

SCM Processes

- 1. Logistics** — In a world where every transaction counts, how an order is executed can drive sales, customer satisfaction, and profits. Order entry and manufacturing operations that can trigger warehouse replenishments - warehouse management systems that can create shipments – sales orders that include shipping costs – warehouse operations that update financial values – and so on throughout your enterprise. The ability to integrate a solution across the entire supply chain operation can make or break the success of supply chain execution by
 - Improve the visibility and velocity of the flow of materials
 - Obtain real-time access to inventory quantities, conditions, and locations
 - Lay out warehouse facilities to optimize the resources available
 - Automate the rating of loads tendered to the customer's preferred carrier, the payment of freight charges, and the quoting of those charges at the time the order is taken
- 2. Order Management** — Ever-escalating customer demands coupled with competitive environments are driving companies to expand channels, accelerate their business processes, and bring new products to market faster and more frequently than ever before. High volumes of order requests need to be met in real time, with coordinated order management across multiple channels and often across a number of customer service and distribution centers, while at the same time:
 - Improving customer service levels
 - Reducing order error rates
 - Increasing revenue through higher order fill rates, cross selling, up selling, and executing pricing and promotions accurately to specific target market segments
 - Maximizing profit margins through profit margin protection controls and reduced order-entry costs
- 3. Inventory Management** — Disparate systems, outsourced operations, and increasingly complex supply chains can disperse inventory information across several channels, costing you in the form of storage, excess quantities on hand, and lost sales. Concomitantly, relationships between customer, vendor, and logistics providers have become more strategic in nature, with ever-changing roles. Visibility and access to inventory information becomes more difficult, yet ever more crucial to operations.
 - Gain access to current item information at the inventory locations you manage worldwide — at in-house as well as at customer and supplier sites
 - Integrate system-wide supply and demand visibility to enable rapid, targeted response to new and existing markets
 - Define inventory in your terms, and in the terms of your partners, with multiple item numbers, multiple units of measure, multi-language item descriptions, item cross referencing, and multi-tier, date-effective costing
- 4. Procurement & Subcontract Management** — Buyers are expected to manage orders, review and approve requisitions, manage inbound inventory, and track supplier performance, all the while negotiating the best prices, maintaining relationships with suppliers, and analyzing overall performance. Manage all steps in the procure-to-pay process:
 - Quickly and efficiently process requisitions, purchase orders, RFQs, quotations, and receipts.
 - Automate routine transactions, enabling your buyers to focus on the value-added facets of their work, such as effective contract negotiations, strategic sourcing, and value-added analyses.
 - Control the tasks associated with the selection of a subcontractor, management of their work, management of changes, and subcontractor payment, as well as administrative compliance such as certificates of insurance and MSDS.
- 5. Collaborative Demand Management** — If you're aiming to improve your forecasting process, you'll need to collaborate with your stakeholders more effectively. By improving communications at all levels, you'll have a more informed enterprise forecast reflecting your key business drivers. Combined with the ability to use historical information to guide the future, this powerful toolset helps you:
 - Guide stakeholders to reach consensus on reconciled forecasts
 - Collaborate at multiple tiers throughout the sales and operations planning process
 - Identify unusual past events and model future sales accordingly
 - Use the impact of past promotions to plan future activities

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- Manage your safety stock to hit service-level targets
6. **Supply Chain Event Management** — For your supply chain to run efficiently, you must be able to respond to supply chain events that occur across multiple, disparate systems within your enterprise and at your customers' and suppliers' sites. Collaboration must be enabled through Web portals and automated, system-to-system communication. Supply chain event management gives you:
 - Prioritized, real-time alert messaging with retraction capability for instant response
 - The ability to model multi-enterprise data and integrate to various systems
 - Real-time re-optimization across supply, manufacturing, and distribution constraints
 - The power to measure key performance indicators to see the health of the supply chain
 7. **Supply Chain Optimization** — Responding quickly to changes in your complex supply chain is easier said than done. Supply chain optimization creates plans across your multi-site supply chain network, including collaborative input from customers and suppliers, and gives you the tools to:
 - Make cost- and profit-optimal plans that consider material, manufacturing, mix, storage, and distribution constraints
 - Provide full visibility for customers and suppliers
 - Reduce the number of total shipments for the entire distribution network
 - Optimize safety stock to create leverage across multi-site networks
 - Understand the full impact of changes through multi-level pegging to customer orders
 8. **Real-Time Order Promising** — How profitable are your orders? By providing visibility into the capabilities of your multi-site enterprise, real-time order promising lets you quickly respond to customer needs at the lowest cost to your business, thus helping to maximize profitability. Four real-time methods for determining order delivery date are employed and compared, based on profitability:
 - Available-to-promise — scans your enterprise to determine stock position
 - Capable-to-promise — evaluates all capacity and material constraints
 - Profitable-to-promise — provides critical price, cost, and profit data
 - Scenario manager — compares multiple promising scenarios based on cost, margin, and profit, and selects the scenario that best meets customers' and your needs
 9. **Manufacturing Throughput** — To maximize manufacturing throughput, you need the ability to create detailed production schedules that account for various real-world constraints. It's also key to be able to evaluate multiple what-if scenarios to simulate the effects of changing conditions. When throughput is maximized:
 - Discrete manufacturers can plan around floating bottlenecks in work-order or lean-flow environments
 - Process manufacturers can take production run lengths and continuous inventory costs into consideration
 - Mixed-mode environments can simultaneously handle a combination of constraints and costs
 10. **Supply Chain Design** — Discovering and assessing new opportunities within your supply chain takes world-class optimization tools — not spreadsheets. You need the ability to consider millions of variables at once and generate simulations instantly. You also need tools to compare fixed-cost investments with variable-cost alternatives through time, while factoring in various global issues. It's all possible through supply chain design, which also enables you to:
 - Model the extended enterprise including suppliers, factories, distribution centers, and customers
 - Plan based on long-term demand expectations and new markets
 - Assess the impact of business combinations and acquisitions on your supply chain
 - Manage crises and assess risks in real time