



Manufacturing Agility

Using Technology to Predict & Adapt

WHITEPAPER



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Manufacturing Agility Planning

Your order book is full. You're running at capacity. But things change suddenly. An event you have no control over disrupts demand. Within days you are left with products you can't sell and inventory you can't use.

As a manufacturer, predicting and then adapting quickly to changing demand is critical to mitigating such scenarios. Agile planning helps you keep production moving forward to meet changing customer needs and ensure the order book remains full.

Also, as you know, stock is expensive, so being able to switch up product lines, or tone down regular product fast, is essential. Reassessing priorities in an agile way keeps cost down without impacting production.

This degree of agility requires a level of demand planning many can't reach because of an over-reliance on third party point solutions. While many of these solutions are good, they provide only part of the planning picture. If you are to increase agility, you need the full view.

So how can you reach this level of agile planning?

Getting ahead of the curve

Let's look at how a typical manufacturer planning cycle – much of which you will recognize – could evolve into one capable of predicting and adapting.

You have a business plan, spanning a three to five-year window.

This is where the business wants to be. Each year, you create a budget plan designed to bring you a step closer. This plan guides your financial targets. From it, you define your product mix need, based on lead times. You will have a picture of where orders are coming from, and how you will meet the financial targets: known customers, new customers, new markets. You have a stake in the ground.

This information flows down into the business, informing sales and operational plans. This is then converted into material needs, machine capacity demands, skill levels of workers required, and so on. You now have a 12-month forecast view, with information stored in your Enterprise Resource Planning (ERP) platform, allowing you to track business plans in detail.

If you're able to do this in one system, then you're already ahead. But there's another step that increases agility still further.

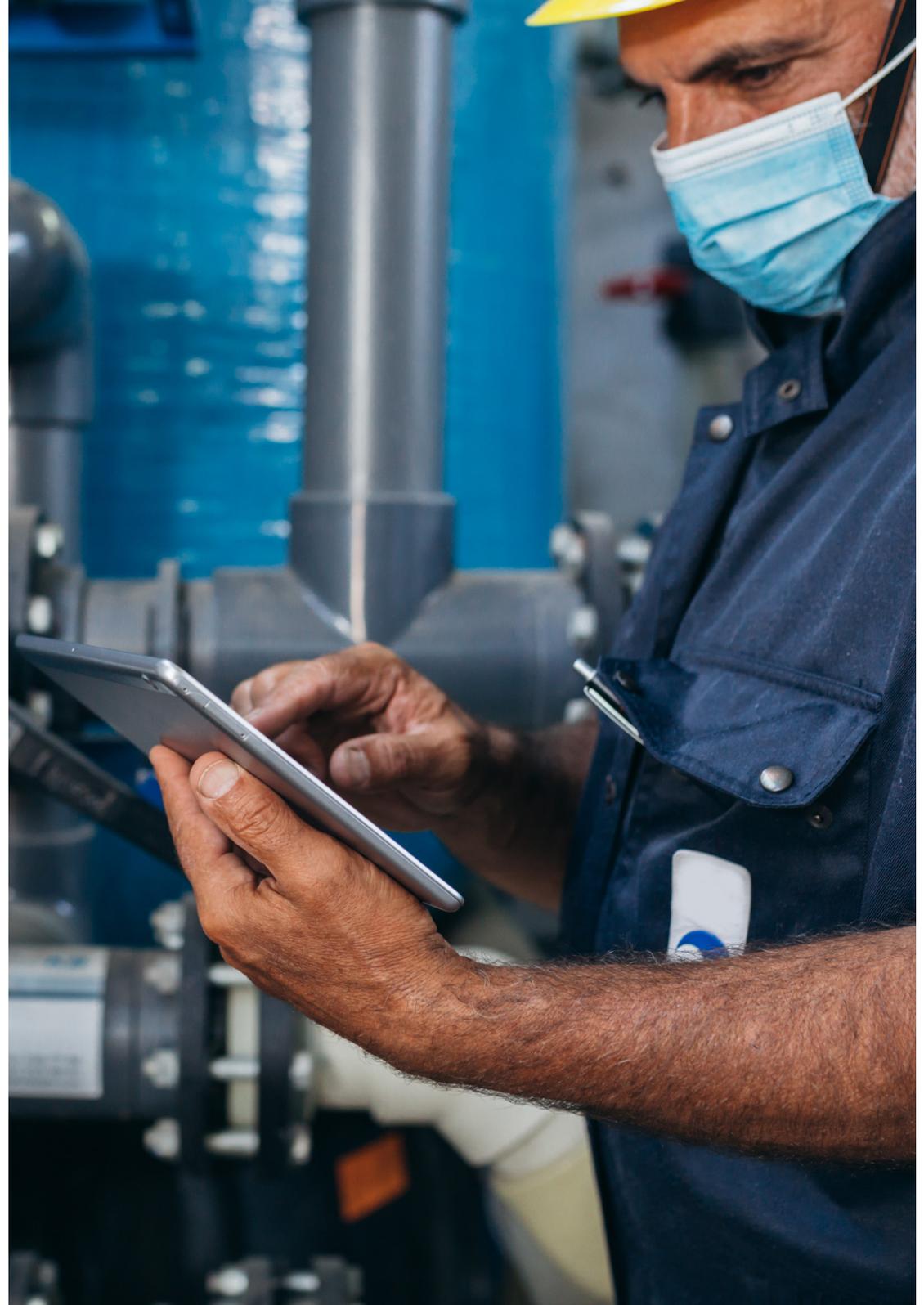
Planning for any scenario

By combining customer and market insights together with your own historical data, you can create pre-plan, what-if, scenarios. Scenarios that allow you to visualize the impact on your supply chain during unprecedented events.

For example, what will you do if in two, four, or six months a product line, normally half empty, is suddenly overloaded with work? Will a product running on two shifts, then need a third shift added to cope with the extra demand? Do you need more people to run that third shift? Do you need to source materials faster to up usage levels beyond forecasted amounts?

In Microsoft Dynamics 365 you can create many such scenario plans, each added into forecast models, and then master planning. From here, you can run each scenario to generate the need and action impact. Tools, such as Power BI, then allow you to compare different plans to see which would benefit the business most in any given scenario. From this you can model contingency plans to direct how you would respond to potential future change.

Good planning reduces the impact of change. If you expect an overload coming in a few months' time, whatever the cause, you will have modelled such a scenario meaning you can quickly react and adapt.





Microsoft Dynamics 365 has enabled manufacturers to increase the number of meaningful customer interactions across digital and physical channels and created more opportunities to sell well as a result.

What next?

Agility and speed offer a competitive advantage for today's manufacturer. To discover how HSO can help you combine data and systems to run sales and marketing activities that deliver results, book your complimentary, no obligation consultation to understand what Microsoft Dynamics 365 can do for your organization.

Contact HSO

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