



## Consumer Products SAP APO Design Review & Implementation

### Solution Snapshot



**Problem:** After blueprinting a major software consolidation project, leaders with this firm called Spinnaker to assist with the implementation, but we pointed out design problems instead.

**Solution:** With years of hands-on experience, Spinnaker's SAP specialists demonstrated not only the expertise to implement this supply chain system, but also insight to optimize the configuration.

### There's A Better Way

Unlike supply chain consulting firms that specialize in narrow disciplines, Spinnaker's professionals have a hard-earned reputation for delivering comprehensive business solutions across all areas of the supply chain.

From providing expert guidance on software assessments, to tweaking final configurations for optimal performance, our global supply chain specialists offer incomparable experience that enables them to deliver tangible results you can measure in your bottom line, regardless of where you need help within your supply chain or at what stage of the project cycle.

**We're client advocates dedicated to your best interests.** That's why our SAP specialists were called to help guide the implementation of a major systems renovation project already under way for a \$2.5 billion leader in the food industry. Project managers were already well along in their planning to consolidate their company's multifaceted systems environment into a single-footprint operation, centered around SCM supply chain management software from SAP. After discussing their next steps with our industry-veteran consultants, however, implementation briefly took a backseat.

## Changing Horses Midstream – At a Gallop

Although the blueprinting phase for this project had been ongoing for several months, under the auspices of a third-party provider, and plans for implementation were already in place and on schedule, client stakeholders nonetheless wisely took notice when Spinnaker consultants pointed out flaws in the blueprint and recommended improvements.

Based on extensive hands-on experience gained from previous SAP installations, our consultants identified multiple opportunities for improving the design. Moreover, by presenting sound justification for their findings, Spinnaker helped drive the business case for change. We not only ensured a smoother implementation, we also helped head off problems that would otherwise have cropped up down the road, when corrective measures would have been more expensive — and more painful — to deploy.

## Hands-On Insight Makes a World of Difference

For this project, our client needed two modules of the SAP Advanced Planning and Optimization suite: Demand Planning and Supply Network Planning, along with an interface to the core ERP suite, SAP R/3. By any measure, this was a straightforward project, but by leveraging their vast experience, our consultants provided exceptional value. Here's how:

First, we set up the DP module to perform univariate forecasting, using a variety of strategies and models to optimize forecast results. We also configured key alerts, enabling demand planners to manage issues by exception rather than as a matter of course, thereby improving workflow. We also designed macros to automate as much planning activity as practical.

Following a series of interactive revisions — to ensure we'd achieved a consensus regarding forecast integrity — we turned our focus toward SNP. Following heuristic analysis of the net forecast, contrasted with existing inventory and sales orders, we configured the SNP module to determine optimal manufacturing requirements. We then linked the APO planning solution to the core R/3 execution system via integration models through the Core Interface (CIF), which was set up as a two-way pipeline — to send order information and master data from R/3 to APO, and to send manufacturing requirements from APO back to R/3.

Besides interleaving deep process insights with all this technology-based “heavy lifting,” our consultants also leveraged their leading-edge knowledge of emerging SAP advances to take advantage of many new features and enhancements offered by the SCM/APO release.

## Pay It Forward

Before the official go-live date, Spinnaker specialists also developed and delivered highly customized training programs, designed to transfer core knowledge about the new processes and technologies we deployed. With only a narrow window for development,

production, and delivery, our supply chain specialists documented their process and product expertise in a comprehensive, four-volume training course, based on our client's actual data and real-life scenarios — to ensure key players gained not only knowledge but also insight, to become self-sufficient rapidly and drive maximum value for their company's implementation investment. We trained 15 core planners, based throughout North America. Several of these super users were then tapped to provide ongoing training for more casual users.

### From Blueprint To Blue Skies: Spinnaker Adds Value

And the go-live went off without a hitch! Demand planners produced forecasts; supply planners used these forecasts to produce manufacturing requirements; and the manufacturing requirements were passed into production via R/3 in the form of work orders.


With the revised blueprint, everything came together and worked as planned, resulting in a successful, on-time implementation. In fact, stakeholders were so pleased that they retained Spinnaker to lead the implementation of SAP SCM/APO in Phase II of their project: further consolidation of supply chain software systems at their largest subsidiary.


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#### 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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