is Application Managed Services?

Historically, AMS vendors have come into play to help organizations reduce the cost of maintaining the solutions, increase the operational efficiency, and free up organizational resources to focus on strategic initiatives, historically called “Keeping the lights on” work.

Birlasoft’s SmartAMS Key Features

<table>
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<tr>
<th>Self-Managed</th>
<th>Efficiency</th>
<th>Transparency</th>
<th>Scalable &amp; Flexible Engagement Model</th>
<th>Value Centric</th>
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<td>Seamless Transition to managed Services</td>
<td>Cost Optimization and 360° Cognitive Automation resulting in greater operational efficiency</td>
<td>Comprehensive SLAs and KPIs around Resourcing, quality and timeliness</td>
<td>Right-shore Capabilities with Core +Flex demand driven model</td>
<td>Value Harvesting for Business Aligned Continuous Improvement</td>
</tr>
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KPIs From SmartAMS

- **85% YoY Critical Incident Reduction**
- **96% Adjusted SLA Adherence**
- **40% Reduction B2R Transition Time**
- **22% Reduction in User Generated Tickets in a year**
- **29% YoY Cycle time reduction for user ticket resolution**
- **28% Service Requests resolved per month through Automation**

SmartAMS Services

- **Manage**
  - Governance Management
- **Run**
  - Incident Management, Problem Management, Request Management, Support Functions, Application Operations
- **Continuous Improvement**
  - Ticket Reduction, Process Improvement, Productivity Improvement
- **Enhancements**
  - On-going Enhancement Requests
How to Get Started

Connect with your Birlasoft IBP Expert for a free Pre-Assessment on the project scope or contact:

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M: +1-781-366-7900/ +1-815-546-0229

Why Birlasoft?

Birlasoft combines the power of domain, enterprise, and digital technologies to reimagine business processes for customers and their ecosystems.

10,000+ Employees Globally
Development Centers – India (4)
USA (1 | Operations Centers – Brazil and UK
2000+ Consultants World-Wide
True Digital Expertise
5 Continents | 14 offices | 27 countries
Industry and Analyst Recognized

Enterprise to the Power of Digital™

Birlasoft combines the power of domain, enterprise and digital technologies to reimagine business processes for customers and their ecosystem. Its consultative and design thinking approach makes societies more productive by helping customers run businesses. As part of the multibillion-dollar diversified The CK Birla Group, Birlasoft with its 10,000 engineers, is committed to continuing our 158-year heritage of building sustainable communities.