

Objectives

Solution

Benefits

Quick Facts

SAP Solution Brief

SAP Integrated Business Planning

Digitalize Supply Chain Planning for Continuous Alignment and Real-Time Connection

THE BEST RUN



Power More Productive, Responsive, and Strategic Planning

Leading organizations embrace an intelligent, agile approach to respond to opportunities and challenges in today's dynamic and volatile economic environment. By digitalizing processes and fostering customer centricity, total visibility, and business innovation, you can **make supply chain planning more productive, responsive, and strategic.**

Power More Productive, Responsive, and Strategic Planning

With smart supply chain processes, you can gain real-time insights into demand to manage forecasts, integrate supply chain processes and systems with key partners, and continuously evaluate planning scenarios for optimal outcomes. But sequential planning activities and out-of-date information often hinder efficiency and decision-making, while planners search for problems and their solutions and spend valuable time making routine corrections.

By connecting and integrating supply chain processes, you can sense demand, understand what empowered customers want, and deliver the right products and services – fast. You can increase visibility by connecting supply chain planning processes with the real world through the Internet of Things and foster collaboration through powerful business networks. Bring intelligence to your supply chain to continuously improve processes and predict outcomes while generating new revenue streams, reaching new markets, and developing new business models.

Coordinate and Integrate **Enterprise Planning**

The SAP® Integrated Business Planning solution enables collaborative enterprise planning. It helps you enable fast responses to new market expectations and fulfill future demand based on real-time information from your extended value chain. With the solution, you can connect and automate processes, enable touchless planning, and foster a self-regulating, adaptive approach to planning. You can offer individualized customer experiences, communicate within and beyond the enterprise through social collaboration functionality, and interoperate with financial planning and the

broader business network to include trading partners and to evaluate and refine plans on the fly.

Powered by in-memory computing technology within SAP HANA®, SAP Integrated Business Planning combines sales and operations, forecasting and demand, response and supply, and demand-driven replenishment and inventory planning. The cloud-based solution is flexible and scalable, and you can deploy functionality with a modular approach to suit your needs.



Run real-time scenarios and simulations and gain deep insights with **advanced cognitive and predictive analytics**.

Coordinate and Integrate Enterprise Planning

Unify Sales and Operations Planning

Enable the Full Range of Demand and Forecast Management

Optimize Response and Supply Planning

Drive Demand-Driven Replenishment

Support Inventory Planning and Multistage Optimization

Gain More Transparency with an Intelligent Control Tower

Unify Sales and Operations Planning

SAP Integrated Business Planning supports sales and operations planning across functions within the enterprise to balance inventory, service levels, and profitability. This enhances collaboration and enables cross-functional process orchestration. The solution lets you model various business alternatives, create and optimize business plans, and combine input from multiple demand sources. You can

consider budget and technical implications, assess your approach at each step along the way, and get management buy-in and approvals. The solution gives you the ability to revise plans as business conditions change, increasing planning speed and agility, driving profitable responses and decisions, and helping you hit financial targets.

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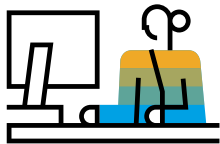


Give planners what they need to spend less time on routine problems and more time on **strategic and value-added activities**.

Enable the Full Range of Demand and Forecast Management

Demand management functionality provides full demand transparency across the planning spectrum, from short-term and midterm to longer-term, more-strategic forecasting. You can develop accurate forecasts with statistical modeling functionality, while demand-sensing and advanced machine learning algorithms allow you to react quickly to

immediate changes. The solution lets you incorporate business intelligence for more-accurate forecasting, enables planning segmentation, and fosters collaboration among groups, from marketing to sales and supply chain. As a result, you can look and plan ahead while reacting with speed and agility to changes as they happen.



Evaluate plans and their potential impacts on customer service and working capital investments.

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Optimize Response and Supply Planning

Improve resourcing efficiency with response and supply planning functionality, and create plans based on prioritized demands, allocations, and optimized supply chain constraints. The solution supports tactical, rough-cut supply planning as well as operational supply planning. It also enables scenario planning and what-if analysis of actual or hypothetical changes to demand and supply. You can quickly match supply and demand to respond to operation changes and take advantage of pegging and gating-factor analysis.

Sophisticated algorithms help satisfy a range of demand requirements, and you can use unconstrained demand propagation and heuristics options to identify bottlenecks quickly. Perform rules-driven, constrained optimization that factors in production capacity and costs, including storage, procurement, and transportation. Generate and share allocations, reschedule sales orders, and create deployment plans that account for modeled supply chain constraints.

Coordinate and Integrate Enterprise Planning

Unify Sales and Operations Planning

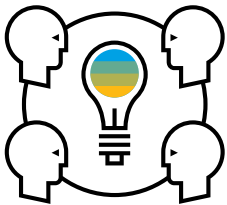
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Use powerful analytics, increased supply chain visibility, and social collaboration to **communicate and refine optimized supply plans.**

Drive Demand-Driven Replenishment

The solution supports the innovative demand-driven material requirements planning approach, using actual demand instead of error-prone forecasts to drive replenishment through a decoupled supply chain. This allows you to dampen the effects of demand and supply variation in your supply chain by calculating inventory buffers and assigning and managing those buffers at strategic decoupling points. You can increase visibility and enable demand-driven prioritization of supply based on actual buffer status.

Create order recommendations and order-generation and review priorities, inventory projections, and buffer and signal integrity status. Simulate the effects of decoupling decisions on decoupled lead times, inventory, and average inventory cost. Moreover, supply and production network visualization functionality improves decision-making through visualization and setting of decoupling points, critical paths, as well as bills of materials.

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Support Inventory Planning and Multistage Optimization

Connect, integrate, and coordinate inventory planning throughout your organization, and address uncertainty across the extended supply chain. The solution optimizes your whole network simultaneously, recommending ideal-stock target levels for all distribution and production nodes in the network. This includes raw materials, components, and partially finished as well as completed products. You can establish optimal inventory targets that enable you to maximize profits while leaving a buffer

to help you meet unexpected demand. Multistage optimization enables coordinated planning across the organization and the supply chain, eliminating overbuffering and helping ensure you meet service objectives while optimizing inventory investment levels. With the solution, you can factor in planning parameters, from internal service-level requirements, capacity and storage restrictions, and intermittent demand to forecast errors, outlier sales, and seasonality.



Strike the right balance to increase revenues along with inventory turn rates and customer service levels.

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SAP Integrated Business Planning integrates with the SAP Supply Chain Control Tower solution to enable extended and intelligent visibility across the end-to-end supply chain. With SAP Supply Chain Control Tower, you can improve supply chain performance by monitoring, measuring, and responding to supply chain events with configurable alerts and visibility to impact your supply chain

metrics in real time. You can gain insights into the current performance of your supply chain – as well as projections for future outcomes – and support faster decision-making and corrective action. You can manage key performance indicators, handle exceptions with automated alerts, and perform root-cause analysis and resolution.



Apply cutting-edge technology and software to **digitalize and transform planning**.

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Empower Planners to Do More in Less Time

SAP Integrated Business Planning supports holistic, synchronized planning for better decision-making in a continuous fashion that enables you to quickly adapt plans to true demand and supply. With the solution, you can unify and transform planning, moving from sequential manual activities to streamlined, automated, and integrated processes. In-memory computing power, machine learning, and real-time data help you anticipate and optimize planning decisions based on changing conditions, customer demand, and customer behavior.

Planners can move from intervening in individual exceptions to managing overall flow, aligning goals with strategy and improving performance. You can

react faster to disruptions to drive higher revenues and service levels with lower costs and working capital. You can take advantage of new business opportunities without lengthy analysis. The solution speeds sales and operations planning and helps optimize product profitability and product mix. By managing inventory levels and finding new opportunities for cost savings, you can minimize costs.

The cloud-based solution helps you benefit from technology innovations while limiting IT costs, and you can deploy the modular business functionality to suit your priorities and budget requirements, now and in the future.

Empower Planners to Do More in Less Time

Summary

Take advantage of powerful supply chain analytics, what-if simulation, alerts, and more to meet future demand profitability with the SAP® Integrated Business Planning solution. Powered by SAP HANA®, the cloud-based solution combines sales and operations, forecasting and demand, response and supply, and demand-driven replenishment and inventory planning. You can deploy the solution with a modular approach to suit your needs. It natively interoperates with other SAP solutions, such as SAP Analytics Cloud for use in financial planning or SAP Ariba® solutions to collaborate with trading partners through a business network. You can also connect it to the SAP Supply Chain Control Tower solution to enable intelligent visibility.

Objectives

- Eliminate disconnected, sequential activities
- Streamline and automate planning processes, and eliminate manual tasks
- Improve responsiveness and decision-making

Solution

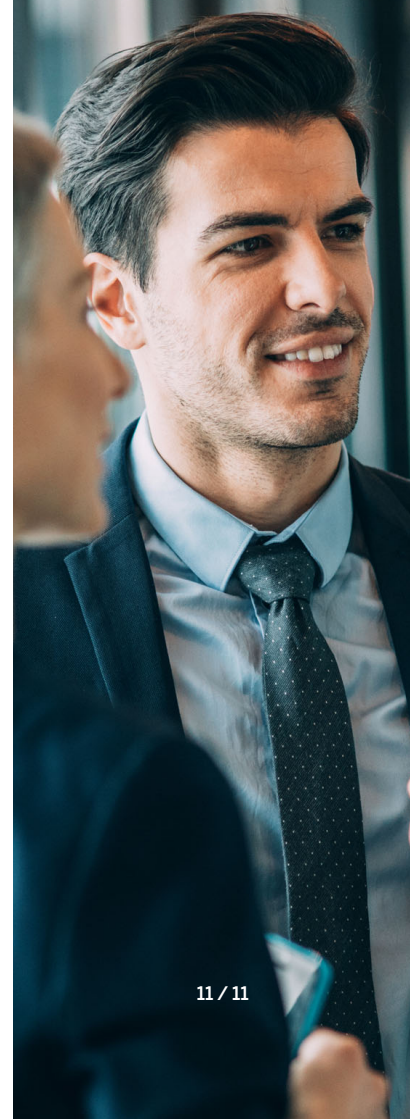
- Integrated sales and operations, forecasting and demand, response and supply, and inventory planning
- Connection with SAP Supply Chain Control Tower for intelligent visibility across the supply chain
- Supply chain analytics, what-if simulation and alerts, and statistical modeling
- Social collaboration component
- Advanced algorithms and machine learning
- Interoperability with business networks to include trading partners

Benefits

- Unify and automate processes for coordinated planning
- Make decisions and seize opportunities faster
- Increase revenues and inventory turns, reduce inventory costs, and maintain customer service

Learn more

To find out more, call your SAP representative today or visit us [online](#).



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