

Sample Deliverables & Output

A Lack of Cross Facility Standards Exist

	Substantial Variance	Moderate Variance	Consistent Variance	
Metrics - Control Points	<ul style="list-style-type: none"> - OTIF % - OEE - SKU Plan Accuracy % - Rush Order / Changes - DIQ/DDI & Working Capital 	<ul style="list-style-type: none"> - Inter-Stockpoint / Inter-Regional Shipments - Transp. Cost Increases - Delivery Delays - Canceled / Complete Orders 	<ul style="list-style-type: none"> - ERP Approvals / NIGO - Rush Fees / Customer Fees - Demand Plan Timing - Customer Forecast Input - Safety Stock Approach 	<ul style="list-style-type: none"> - Demand Plan ReportingLine - Logistics Responsibilities - S&OP Meeting Frequency & Attendees - Team Collaboration
Ineffective Customer Segmentation	Decreases the right inventory in the right location to ensure appropriate service levels	Creates additional supply gaps requiring inter-stockpoint / inter-regional shipments or shorter delivery time options	Reduces ability to address customer rushes: <ul style="list-style-type: none"> - Short lead time fees - Orders / changes and - Safety stock levels 	Collaboration is reported high but typically reactive
Flawed Demand Forecasting Methodology	Misaligns production capabilities, affecting ability to fulfill customer requests while creating additional work from supply gaps	Reduces ability to address customer rushes: <ul style="list-style-type: none"> - Short lead time fees - Orders / changes and - Safety stock levels 	Inconsistent data use <ul style="list-style-type: none"> - Customers provide bad estimates - Safety stock is low for high velocity items 	Demand planning variance can drive unnecessary, non-standard forecasting approaches and limit best-practice sharing
ERP Data & Authorization Cleanup	Lead times appear to be biggest data integrity issue	Supply and Demand updates inconsistent	Results in stale / outdated data at required times, as well as creates unnecessary delays in the process (e.g., credit holds)	Demand planning variance <ul style="list-style-type: none"> - Drives unnecessary non-standard approaches to forecast - Limits best practice sharing
Lost Sales	Poor OTIF results: <ul style="list-style-type: none"> - 5-10% lost non-reordered sales - ~10% of \$95M in PP cancellations, etc. 	Inability & unreliability to fulfill orders will affect customer retention, and supply gaps will drive additional cancelled orders	Rush orders disrupt with variable approaches <ul style="list-style-type: none"> - Pay for rush - Pay for transport - No fee 	Collaboration is high to retain business, but lost business is not known-shared
Excessive Manual Work (RPA Candidates)	The most mentioned opportunity across regions: RPA	Creates manual tracking and OT problem solving	Drives increased errors resulting in rework of data or low-value communications to obtain correct information	End-to-end data sharing has timing issues for demand and supply
Transportation Delays & Notification	Prevents resolving potential transportation issues that arise that may reduce OTIF	Further exacerbates existing fulfillment issues with poor notification of transportation status	Teams make last minute transportation decisions that increase costs 4x-6x	Varied logistics planning ownership across regions / divisions drives exceptions and inhibits identifying overlapping benefits

Manufacturing Network & Supply Chain Analysis

Critical Process Issues

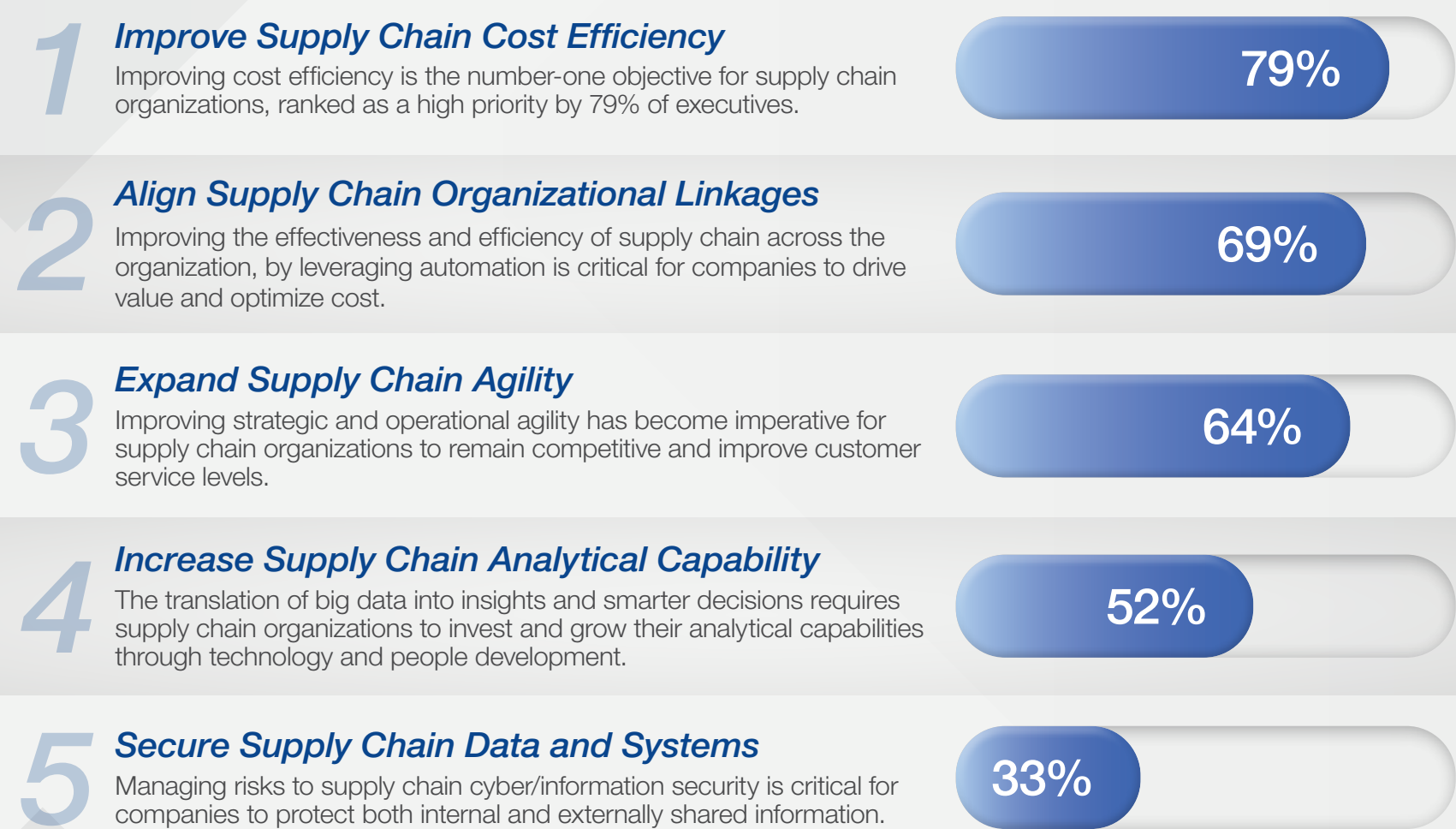


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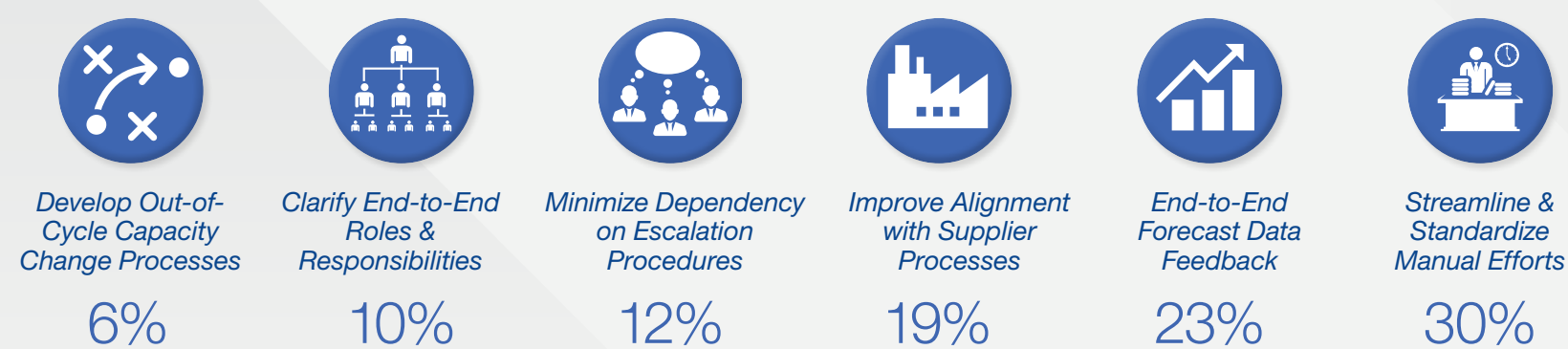
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Typical Improvement Issues

The Overarching Objectives Typically Cited by Executives Fall Into 5 Major Categories

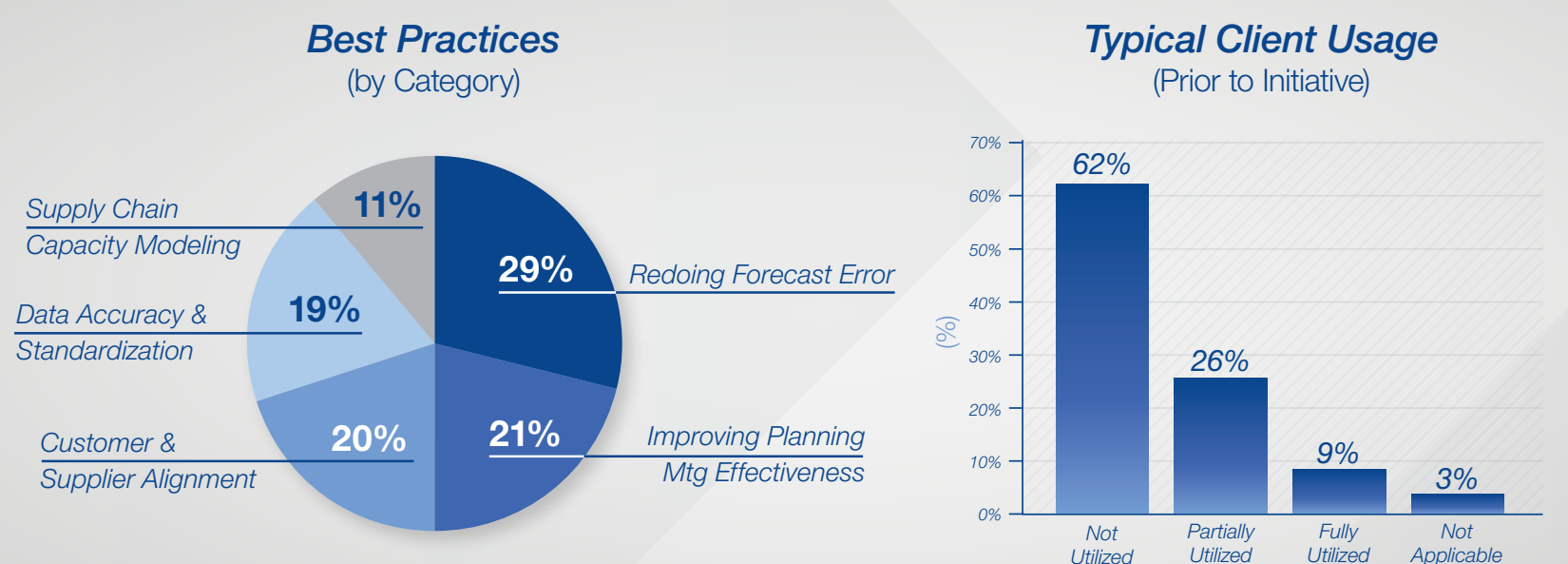


Actionable Level Improvements are Required to Achieve Improvement Objectives



Solutions Approach

PRO's Leading Practices Database Provides Operational Improvement Ideas Often Not in Use



Summary Level Improvement Actions Include Both Tasks and Benefits

Improvement Themes	Actions	Benefits
Clarify End-to-End Roles & Responsibilities	<ul style="list-style-type: none"> - Update current state RACI with revised roles & responsibilities - Design goal oriented incentives to drive decisions / activities - Align metrics with role based goals - Incorporate into management routines to measure goal achievement 	<ul style="list-style-type: none"> - Improvement in overall performance of external supply planning - Enhanced communication and organizational transparency - Elimination of redundant communications and ad hoc requests - Increased employee morale and retention
Develop Out-of-Cycle Capacity Change Activities	<ul style="list-style-type: none"> - Document bottlenecks / best practices - Integrate quality checkpoints - ID system solutions to minimize Excel - Cost / benefit analysis to prioritize system enhancements 	<ul style="list-style-type: none"> - Simplify process to incorporate capacity upside - Shortened cycle-time to decision on capacity changes - Minimization of rework/hand-offs to approve capacity utilization - Improved customer satisfaction (better reaction to order fulfillment)
Improve Alignment with Supplier Methods	<ul style="list-style-type: none"> - List misalignments across key supplies - Quantify impact of alignment issues (cost, quality, delivery) - Prioritize list alignment improvements - Develop revised process models of alignment options mapped to impacted roles 	<ul style="list-style-type: none"> - Improve Supplier "Availability" to Intel - Improved ability to meet demand requirements - Reduction in EMS forecast adjustments - Enhanced vendor relationship and responsiveness
Minimize Dependency on Escalation Procedures	<ul style="list-style-type: none"> - Capture current escalation processes / routines - Calculate lost revenue due to capacity constraints - Develop revised approval / control processes - Align metrics to measure efficacy of changes 	<ul style="list-style-type: none"> - Reduced participation from Sr. & Executive Management - Improved On-Time delivery - Improved order fulfillment (quantity) - Increased capability to address more supply gaps in current cycle - Reduced cycle time to address supply gaps in current cycle