

10 Quick Tips for Tailoring your S&OP Process to your Business

An “off the shelf” S&OP process is a good start, but tailoring the process to fit your business is how to really drive value.



- 1) Start with the **Calendar**. Fitting your process in with your overall business calendar helps solidify the process as a key compliment to all of our reporting processes, not just another input.
- 2) Match key reporting elements and data presentation with decision making at the **Operating Company (OPCO)** or **Regional Level** in mind to drive accountability.
- 3) **Brand/Line of Business Management**: just like your OpCo or Regional Structure, driving brand or business unit visibility helps create ownership of the number.
- 4) Determine where you are in your maturity journey, and create **Ownership** for the Sales & Operations Planning process appropriately. It’s OK for this to move as the process matures.
- 5) Tailor the Supply Review process to match your **Supply Footprint**. A standard “off the shelf” S&OP process will lean heavily towards production & manufacturing. It is important to match this critical process step with your needs, Procurement, Contract Manufacturing, Distribution, Co-Packers, etc. to provide visibility into your constraints and decision making levers.
- 6) Develop a **Demand Planning Hierarchy** that supports a forecast of your direct sales, as well as a hierarchy that can provide insight into consumer trends.
- 7) Identify what specific **Operational Levers** that your organization needs to make key decisions based on. These can be related to your production footprint, lead times, or seasonality.
- 8) Align the **Process Metrics** and overall **KPI’s** to provide visibility and monitor performance of these Operational Levers.
- 9) Establish a **Planning Horizon** that matches your key decision making requirements in both the mid and long term spaces. This could be a level of granularity for the first 12 months to support operational decision making, and a different level for 12—36 months to support your strategic growth plans.
- 10) Create **Business Linkage** right off the bat to other key business planning processes such as the development of the Annual Budget, External Financial Reporting, managing the Strategic Plan, Product Roadmap, etc. This allows the “one number” process to begin to develop and provide both a methodology and assumptions that can be leveraged across all of these areas.

Bottom Line: While having an S&OP process can work well for many organizations, part of driving it to *maturity* is understanding where it needs to be customized or “tailored” to fit your business — so that it specifically supports your decision making requirements and delivers tangible results.

We hope you found this information to be helpful. To access more Spinnaker thought leadership [click here](#), or to learn more about our services [click here](#).

About Spinnaker:

Spinnaker is a supply chain services company that helps clients grow, manage risk, reduce costs, and improve customer service by developing world-class supply chain capabilities. Our services help clients develop the right supply chain strategy for their business challenges and implement the process and technology solutions to improve Demand/Supply Planning, Procurement and Sourcing, Logistics and Warehousing, and Reverse Logistics business performance. Spinnaker offers a unique service delivery model that combines the strength of deeply experienced management and technology consultants with a seasoned team of business process outsourcing (BPO) and 3rd-party logistics (3PL) professionals. Founded in 2002, Spinnaker has offices in Boston, Columbus, Denver, Houston, Memphis, Pittsburgh, London, and Singapore.

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