Challenge: Driving agility and profitability across the global supply chain

Global supply chains are becoming increasingly dynamic and complex. Industries once populated with slow-moving, vertically integrated manufacturers are now characterized by dynamic networks of specialized companies that collaborate to bring a complete product to market. Success is determined by how much visibility can be achieved into this extended supply chain, as well as each firm’s ability to understand, sense and quickly respond to changes across the global network. Reacting to disruptions is no longer good enough — today’s companies must be able to proactively detect disruptive events and apply predetermined, profitable response strategies.

This ability is imperative in today’s world of increasing product proliferation and new pressures to bring innovations to market quickly. Shorter lifecycles, new competitors, and increasing numbers of partners and suppliers have resulted in extreme business variability. Companies that can dynamically update their working master plans instead of relying on weekly, monthly or even daily cycles can command a significant competitive advantage in this volatile environment. However, many companies lack the tools and processes to sense, process, plan and respond to real-time changes.

Furthermore, companies are realizing that they not only must be able to evaluate their own performance every day, but they also need to prepare daily for a multitude of possible future scenarios. With the ability to plan and prepare on an ongoing basis, enterprises can minimize their risk and exposure, positioning themselves and their partners for continued success.

Key Benefits:

- Optimizes performance across multiple supply chain partners and diverse activities such as procurement, manufacturing, distribution and inventory
- Enables high visibility and accurate master production planning — with the ability to rapidly update the plan on demand in response to events — across complex supply and delivery networks

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Solution: JDA Enterprise Supply Planning

Part of JDA’s Manufacturing Planning solution, JDA® Enterprise Supply Planning can help your business build one globally synchronized plan that senses and responds profitably and quickly to both supply and demand volatility, resulting in increased customer satisfaction and higher profits. With its ability to optimize constraints, margins and costs across production, distribution, inventory and procurement, JDA Enterprise Supply Planning can make a significant impact on your service levels and delivered costs as well as your asset utilization.

The ability to identify and resolve global supply chain problems — as well as improve planning velocity — can ensure that your entire supply chain is not only highly responsive to marketplace changes but also more resilient when faced with disruptions. JDA Enterprise Supply Planning senses disruptive events, and once an event is detected, it arms planners with a playbook of resolution options that contain insight into the associated cost-benefit trade-offs. Your planners won’t be left scrambling to figure out what the best, most profitable courses of action are, and any negative impacts can be minimized.

Simultaneous optimization of the entire supply chain

Traditional solutions generate sequential and isolated plans for inventory, production, distribution and procurement. The planning process is long and iterative, focusing on isolated improvements instead of global excellence. The resulting plan may have flaws, such as the inefficient transportation of material between plants, capacity shortfalls or overruns, and high inventory investments.

JDA Enterprise Supply Planning is designed to help your business balance global objectives for demand satisfaction, inventory replenishment, asset utilization, inventory reduction, distribution and transportation while simultaneously taking into account capacity and material constraints. JDA Enterprise Supply Planning enables your planners to review, analyze and compare supply plans daily to maximize customer satisfaction while protecting your profits. Pre-built dashboards and reports enable planners to review the plan along various metrics and also slice-and-dice the plan on various dimensions.

Key Benefits continued

• Infuses enhanced resiliency and agility into the supply chain by sensing disruptive events and then delivering the most profitable, expedient resolutions
• Prioritizes demand by product, margin, customers, market segments and/or company-specific goals
• Enhances planner productivity through packaged dashboards and reports along with personalized views
• Provides what-if simulations that enable planners to prepare for a range of future scenarios
• Dynamically generates sourcing or product flow plans in the network based on material, capacity, costs and priorities
• Creates time-phased plans and provides short- to long-range visibility of both supply and demand
• Links supply and demand at each level in the network and provides push, pull and cancel supply recommendations
• Features a persona-based user interface with graphical workbenches, scorecards, flexible editor, exception management and plan analysis
• Supports business rules for distribution-intensive industries, including storage and handling constraints, inventory target bands, and trans-shipment and transportation capabilities
• Considers revenue and costs across the supply chain while balancing supply with demand to generate the most profit-optimal master plan
Planning agility: Dynamically update the plan across the global network

Effective planning today is a process of continual plan updates that replaces the past practice of updating at a set frequency such as daily, weekly or monthly. You need the agility to incorporate updates dynamically at any time based on new information, and a critical component in gaining this planning agility is the ability to apply global optimization in conjunction with local rebalancing.

With its patented solvers, JDA Enterprise Supply Planning is unmatched in both speed and scalability to handle global networks with visibility down to the local level. JDA Enterprise Supply Planning is designed to accelerate any supply chain, no matter how large, with dynamic and event-based master production planning.

JDA Enterprise Supply Planning minimizes the resources involved in planning activities with features such as constraint-based rules, automated decision making and exception-based reporting. These capabilities help ensure that your planners’ attention is focused only on issues that are critical for the performance of your global supply chain.

Nimbly navigate supply chain disruptions and course-correct to minimize negative impacts

JDA Enterprise Supply Planning goes beyond traditional supply planning to provide extra flexibility and interactive capabilities that create learning within your enterprise. Through a problem-oriented design, your planners are intuitively guided to monitor performance issues and exceptions, wherever they occur in your supply network.

When events disrupt your supply chain, you need to know the effects as soon as possible and understand critical details such as which products, customers and regions have been impacted. You also need to know your options. Will you be able to reroute production to another factory? Can you expedite transport to use air freight? What do these options mean to your business in terms of costs and softening the impacts of the disruption? JDA Enterprise Supply Planning provides you with the ability to do just that, enabling you to:

- Understand alternate choices in the supply network including sources of production, suppliers, components and their associated costs and benefits
- Run rapid what-if simulations on the live in-memory engine to compare various options
- Commit your actions and see the updated plan communicated to all stakeholders instantly
- Maintain accountability via an audit trail of user actions

JDA Enterprise Supply Planning acts as your supply chain global positioning system (GPS), with the ability to sense and alert you to potential disruptions to your plan, assist you in taking proactive measures, and then recompute the plan with the most optimal course-correct options that address the new circumstances. This agility keeps the plan on track toward your desired end results and helps protect your profit margins.

Maximize profit by balancing supply chain costs with revenue-generating demand

You can balance supply against demand purely based on demand priority if you are under contractual obligation to meet such demand. However, when demand is greater than available capacity, JDA Enterprise Supply Planning provides profit optimization capabilities to help planners make intelligent decisions regarding which needs to satisfy. In addition to factoring in material and capacity constraints, JDA Enterprise Supply Planning models the revenue generated by demand along with the associated procurement, transportation, handling, manufacturing and inventory carrying costs to create a master plan that maximizes overall profit while respecting the other business objectives of your enterprise.
Real results

JDA Enterprise Supply Planning has been deployed in several hundred installations across diverse industries for more than 20 years. With this foundation, JDA Enterprise Supply Planning allows users to confidently plan and control the entire supply picture, from determining optimal material and product quantities from suppliers to planning and scheduling manufacturing to replenishing and optimizing inventory throughout the distribution network. Companies that implement JDA Enterprise Supply Planning across their global operations can realize significant benefits, including the following results achieved by JDA customers:

• Increased profitability due to greater supply chain resiliency, better and more informed decisions, enhanced internal cost control, and higher customer satisfaction
• Increased agility in sensing and responding to demand shifts, competitor product introductions, changing material costs and other supply chain developments
• Improved service levels by building the optimal amounts of inventory at the right places in the network
• Decreased warehousing, logistics and transportation costs due to highly coordinated order-to-delivery operations
• More reliable quoting and delivery processes
• Improved planner productivity as a result of flexible, fast plan analysis

Using JDA, you can plan to deliver.

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