e2open®

Sales and Operations Planning

The S&OP Application for the Modern Supply Chain

In a business environment fraught with volatile demand and increasing supply chain complexity, organizations need an effective planning system to ensure that they are on track to meet their business targets. E2open®'s Sales and Operations Planning application enables companies to achieve consistently profitable, execution-ready plans that balance demand, supply and financial goals to facilitate consensus across internal and external stakeholders.

Effective sales and operations planning (S&OP) requires cross-functional buy-in and collaboration at all levels. Yet aligning various stakeholders' priorities and actions can be challenging. Without the right S&OP process and current high-quality data, knowledge gaps, silos and incentive conflicts can drive suboptimal outcomes. Including external trading partner data in the S&OP process to improve demand and supply visibility adds to the data challenges. Once a plan is finalized, it must be seamlessly pushed into execution, and then actual performance must be continuously monitored to keep the plan on track.

One of e2open's Business Planning intelligent applications, e2open S&OP transforms traditional planning by enabling all internal stakeholders — and even external partners — to collaboratively manage the S&OP process, create consensus demand forecasts and reconcile constrained plans with financial goals. Powerful what-if scenario modeling empowers executives to quickly evaluate financial tradeoffs in real time and make data-driven strategic, tactical and executional decisions.

Key Features

- Dynamic planning hierarchies
- Highlighting of demand, supply and capacity imbalances
- Salesforce® plug-in to capture sales forecasts
- Automation of data gathering and processing
- Machine learning forecasting algorithms
- What-if scenario analyses to model revenue opportunities, volatility risks and supply alternatives
- Configurable workflows for streamlining processes

Key Benefits

- Inventory reduction of 15-30% due to collaborative and algorithmic planning
- 1-2% lift in revenue and 3-5% margin improvement through accurate forecasting, fewer stock-outs and lower inventory costs
- 50-70% reduction in planning cycle times through source system integration and process automation
- Alignment among internal departments as well as external partners
- Faster analysis and decision-making cycles with increased responsiveness

Powerful Capabilities for Current and Future S&OP Needs

E2open S&OP provides extensive collaboration capabilities, advanced automation and machine learning features, as well as a path forward to multi-enterprise S&OP as an organization's needs evolve.

Cross-Functional Visibility and Decision Support

Timely reports and flexible workflows address the needs of various groups of stakeholders but come from the same harmonized dataset, bringing consistency and visibility to the S&OP environment. The application powers reliable executive-level decision support, combining demand, supply and financial plans entered at different levels of the planning hierarchy into a single live planning environment. Planners no longer waste time piecing together information from multiple systems and manually aggregating or disaggregating data to create a composite view. The result is faster decision-making with greater flexibility.

Integration With Sales and Financial Processes

E2open's application is designed to make S&OP a truly cross-functional process. A Salesforce plug-in imports sales forecasts so planners have access to current data and Sales is fully engaged in the S&OP process. Financial planning integration templates and profit and loss (P&L) impact analyses engage Finance as well. Social and workflow capabilities facilitate collaboration when creating and evaluating plans across different functional areas.

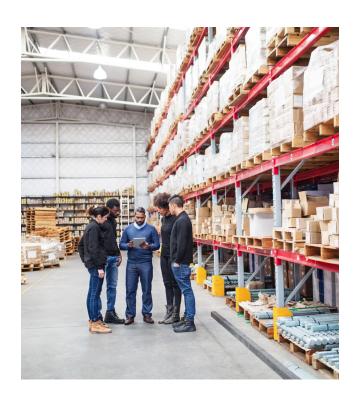## Automation of Data Gathering and Processing

E2open S&OP automates data gathering and processing via advanced algorithms — such as reconciliation of volume versus value plans at any level — enabling an organization to shorten its overall S&OP cycle time and providing convergence between planning and execution. Certified enterprise resource planning (ERP) adapters facilitate the gathering of information from underlying systems. Real-time data enables automated sales and operations execution (S&OE) to keep plans on track between S&OP planning cycles.

Machine Learning Algorithms

Starting with the application's best forecast for any time horizon based on machine learning algorithms, planners can automate the entire statistical forecasting process. They can then engage in value-added activities such as evaluating and using channel data to create better forecasts, collaborating with suppliers and contract manufacturers within the decision-making cycle, and prioritizing and protecting demand when considering scenarios.

Multi-Enterprise S&OP for Modern Supply Chains

With the evolution of global sourcing, contract manufacturing and lean production — coupled with shorter product lifecycles and increased demand volatility — internally-focused S&OP initiatives are increasingly inadequate to profitably manage a modern supply chain. E2open's complementary channel, supplier and logistics network offerings empower e2open S&OP users to take advantage of multi-tier partner data. This results in more accurate plans and better execution.

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End-to-End Supply Chain Management Platform

Once an organization implements any e2open platform application, it is easy to add more capabilities in the future for better visibility, coordination and control over the end-to-end supply chain. The e2open platform creates a digital representation of the internal — and optionally external — network, connects internal ERP and financial systems using SAP® and Oracle® certified adapters for timely data feeds, and normalizes and cleanses the data to make it decision-grade. Using machine-learning enabled algorithms and supply chain management applications, the platform processes the data and provides bi-directional, closed-loop communications back to ERP systems for execution. This facilitates the evolution of supply chain processes towards true convergence of end-to-end planning and execution.

As part of a unified supply chain management platform, e2open S&OP enables organizations to create optimal plans aligned to financial goals, anticipate changing market demands, respond to supply constraints with greater agility and progress to multi-enterprise S&OP.

About e2open

At e2open, we're creating a more connected, intelligent supply chain. It starts with sensing and responding to real-time demand, supply and delivery constraints. Bringing together data from customers, distribution channels, suppliers, contract manufacturers and logistics partners, our collaborative and agile supply chain platform enables companies to use data in real time, with artificial intelligence and machine learning to drive smarter decisions. All this complex information is delivered in a single view that encompasses your demand, supply and logistics ecosystems. E2open is changing everything. Visit www.e2open.com.

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