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 socioeconomic slowdown, to help clients quickly improve their supply chain operations.

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

<table>
<thead>
<tr>
<th>Now</th>
<th>Next</th>
<th>Beyond</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>1. Virtually mobilize team</strong></td>
<td><strong>2. Requirements and solution use cases</strong></td>
<td><strong>3. Build rapid response scenarios model</strong></td>
</tr>
<tr>
<td>Understand requirements, define use case</td>
<td>Help determine and align an approach to build</td>
<td>Rapidly develop, refine and deploy use cases (i.e., scenario models)</td>
</tr>
<tr>
<td>Help determine data and requirements based on prioritizations for model</td>
<td>Continuously improve model to integrate with operations (training and continuous improvement)</td>
<td>Deploy additional agile cycles (additional use case sprints)</td>
</tr>
<tr>
<td>Define technology platforms</td>
<td>Define additional use cases and sprints to determine data requirements based on prioritization</td>
<td>Rational/variables updated through sprints for scenarios creation</td>
</tr>
<tr>
<td>Define and mobilize team</td>
<td>Stage gate: base use case complete, approval of model, prioritization of additional use cases confirmed</td>
<td>Focus on scenarios creation, continue generating scenarios on a weekly basis</td>
</tr>
<tr>
<td>Initiate data extraction</td>
<td>Agile sprint cycles cont.</td>
<td>Plan to advance capabilities (check and beyond)</td>
</tr>
</tbody>
</table>

**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

**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

**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.
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

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