



# S&OP Project

## Objectives

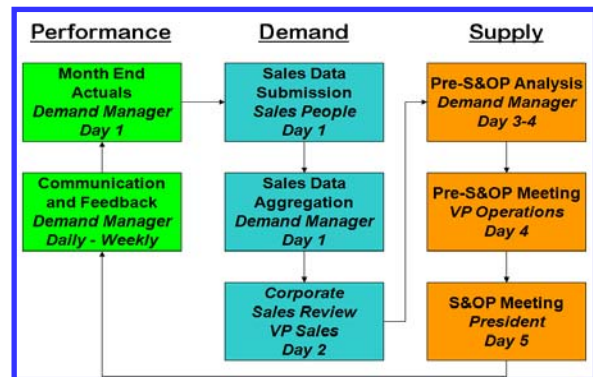
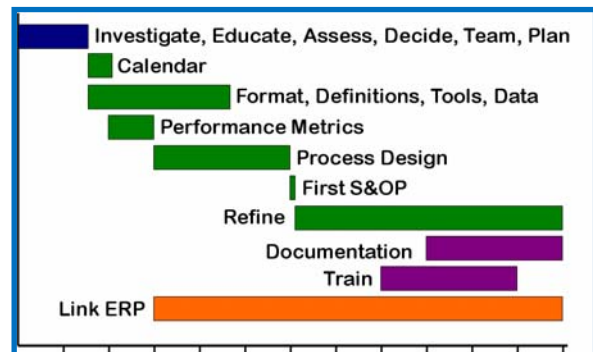
- Enable the activity of effectively balancing demand and supply on a regular and formal basis.
- Ensure that all functional areas of the business are on the same page and have a handshake on the plan.
- Provide the basis for making resource and priority decisions that result in lower operating costs, improved on-time shipments, and improved asset utilization.

## Methodology

J. E. Boyer Company, Inc. has a unique and effective approach for S&OP that has been used in 37 top-to-bottom implementations in a wide variety of industries. For your S&OP process, this methodology will be tailored to meet your specific needs in terms of scope, format, timeframe, and people. Our role is to teach/train your people, help put a project plan together that your people will execute, assist with the ongoing accomplishment of project actions, and follow-up appropriately to ensure results are being achieved.

## Typical S&OP Project Steps

- Decide to investigate it.
- Assess the current business planning process and system capabilities.
- Conduct the initial educational experience for the management team and potential players.
- Decide to do it. Establish the S&OP design team and the process players, create the initial project plan, and estimate the required time/budget.
- Establish the S&OP process calendar.
- Design the S&OP documents and format.
- Agree on basic definitions for bookings, backlog, shipments, inventory, and supply.
- Choose the system tools, engineer data elements (families and many others), design reports.
- Establish baseline performance metrics.
- Design the eight process steps:
  - Collect month-end actual.
  - Get sales forecast input.
  - Aggregate sales forecast data.
  - Conduct the corporate sales review.
  - Analyze supply side alternatives including inventory and backlog targets.
  - Conduct the corporate operations pre-S&OP
  - Conduct the S&OP meeting
  - Communicate and use the output, and provide feedback tools.
- Hold the first S&OP meeting.
- Refine the process.
- Document the process ... ISO style is often used.
- Thoroughly train all of the users.
- Link S&OP to the ERP system.



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