



Building a better working world



# Building resilience in a time of uncertainty

Enabling clients to rapidly respond to the COVID-19 crisis through SAP Integrated Business Planning



Supply chains are no longer linear, but rather a part of an entire networked ecosystem. Every point along the supply chain is at risk due to COVID-19. Integrated business planning capabilities are critical to effectively manage both demand and supply. EY organization and SAP have come together at this unprecedented time of global socio-economic slowdown, to help clients quickly improve their supply chain operations.

### EY - SAP Solution and Service Offerings:

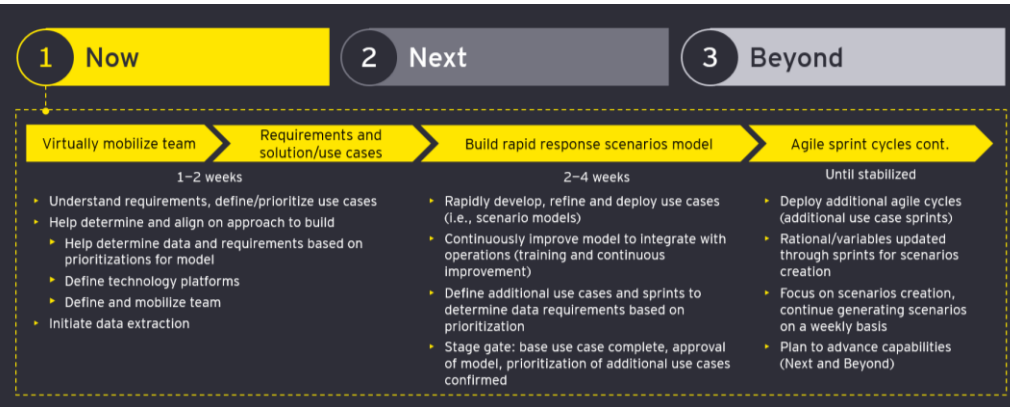
#### SAP IBP Control Tower Enablement

for SAP IBP existing clients

#### Planning as a Service powered by SAP IBP

for prospective SAP IBP clients

## Rapid enablement approach to help now in crisis mode and set the foundation for advanced capabilities for Next and Beyond



### What EY teams are hearing

#### COVID-19 has magnified gaps in supply chain planning maturity

- No single consolidated view of supply chain capacity, availability, product flows and working capital
- No central function monitoring orders and coordinating issue resolution
- Sales and operations planning (S&OP) is a monthly meeting lacking agility to respond to impacts like COVID-19
- Lack of scenario-simulation capabilities and outdated contingency plans
- Limited use of external variables in demand and inventory planning

## Four pillars should be prioritized to address the now and prepare for the next six months, and the foundation for the period beyond:

<b>Broad visibility and digital twin:</b> Help enable the real-time digital twin and dashboarding	<b>Scenario planning:</b> Rapid "what if?" capabilities across supply chain	<b>Demand management:</b> Demand sensing and prioritization	<b>Supply and inventory management:</b> Cost management and network design
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### Why EY and SAP

EY Supply Chain & Operations combined with the SAP practice provide a world-class approach to business transformation built on SAP Integrated Business Planning and S/4 HANA digital core and cloud services. Together, we bring needed solutions to address the current pandemic and deliver a solid foundation for the future.

## COVID-19 use cases enabled

### End-to-End supply chain visibility

- Set up crisis control tower
- Monitor KPIs for tracking supply resolutions via control tower dashboards
- Help enable real-time visibility to inventory situation, manufacturing, logistics, supplier capacity and technology enablement

## Scenario planning

- ▶ Conduct what-if analysis to find alternatives and reduce impacts of disruptions and/or demand changes to logistics, manufacturing or sourcing
- ▶ Rapidly deploy what-if scenario models to increase or reduce demand; address supply locations and transportation downtime impact
- ▶ Help implement quick what-if scenario development capability and build assets to resilient supply chain

## Demand management

- ▶ Sense demand in the short term considering COVID-19 related variables
- ▶ Analyze and predict potential shift of demand to different distribution channels and product mix
- ▶ Model the post COVID-19 demand uplift/downshift using advanced forecasting models
- ▶ Help enable ML model forecasting solution and automate internal and external variables input
- ▶ Help enable built in scenarios generation capability

## Supply and inventory management

- ▶ Redefine inventory policies locations and targets
- ▶ Re-plan current allocations and available-to-promise confirmation
- ▶ Assess inventory buffers and push-pull triggers
- ▶ Simulate and re-plan the supply using model future supply capabilities and alternate sourcing

## How EY can help

- ▶ The EY organization will team up with you in a virtual war room to leverage ready-to-use solutions and make quick process adjustments to cope with COVID-19 operation mode
- ▶ Define critical use cases, understand available data and define appropriate solution(s) to deploy use planning as a service model, not a project-based delivery
- ▶ Evaluate permanent changes to processes and solutions and escalate them to build a more resilient and responsive supply chain
- ▶ Evaluate planning-as-a-service continuity

## Benefits to client

- ▶ Jump start focus on key COVID-19 use cases to minimize disruption
- ▶ Scalable, flexible and cost-effective operating model with reduced need for significant staff investment
- ▶ Access to highly experienced certified SAP IBP subject-matter resources combined with deep supply chain and operational skills
- ▶ Leverage integrated end-to-end supply chain planning process framework and industry templates, planning maturity models, and governance models
- ▶ Access to innovations through RPA, machine learning, AI and other EY accelerators
- ▶ Create a platform that you can expand adding advanced capabilities to address longer term needs as required

## EY contacts



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