Supply Chain Planning in the Age of Disruption

Proactively mitigate the impact of supply chain disruption with the integrated suite of planning and collaboration solutions from SAP





Take the guesswork out of planning

In today's uncertain economic climate, disruption is a fact of life for supply chain leaders and planners. It can have adverse effects on an organization's operations, profitability, and customer satisfaction.

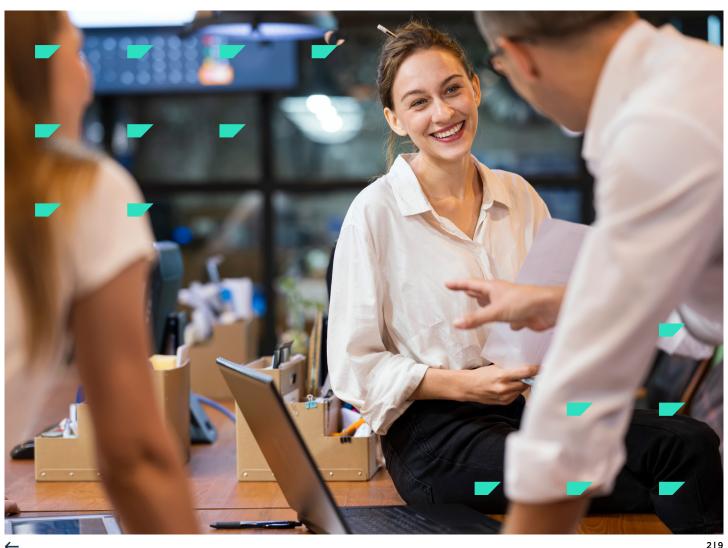
Supply chain planning pain points

Many supply chain planners are still wrestling with planning and supplier collaboration capabilities that are not up to the job: numerous spreadsheets, version control issues, disconnected systems, incompatible data formats, and antiquated methods of communicating with suppliers and other trading partners. These cause constant headaches when disruption threatens, as they provide limited

visibility, unreliable status updates, and make mitigating issues stressful and time-consuming.

In this difficult environment, supply chain professionals face challenges such as:

- Excessive safety stocks or shortfalls
- Inconsistent data and processes with suppliers
- Inefficient, manual planning processes
- Poor supplier compliance with processes.

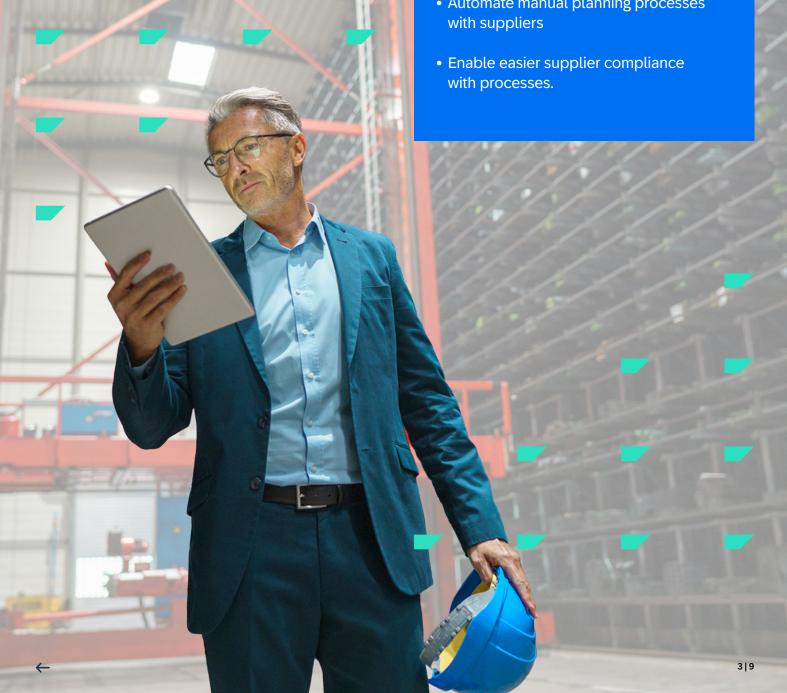


The business impact of disconnected planning

Without connected and integrated supply chain planning capabilities, organizations can experience a raft of negative impacts across the business. The accuracy of demand and supply forecasting suffers. It becomes more difficult to maintain optimum inventory levels. Production schedules can be affected. Customer satisfaction, supplier relationships, costs, profitability, quality and compliance can all be put at risk.

What supply chain leaders and planners need is the ability to:

- Easily obtain suppliers' forecast commits and factor constraints into plans
- Better manage inventory across the supply chain
- Standardize supplier collaboration across the company
- Automate manual planning processes with suppliers



Supply chain technology to proactively mitigate disruption

The answer is to create an integrated supply chain technology environment—one that connects your suppliers, partners, and customers with your business, and integrates supply chain processes from end to end: sourcing, planning, communications, logistics, invoicing, and payments.

SAP solutions enable effective, orchestrated supply chain processes from start to finish.

- 1. Planning. Synchronize planning across demand, inventory, and supply—with the SAP Integrated Business Planning solution.
- 2. Collaboration. Connect with external manufacturers, suppliers, logistics through SAP Business Network.



The proven business benefits of SAP supply chain solutions

The integrated suite of planning, collaboration, and ERP solutions from SAP vastly improves the end-to-end supply chain planning and decision-making process. These solutions deliver the business outcomes you require, such as proactive supply chain visibility and intelligent order promising.

Using these capabilities, our customers have experienced business outcomes such as:

3X increase in confirmations and commits from suppliers¹

5% on-time-in-full improvements while reducing inventory¹

15-45% lower days inventory outstanding (DIO)¹



Anticipate and avert the impact of supply chain disruption

With the integrated supply chain planning solutions, you can effectively anticipate and avert the impact of supply chain disruption. The advantages include:

- Visibility and data-driven insights across the supply chain, to enable informed operational decisions
- Time savings and better efficiency in demand and supply forecasting and inventory management achieved by automating planning processes
- Collaboration with suppliers and other partners to quickly adapt plans when circumstances change
- Optimized inventories across a multi-tiered supply network—a hard-dollar benefit resulting from visibility and collaboration.

Ultimately, these operational benefits drive more strategic ones, enabling the organization to maintain customer satisfaction, uphold profit margins, and achieve sustainable competitive advantage.

Let's take a look at how this works in real life.





^{1.} SAP business benchmarking reports.

Supply shortage remediation—the connected way

Transportation challenges threaten a shipment of materials from a key supplier. You must find an alternative way to fulfil the order on time, or risk losing a valuable customer.



1. Generate plan. SAP Integrated Business Planning helps you evaluate the demand plan and generate an unconstrained supply plan.



2. Collaborate on plan. You send the unconstrained plan to a key supplier, who cannot fully commit due to an anticipated typhoon in the Indian Ocean impacting delivery.



3. Update supply plan. You update the supply plan, realizing you can transfer additional supply from another location.



4. Update unconstrained plan and collaborate with supplier. You update the unconstrained plan, use your business network to collaborate with your supplier, who can commit to the updated plan.



5. Send purchase order and stock transport order. You use your ERP solution to generate a purchase order for the external supply and the stock transport order for the internally-transferred supply. The purchase order is sent to the supplier, and the stock transport order is sent to the internal location.



6. Confirm order. The supplier sees and confirms the order on their dashboard in the network and provides a delivery date.



7. Create ASN. The supplier creates an advance ship notice (ASN) which is visible to both the customer and their logistics partner via your supply chain collaboration capability.



8. Schedule deliveries. The logistics partner schedules the pickup and delivery of raw materials to your factory, and shipment of finished product to the end customer, and updates the ASN.



9. Check delivery status. The logistics partner uses their transportation management system to check that supplies are on their way and you use the logistics visibility capability in your SAP software to get a reliable ETA.



10. Receive and pay invoice. Once the supplies have been received, the buyer sends a goods receipt notice to the supplier, who flips the PO to an invoice and sends it to the buyer over the network. The business rules on the network ensure that the invoice is correct and matched with the PO in the buyer's ERP, triggering payment.

SAP solutions enabling this process

- SAP Integrated Business Planning
- SAP Business Network
 - Planning Collaboration
 - Supply Chain Collaboration
 - Freight Collaboration
 - Global Track and Trace
- SAP Cloud ERP





Ultimately, the supply is secured and customer promises can be kept.

SAP solutions make a real difference

- US-based almond processing cooperative, <u>Blue Diamond Growers</u>, achieved a 10% improvement in forecast accuracy, boosted customer order fill rate to 99%, and saved US\$1 million on transportation costs using SAP Business Network and SAP Integrated Business Planning, among other solutions.
- **German manufacturer,** <u>LAPP</u>, achieved over 90% faster automated confirmation of purchase orders, over 30% time savings on order management and delivery tracking for inbound deliveries, and 10% productivity gains for customer service and logistics teams using SAP Business Network, the SAP Transportation Management application, SAP Business Network Global Track and Trace, SAP Business Application Studio, SAP Business Technology Platform, and SAP Preferred Services.
- **Egyptian electronics manufacturer,** El Araby, reduced the cost of load planning optimization by 50% and improved the accuracy of demand planning by 85% using SAP Business Network Global Track and Trace, SAP Integrated Business Planning, and SAP Cloud ERP solutions.

High ratings from analysts for SAP solutions

66 SAP Business Network is a highly rated, TrustRadius award-winning trading partner platform designed to improve visibility, efficiency, and compliance throughout the supply chain. 99

97% of reviewers would buy it again.²

As a highly rated, TrustRadius award-winning product,

SAP Integrated Business

Planning is designed to support a company's supply chain management in real time. \$9

96% of reviewers were happy with its feature set.³

^{2.} SAP Business Network Market Report, TrustRadius, June 2025.

^{3.} SAP Integrated Business Planning Market Report, TrustRadius, July 2025.

Make your supply chain more resilient

Using shared data and connected applications from SAP, you too can streamline your planning and collaboration and create a disruption-resilient supply chain.

What's next?

Read the full white paper A Day in the Life of an End-to-End Process: SAP Reimagines Supply Chain Planning and Collaboration, written by Josh Greenbaum, Principal Enterprise Application Consulting, who describes in more depth how collaborative, end-to-end processes can help to achieve supply chain excellence.

Or get in touch with an SAP representative and request a demo.



