The key to success: Enterprise social collaboration fuels innovative sales & operations planning

As the sales and operations planning leader, you have a few principal responsibilities: setting priorities, planning and executing your supply chain strategies, driving incremental improvements while quickly adapting to changing market and customer requirements, and linking changes in demand to changes in supply while keeping in mind the financial results.

But that's just your average day-to-day activity—you're also expected to advance changes in thinking and execution to solve S&OP limitations.

What's your most fundamental challenge? If you're like most S&OP professionals, it's keeping all of your stakeholders in alignment. But typically the technology you use doesn't provide the right framework for keeping everyone in synch. You're under new pressures to include new internal and external stakeholders who may have been overlooked in the past. You have more influencers and occasionally interested participants than ever before. You have an ever-growing set of inputs and data sets that have to be managed alongside relationships.

You need technology that supports your processes by streamlining access to the right data, in the right place, at the right time so that your S&OP efforts move smoothly, deliver the right results, and open up opportunities for innovation.

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The key to S&OP innovation

But what's the key to S&OP innovation?

Collaboration. It has to be systematized, horizontally and vertically, internally and externally— to encompass all of the conversations and communications involved in S&OP. You need a way to capture, track, and audit every communication pathway, from conversations and meetings to emails and social media, in one system or resource that's widely used across your organization.

It's fair to say that S&OP traditionally focused on the numbers, while the process and the collaboration component didn't get as much attention. But today, going beyond the numbers by combining diverse views is the key to success.

The success of sales and operations planning strategies depends upon solid communication. This is because S&OP integrates distinct elements of demand (promotions, sales, forecasts, etc.), financial objectives (budgets, cash flow, etc.), supply (production and sourcing schedules), product lifecycle assessments, and inventory planning and logistics requirements. To execute a successful S&OP strategy, you must enable a complex, seamless conversation between internal and external stakeholders across multiple, often conflicting, departments that span everything from strategy to execution, problem and potential, management and marketing, supply and demand, sales rep to CEO—regardless of role and location.

What are the three major obstacles to better S&OP collaboration?

1. Ongoing, unstructured communication distracts from and obscures business priorities.
2. Traditional tools aren't linked to key systems, processes, and sources of data.
3. Tool proliferation leads to inefficiency.

For most organizations, managing S&OP collaboration is one of the hardest challenges to overcome. Why? Many businesses are struggling to get everyone talking and working together as they should. A mere monthly, or even weekly, S&OP team meeting is just not effective enough. One reason is that outside of the meetings, S&OP discussions typically take the form of unstructured communications, which hold a wealth of valuable knowledge that supports decision making and risk management activities. It is difficult to define and harness, but it's extremely important to the S&OP process.

Unstructured communication causes unnecessary confusion

As previously mentioned, many S&OP discussions take place outside of regular S&OP meetings. This might be manifested in something like the screen notes in an off-the-shelf application—small narrative chunks that have incredibly short shelf lives. By comparison, this would be like trying to teach somebody to build a plane by leaving post-it notes across a factory. Email is not much better. Conversations are typically fragmented, lacking in context and, critically, separated from the applications that can make the changes discussed in the email itself. Email, SharePoint®, instant messaging, conversations over the phone…all of these "tools" are built for information sharing, but they're not built for S&OP. They're not integrated with the S&OP solution and they're not automatically tracked; comments can get lost, reviewed in the wrong order, misconstrued, and there's obviously no audit trail.

You need a way to streamline conversations and keep users focused on the essentials. Many S&OP collaboration tools don't achieve this goal. Key information and decisions are buried among hundreds, or thousands of messages in various systems, some of which are relevant, and some of which aren't. Executives find themselves wading through unnecessary messages in search of important facts. Discovery becomes a challenge.

You need a solution that ensures that all related discussions are automatically recorded in your S&OP system and other enterprise solutions. If you can do that, you'll improve communication across the S&OP planning cycles and also across your organization's strategy.

In short, unstructured communications don't allow your users to engage with issues and opportunities—instead, typical tools keep users focused on messages, file shares, or conversation streams that aren't aligned to your priorities. Information sprawl blocks business success.

Traditional tools aren't linked to key systems, processes, and sources of data

To make matters worse, most typical collaboration tools aren't integrated with essential sources of information, which inevitably blocks insightful decision-making, increasing the likelihood that resolvable problems can't be fixed.

What does this look like? Businesses rarely have a way to automate connections between employees, suppliers, and customers as well as business processes, locations, machinery, and external sources of data. Email isn't integrated with the ERP system. SharePoint isn't integrated with sales tools. Instant messaging isn't integrated with…well, anything.

How does key information end up in your email stream? Typically, essential data comes through manual processes—in other words, people take data from key systems and manually send it out. That's not ideal, for obvious reasons. Your collaboration tools need to be automatically linked to any relevant source of information, so that collaboration leads to robust S&OP decision-making.

Tool proliferation leads to inefficiency

Business requirements drive collaboration needs, and tools like email and instant messaging are an obvious, seemingly workable solution to accommodate those needs. But as organizations evolve, decision-makers recognize that legacy approaches have limits, and tool proliferation leads to inefficiency. .

Most organizations have internal and external stakeholders as part of their supply chain. As organizations grow, add new product lines, retire old products, acquire new companies, and shift priorities, stakeholders are constantly changing and some stakeholders are easily overlooked. Issues evolve. New decisions have to be made. New insights emerge and should inform long-term strategic planning. With constant change, however, information doesn't flow as it should. Needs change, users change, but traditional collaboration tools aren't adaptable and they don't accommodate changing requirements.

So what happens? Decision-makers add another tool. And then another tool. And then another. Each new tool solves a particular problem, but the cumulative effect of tool proliferation causes unnecessary inefficiency.

Consider this scenario: Your business is growing and you're adding new salespeople every month. But there's a gap between hiring the salespeople and conveying all the "tribal knowledge" they need to do the job. After all, they need to sign up to a dozen distribution lists, request access for two or three internal portals, get permission to access the shared forecast folders, and learn about a couple of undocumented features in the sales tool. They have to learn how to engage with brand management, flag large orders, and communicate customer priorities.

What's the outcome of this approach? Your organization suffers becomes less agile, less able to quickly resolve problems, and less able to adapt—all of which add risk. With a better approach to S&OP collaboration, you can quickly identify challenges, while devising superior mitigation and contingency strategies, all of which help reduce shor-t and long-term risk. To move forward, you need a "single source of the truth" that's aligned to S&OP requirements, centralized, flexible, auditable, and adaptable.

The possibilities of enterprise social networking

How do you deal with these three challenges? There's an innovative approach that offers compelling advantages that are almost impossible to achieve any other way. It's called enterprise social networking.

What is enterprise social networking? You're familiar with social media tools, like Facebook™ and Twitter™. These social resources foster connection and communication, regardless of geography, time, and topic. They allow users to streamline data gathering and discovery, focus on shared interests, work together on projects, flag issues, communicate immediately or over time, and even provide a way to aggregate and track conversations over days, weeks, and years.

Employees love social tools because they're familiar. But most organizations don't have a good way to implement social media built from the ground up for organizations that want to optimize S&OP.

Infor® Sales & Operations Planning effectively accomplishes these aims by offering social S&OP. Fully embedded with Infor Ming.le™, Infor S&OP brings social collaboration to S&OP processes, providing one single point to review alerts, tasks, workflows, and exceptions. Just as you follow a person or a company on Facebook or Twitter, imagine following a sales order, promotion, customer, brand, production job, or facility or event.

Social S&OP in practice

Let's explore how a particular customer uses social S&OP to achieve more efficient communication across the S&OP process.

An account manager receives a call from a large customer about an unusually sized order. The account manager then updates the demand module of the S&OP system to enter an atypically large forecast, simultaneously posting a feed to say he had a call and that this demand is genuine.

The post is not only visible to everyone who follows that customer, but also triggers event alerts based on exception rules in the S&OP system. This posting might also contain attachments, such as a graphical image of the screen shot of the demand analysis screen showing the impact of the new order.

The sales director, following the customer, sees the social post in his feed, as well as the event alert updating him on the unusual demand. The director then comments back on the good news and forwards the feed to the production manager who can approve the updated demand plan. The production manager sees the post from the sales director and drills into the supply plan to check on inventory levels and production. After ensuring that the plan takes this extra demand into account, he reviews and publishes the new supply plan, triggering a stock alert requesting levels of the product the customer is about to buy.

Consider what you could accomplish if you moved from the old, legacy approach to new technology.

Legacy	Possibility
Multiple legacy tools with no integration	A single social platform that's integrated into existing tools and workflows
Distributed shares and databases and email stores	A centralized space for collaboration and information sharing that's secure
Manual, time-consuming, "good enough" information transfer	An automated way to link relevant sources of data to internal and external stakeholders
Scattered conversations about anything	A tool that organizes S&OP communications into streams, while making all communications traceable
Inefficiency that grows over time	Quick access to discussions and documents as needed
"Off-the-shelf" products that can't be changed	A resource that is customizable, so that users only see what interests them
Diluted collaboration with obvious challenges	An approach that accelerates and streamlines organizational collaboration for S&OP success

One of the subscribers to this supply plan is the depot manager who also gets the stock alert for the levels of inventory for the product in his depot. At a glance, he sees that for the product in question, there is discussion on a future large customer order and that he has inventory ready and waiting.

After checking to ensure the stock is not already allocated elsewhere, he adds a message to the newsfeed that the inventory is in place, ready for the customer, following the customer "tag" so that when the order arrives he will be alerted. That order and alert arrive and the depot manager then updates the social feed that the order has been sent to the customer. To close this loop, the account manager sees that the large order has been fulfilled and posts a note thanking everyone involved.

Through social S&OP, the different departments were able to solve a critical business issue in a matter of minutes instead of spending hours with calls, conversations, meetings, emails, and other unstructured communications.

But there's another advantage to social S&OP. All actions and interactions were transparent to all users and saved to the original purchase order, providing a clear audit trail. What previously may have been an impossible or lengthy task was solved quickly and efficiently through Infor Ming.le.

It's clear that social business can quickly become the glue that pulls together the people and processes within a successful S&OP strategy. Take the social S&OP principle beyond the four walls of a single organization, and it can provide a rapid mechanism for communication with external suppliers, ensuring a cohesive collaboration platform throughout the supply chain. There are immediate gains to be realized when social S&OP is applied to external areas, such as vendor managed inventory and third-party logistics.

As you can see, by allowing your staff to communicate and collaborate—from sharing documents, screenshots, plans, photos, videos, and more—in a searchable, updated, central location, you can accelerate planning, problem solving, and decision-making across all levels of your organization.

You can achieve wide-reaching business collaboration across your sales and operations planning process, as well as with external stakeholders, suppliers, and vendors. Social S&OP lets everyone "follow" people, tasks, events, and processes, so everyone can react quickly to changing customer and market requests. You'll be able to organize conversations into streams and make all communications traceable, so that you can quickly find the discussions and documents you need. In addition, you can access the solution using a mobile device, so that you can review, provide commentary, or approve when needed, anywhere, at any time, as well as do a deep dive into the relevant details directly from the posted items.

One of the major concerns of the use of social tools for business is that of accountability. Because these social interactions are kept within the S&OP solution, they are fully auditable, avoiding the issues around this typically unstructured data. This keeps all communication in the correct context, and links discussions to specific developments and changes in the S&OP strategy.

By applying common metrics to social S&OP (much as is done with S&OP at present), you can develop a consistent method of performance evaluation throughout the entire supply and demand planning chain.

The benefits of social S&OP

Social S&OP delivers:

- A new way to centralize, protect, share, and retain vital corporate knowledge throughout the S&OP process
- Better and more efficient decision-making by streamlining access to essential data
- New possibilities for identifying opportunities and delivering deep analysis
- Increased productivity by delivering information in new ways and letting people work more efficiently
- A way to attract and retain top talent through consumer-inspired technology that's built for your business

Infor has established an impressive track record in S&OP and our complete social S&OP option helps businesses get to the benefits of S&OP quicker and easier. The diverse communication required by S&OP is fertile ground to see enhanced collaboration deliver real value, quickly and effectively. Social S&OP from Infor is not just another option—it is now the most effective option.

To learn more, visit Infor Sales & Operations Planning

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INF-1460769-en-US-1216-3