

QUICK CHECK: HOW EFFICIENT IS YOUR CURRENT PLANNING PROCESS?

We're facing some of the most challenging times in recent history, and food producers are not immune. Energy prices have increased, and the availability of base materials such as wheat and soy are driving up costs, which is eating into profit margins and making some business sectors unprofitable. Never before has the adage that we need to work smarter been more important.

Companies are looking to work more efficiently and adjust product ranges and recipes, but do you know if your planning processes are up to tackling today's challenges?

The following five-point checklist will help you identify areas of improvement in your current planning processes:

How efficient is your planning?

Does your planning process consider all of the options available? Planning is a complex task, and in most cases, an adequate plan that is available on time is better than a great plan that is too late. But why can't you have both?

Creating a plan in an MRP is frequently an overnight job, but in reality, that plan is only adequate. It will not have considered all the millions of options available and will most likely work by simply counting back on the lead time, consuming materials, and allocating capacity.



Do you have visibility across your manufacturing and supply chain processes?

When faced with limited planning time, you may feel the need to reduce the plan's complexity by creating a smaller plan with a shorter planning horizon. However, you could work smarter and drive greater efficiencies in the same amount of time, by having a longer planning horizon that can enhance customer SLAs and improve your inventory position, whilst seeing the synergies across your supply chain.



Can you set clear targets with identifiable KPIs?

Companies often feel that they need to accept siloed viewpoints within their organization, but often omit to check for fractures and schisms within those silos.

Management teams have their KPIs and metrics that they work with. However, these are rarely implemented as part of the planning and operational DNA of a company. To drive efficiency and continuous improvement, your KPIs need to be visible to all, not just as a number in a review meeting, but as part of how the company plans and reacts to disruption.



Are changes fully costed?

When you deploy a new machine, implement a process change, or introduce a new product, how do you assess the operational cost and level of improvement? Also, disruption is a daily occurrence that causes your plan to deviate from its goals and become less efficient, adding costs that could be avoided.

If your planning system understands all the available options, individual routings, alternative ingredients, and BoMs, as well as looks across your supply chain while using a longer planning horizon, then you have a digital twin of your supply chain. With a digital twin, you can run scenarios, assess risk, and work with shifting requirements for stock levels, customer demands, and supplier profiles, while enabling you to understand the potential effects of disruption in advance. With intelligent planning, you can run multiple scenarios to compare and identify the best outcome.



Does your team have all the tools they need?

Does your operational team have clear targets which they can work towards and understand? Change is here to stay, and your planning tools and processes need to be ready for tomorrow's challenges. Whereas gaps were once filled in with Excel spreadsheets, these have now become limiting factors where only a select few understand how they work and know how to adjust and react to change. No individual planner should be the only person with the knowledge to resolve an issue.

Your planning team should have access to decision support tools that can help them make the most effective decisions based on your corporate goals and KPIs - with those KPIs always visible, always up to date, and always calculated the same way. These capabilities are driven by having your own digital twin of your operation, a repository for knowledge and best practice, which by supporting the planners, will open up opportunities for your employees to grow. As such, your team can work smarter, quicker, and more consistently whilst adhering to your corporate goals.



Does Your Planning Process Tick All the Boxes?

Having the best planning and operational tools not only saves you money and reduces waste, but also ensures you have the correct inventory levels whilst meeting customer demands. Furthermore, it can improve the working day of your employees, ensure plans are consistent and clear with all constraints checked and prevents poor planning decisions. The result? Planners are supported and disruption is managed.



With the correct tools, your planning can extend beyond the realm of capacity and profit and loss. By integrating your business goals and responsibilities as part of the DNA of your planning, you can be prepared for the challenges of sustainability and corporate responsibility. Most importantly, you can quantify sustainability goals and have a clear vision that allows all levels to understand their contribution to the success of the company, as well as their impact on the sustainability of the planet.

Improve Operations, Deliver Value, and Plan for the Future

Intelligent Food Planning from The Logic Factory can help your business to stay ahead, as consumer trends, disruptions, and innovations continue to advance.

From implementation to project execution and post-go-live support, The Logic Factory's expertise and DELMIA Quintiq's world-class technology can provide you with powerful planning capabilities to increase customer satisfaction, and improve delivery performance, and profitability for your business.

Are you interested to know more? Get in touch.

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