Enterprise Core for Supply Chain by Capgemini

AI-first operations driving autonomous planning and resilience

Capgemini

INTELLIGENT SUPPLY CHAIN

1 > HOOKS: ENGAGING CXOS
(internal use)

2 > KEY SUPPLY CHAIN
CHALLENGES

3 > OUR VISION FOR SUPPLY
CHAIN TRANSFORMATION

4 > BRINGING OUR VISION
TO ACTION

ENTERPRISE CORE FOR SUPPLY CHAIN BY CAPGEMINI

CHIEF SUPPLY CHAIN OFFICER DEMAND FORECASTING, INVENTORY, SUSTAINABILITY

⬆ **Improve order fulfillment – increased revenue**

⬆ Supply chain resilience	⬆ Inventory optimization	⬇ Effective capacity utilization	⬆ Profitability

SUPPLY CHAIN OBJECTIVES

- How would you outline your supply chain objectives and how well do they align with the organization's vision and target operating model?

DEMAND MANAGEMENT

- What are your current levels of unfulfilled demand?
- Do you have a measure of your forecast accuracy and the impact that it has on your inventory levels?

SUPPLIER COLLABORATION

- How effective is your collaboration with your key suppliers?
- Do you have a set of KPI's against which you measure your supplier performance?

SUSTAINABILITY

- What are your transportation costs as a percentage of your overall sales?
- Is there a significant percentage of your shipments which go out as rush orders?
- How do you currently measure waste in your supply chain ?

INVENTORY OPTIMIZATION

- Is there a case of inventory expansion with an increasing level of unfulfilled demand?
- Are you able to fulfil demand most often from the nearest distribution centre?

WHAT ARE SOME OF THE KEY CHALLENGES IN THE MARKETPLACE

SUPPLY CHAINS HAVE BECOME MORE COMPLEX, FRAGMENTED AND UNDER SEVERE CONSTRAINTS

Covid as well as the current political scenario has resulted in significant geographical shifts in demand and supply, which created problems in finely tuned supply chains. The economic business environment became more challenging, trade wars and availability of supplies have caused many disruptions and pressure on customer service levels

GIVEN THE SUPPLY CHAIN CONSTRAINTS, HOW DO WE SERVICE DEMAND AND PROVIDE THE BEST POSSIBLE CUSTOMER SERVICE?

With the constraints on the supply side, it is imperative that the Supply chains of today demonstrate flexibility in every aspect of their supply chain from demand & supply planning, network design, inventory optimization and prioritization for fulfillment planning.

BUILDING TRUST IN OUR SUPPLY CHAIN – FROM OUR SUPPLIERS THROUGH TO OUR CUSTOMERS

Work as one team with our partners by providing visibility through our Supply chain by planning and collaborating together and enabling profitable outcomes

KEY THEMES FOR INTELLIGENT SUPPLY CHAINS

SUPPLY CHAIN DISRUPTIONS – BUILDING RESILIENCY

- Reduce dependencies on single suppliers
- Near shore manufacturing
- Network design and inventory optimization
- Warehousing and logistics fulfillment optimization

SUPPLY CHAIN VISIBILITY – BUILDING AGILITY

- Visibility of orders and inventory through the supply chain to support decision making
- Supplier collaboration
- Real time data across internal and external capacities for order simulation and re-organizing based on customer priorities

INTELLIGENT SUPPLY CHAIN

SUSTAINABILITY – ACHIEVING SUSTAINABILITY GOALS

- Environmental impact of logistics and supply chain activities
- Minimize waste while delivering on supply chain priorities

DEMAND VARIABILITY – MANAGING CUSTOMER EXPECTATIONS

- Demand fluctuations and fulfillment lead times
- Customized products and services
- Deliver on customer promises – ability to commit

INTELLIGENT SUPPLY CHAINS – DRIVING BUSINESS OUTCOMES

CUSTOMER ENGAGEMENT

- Deliver what we promise and beyond
- Build personalization and trust
- Provide resolution
- Customer centricity as the pillar of supply chain strategy

IBP DEMAND PLANNING S&OP
↓
SUPPLY PLANNING WITH IBP
↓
ADVANCED AVAILABLE TO PROMISE
↓
PRODUCT SEGMENTATION
↓
CONTROL TOWER SUPPLY CHAIN ANALYTICS
↓
SERIALIZATION

AGILITY AND RESILIENCE

- Supply chain risk management
- Collaboration within the supply chain eco-system
- Supply planning and capacity planning
- Supply chain visibility & decision making support for resilient supply chains

SOURCING COLLABORATION WITH ARIBA
↓
MRP PRODUCTION PLANNING & SCHEDULING
↓
PRODUCTION ENGINEERING FOR PLM
↓
PRODUCTION ORDER SIMULATION
↓
CONNECTED EQUIPMENT
↓
SUPPLY CHAIN ANALYTICS

SUSTAINABILITY

- Minimize waste
- Monitor sustainability metrics across supply chain process flows
- Promoting and implementing sustainability in the Supply Chain
- "Green Core with SAP Solutions"

EXTENDED WAREHOUSE MGMT
↓
INVENTORY OPTIMIZATION WITH IBP
↓
PROCESS AUTOMATION
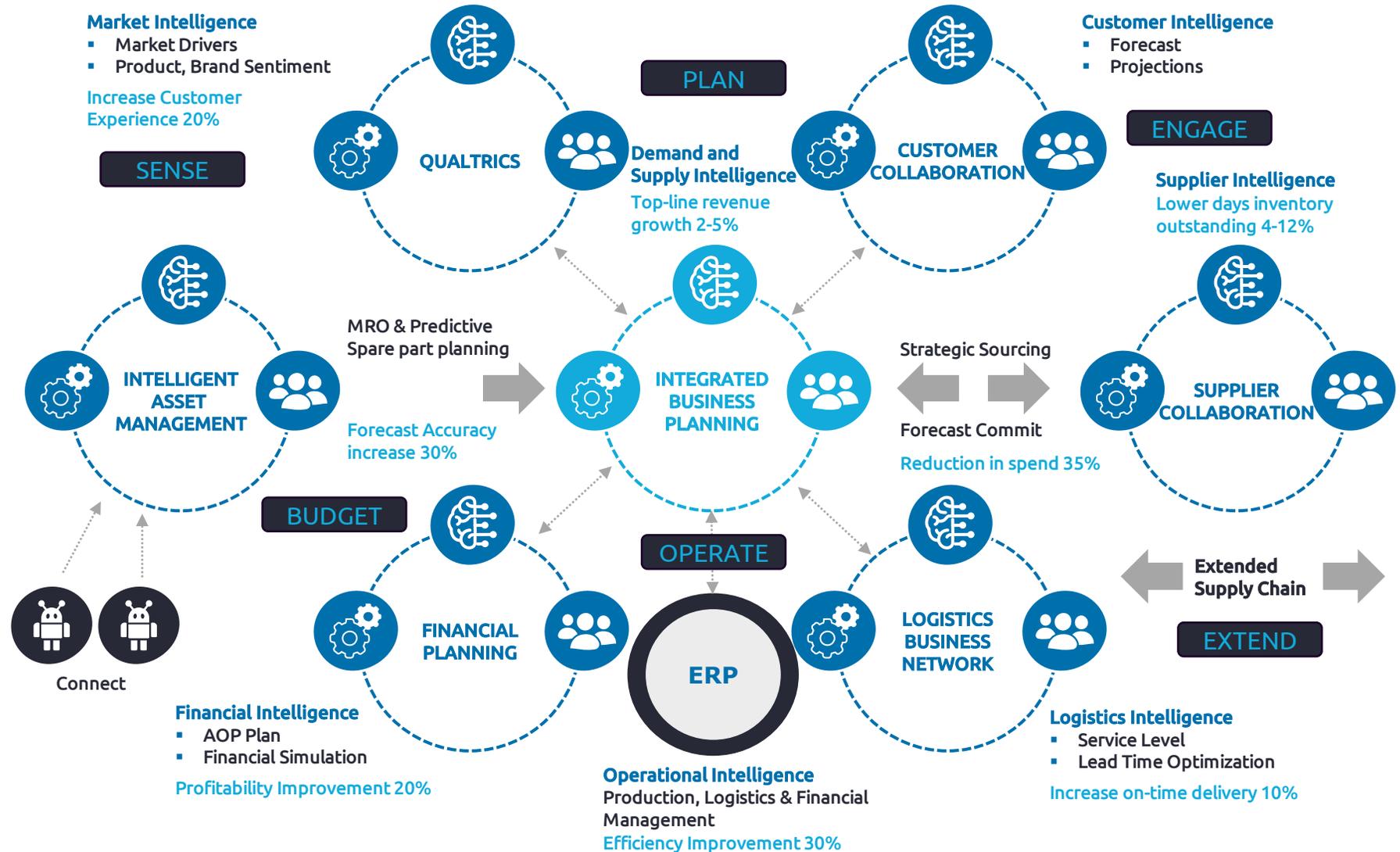↓
CARRIER COLLABORATION
↓
ROUTE PLANNING & OPTIMIZATION
↓
SUPPLY CHAIN ANALYTICS

OUR INTELLIGENT SUPPLY CHAIN VISION

- A fully Integrated **real-time environment** that includes integration outside the companies borders

- Adaptive to **sensory data for autonomous response** to changing market dynamics

- Anywhere **anytime access to actionable insights** that enables critical decision making

- An **agile and resilient** platform that can be extended as business evolves

Market Intelligence
- Market Drivers
- Product, Brand Sentiment

Increase Customer Experience 20%

SENSE

PLAN

QUALTRICS

Demand and Supply Intelligence
Top-line revenue growth 2-5%

CUSTOMER COLLABORATION

Customer Intelligence
- Forecast
- Projections

ENGAGE

Supplier Intelligence
Lower days inventory outstanding 4-12%

MRO & Predictive Spare part planning

INTELLIGENT ASSET MANAGEMENT

Forecast Accuracy increase 30%

INTEGRATED BUSINESS PLANNING

Strategic Sourcing

Forecast Commit

Reduction in spend 35%

SUPPLIER COLLABORATION

BUDGET

OPERATE

Connect

FINANCIAL PLANNING

ERP

LOGISTICS BUSINESS NETWORK

Extended Supply Chain

EXTEND

Financial Intelligence
- AOP Plan
- Financial Simulation

Profitability Improvement 20%

Operational Intelligence
Production, Logistics & Financial Management
Efficiency Improvement 30%

Logistics Intelligence
- Service Level
- Lead Time Optimization

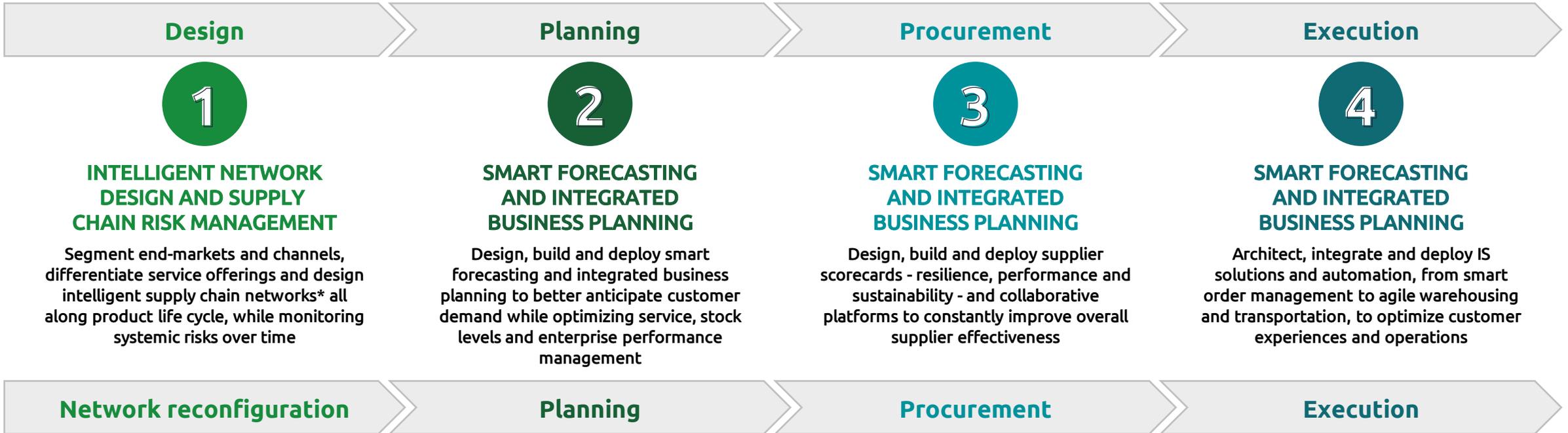Increase on-time delivery 10%

01

HOW DO WE ENABLE
THIS VISION

FROM TRADITIONAL TO INTELLIGENT SUPPLY CHAIN
OUR SERVICE OFFERINGS ADDRESS THE NEW BUSINESS AND TECHNOLOGICAL CHALLENGES

6 SUPPLY CHAIN CONTROL TOWER AND E2E PERFORMANCE MANAGEMENT

Design, integrate and deploy cloud–based supply chain platforms, to progressively provide end-to-end visibility, traceability and advanced event monitoring capabilities while driving end-to-end performance

Design	Planning	Procurement	Execution

1 INTELLIGENT NETWORK DESIGN AND SUPPLY CHAIN RISK MANAGEMENT

Segment end-markets and channels, differentiate service offerings and design intelligent supply chain networks* all along product life cycle, while monitoring systemic risks over time

2 SMART FORECASTING AND INTEGRATED BUSINESS PLANNING

Design, build and deploy smart forecasting and integrated business planning to better anticipate customer demand while optimizing service, stock levels and enterprise performance management

3 SMART FORECASTING AND INTEGRATED BUSINESS PLANNING

Design, build and deploy supplier scorecards - resilience, performance and sustainability - and collaborative platforms to constantly improve overall supplier effectiveness

4 SMART FORECASTING AND INTEGRATED BUSINESS PLANNING

Architect, integrate and deploy IS solutions and automation, from smart order management to agile warehousing and transportation, to optimize customer experiences and operations

Network reconfiguration	Planning	Procurement	Execution

5 ORDER FULFILLMENT OPERATIONS

Provide externalized business services all along the supply chain while progressively applying best practices and digitalization

INTELLIGENT NETWORK DESIGN AND SUPPLY CHAIN RISK MANAGEMENT

Segment end-markets, Customer prioritization, differentiated service offerings and design intelligent supply chain networks – locations, inventories, flows – all along product life cycle, while monitoring systemic risks over time

- Define the new supply chain service offering while micro-segmenting end-markets

- Model & optimize Supply Chain networks - suppliers, industrial footprint, distribution - to optimize performance while building resilience and sustainability

- Select and deploy external data, methods and tools to monitor systemic risks over time

- Define and implement a Supply chain network design capability to reconfigure based on changing market conditions

SMART FORECASTING AND INTEGRATED BUSINESS PLANNING

Design, build and deploy smart forecasting and integrated business planning to better anticipate customer demand while optimizing service, stock levels and enterprise performance management with our pre-built content on SAP Solutions

- Sales and Operations planning

- Demand Sensing

- Dynamic safety stock planning

- Supplier Collaboration (material or logistics supplier)

- Synchronized Planning

- Intelligent Visibility

- Interactive Planning

- MRO Spare Parts Planning

SOURCING ANALYSIS AND SUPPLIER COLLABORATION

Design, build and deploy supplier scorecards - resilience, performance and sustainability - and collaborative platforms to constantly improve overall supplier effectiveness

- Select external and internal data sources to fuel a 360° - resilience, performance, sustainability - sourcing analysis

- Design, integrate and deploy sourcing and supplier performance dashboards to continuously assess supplier ecosystem

- Define collaboration models with suppliers from short-term visibility to long-term partnership and design an overall transformation roadmap

- Select supplier collaborative platform based on priority use cases POC, UX, credentials, performance and ease of integration

- Design, integrate and deploy supplier collaborative platform

- Automate sourcing and procurement tasks/activities

SUPPLY PLANNING & DIGITAL MANUFACTURING

Interconnected manufacturing is a foundation to implement data-driven use cases, leveraging our market insights and expertise.

CUSTOMER AND SUPPLY CHAIN PLANNING CORES		
Order Input	C4C	CPQ	BRIM
Planning	S&OP	DP	SP
	Control Tower		

DIGITAL CORE ON S/4
S/4 Sales and Advanced ATP	S/4 Project Systems	S/4 Variant Configuration
SAP Digital Manufacturing
SAP EWM and TM	S/4 DDMRP and MRP Live	S/4 PP/DS

Accurate Customer Order Lead Time commitments

Product Customization

Distribution Resource Planning

Transparency & Visibility of shop floor activity and work in progress (WIP)
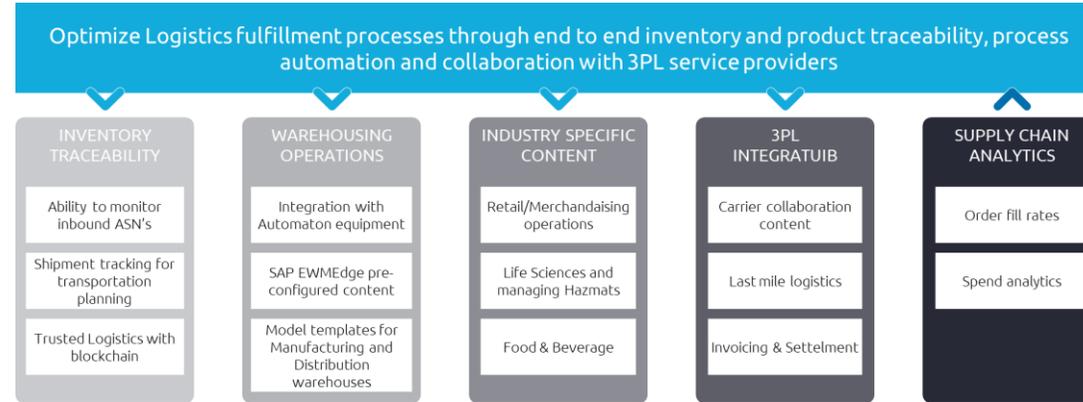
Asset Utilization & Availability

ORDER FULFILLMENT OPERATIONS – LOGISTICS AND FULFILLMENT

Our integrated Industry based PATH solutions on S/4HANA with SAP EWM and TM enables smart order management to agile warehousing and transportation, to optimize customer experiences and operations

Optimize Logistics fulfillment processes through end to end inventory and product traceability, process automation and collaboration with 3PL service providers

INVENTORY TRACEABILITY	WAREHOUSING OPERATIONS	INDUSTRY SPECIFIC CONTENT	3PL INTEGRATUIB	SUPPLY CHAIN ANALYTICS
Ability to monitor inbound ASN's	Integration with Automaton equipment	Retail/Merchandaising operations	Carrier collaboration content	Order fill rates
Shipment tracking for transportation planning	SAP EWMEdge pre-configured content	Life Sciences and managing Hazmats	Last mile logistics	Spend analytics
Trusted Logistics with blockchain	Model templates for Manufacturing and Distribution warehouses	Food & Beverage	Invoicing & Settelment	

SUPPLY CHAIN CONTROL TOWER AND E2E PERFORMANCE MANAGEMENT

Design, integrate and deploy Supply Chain control tower and dashboards with SAP IBP, to progressively provide end-to-end visibility, traceability and advanced event monitoring capabilities while driving end-to-end performance

- Qualify priority use cases – reporting, visibility & traceability, alerting - and associated operating models to improve supply chain E2E visibility, monitoring and performance

- Design & build, integrate and deploy SAP IBP supply chain control tower platform as well as related operating models

- Define and deploy consistent KPI's and dashboards across all tiers/actors to constantly monitor E2E performance and improvements

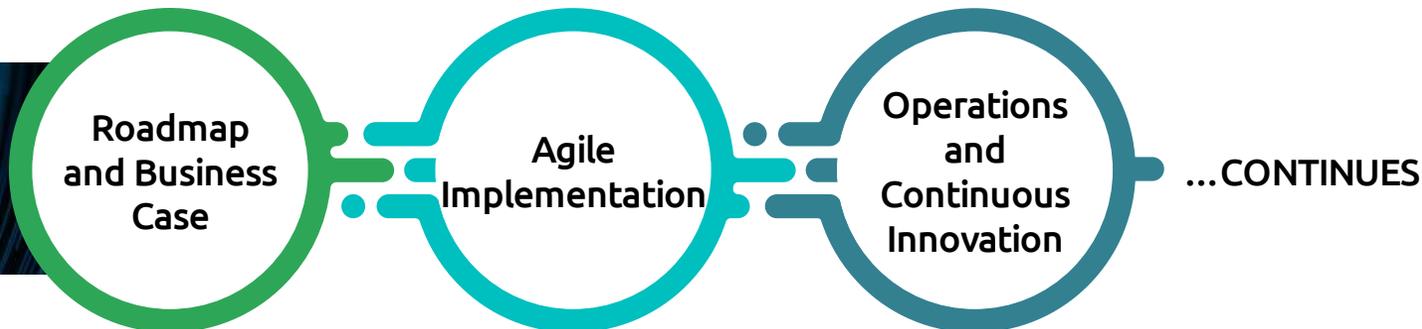- Implement advanced event monitoring capabilities to increase supply chain intelligence

02

**BRINGING THIS VISION
TO ACTION**

WE HAVE A GLOBAL FOOTPRINT AND STRONG LOCAL PRESENCE WITH EXPERTISE ON SUPPLY CHAIN SOLUTION – FROM DESIGN TO EXECUTION

Your transformation into an AI-First, intelligent Supply Chain

Roadmap and Business Case → Agile Implementation → Operations and Continuous Innovation → ...CONTINUES

PEOPLE & BUSINESS	Target Operating Models	Business KPI	Change Management	Customer engagement model	Enablement as a Service	Profitable & Sustainable Fulfilment	Pre-built content
Supply chain Analytics	Data management	Data Governance	Data Architecture		Data Monetization		Consumer & Operation Insights
Industry & Domain expertise	Industry specific use cases	Industry based PATH solutions	End-to-End Integration with specialised 3rd party applications	iCaptivate methodology for delivery	RPA		Sustainable Operations and waste reduction
Infrastructure	Cloud consulting	Cloud Economics	SAP on cloud		Multi-Cloud Integration		Cloud Security & SAP Cybersecurity

WE HAVE DONE IT

We are **ideally positioned** with a **unique experience of projects** where companies combine business transformation initiatives with SAP Solutions

Consistently recognized as a **LEADER** by Analysts**

725+
S/4HANA CLIENTS

6,900+
S/4HANA Digital Core & ERP Certified Resources*

Nearly
15,000
S/4HANA Skilled Resources

1,300+
S/4HANA Projects

300+
S/4HANA-dedicated Experts in Global CoEs

80+
Innovative Solutions

*Source: 2021 SAP Certification Report
** 2021 Gartner's MQ for SAP S/4HANA Application Services | 2020
** 2020 Avasant's SAP S/4HANA Services Radarview

DIGITAL TRANSFORMATION AND INNOVATION

MANUFACTURING	DASSAULT AVIATION	DE NORA	Danfoss	COGNEX	IMERYS
ENERGY, UTILITIES AND CHEMICALS	ingevity / CHS	TotalEnergies	YorkshireWater	FARYS	centrica
RETAIL	meijer	maxeda DIY Group	RCHLO RIACHUELO	gorfactory	NATURAL DA TERRA
CONSUMER PRODUCTS	T.Marzetti	Red Bull	FILA	agrifirm
AUTOMOTIVE	CooperStandard / LUCID	VOLVO	SEAT	XL2 by Audi & Capgemini	Teksid
LIFE SCIENCES	Boston Scientific	Japanese Life Sciences Company		BAYER
TELECOM, MEDIA AND ENTERTAINMENT	TE connectivity	hp	AVAYA	Smart
FINANCIAL AND OTHER SERVICES	CredibanCo	ZURICH	ICGEB	Helsinki City Transport	CATHAY PACIFIC

OUR RECENT SUPPLY CHAIN DRIVEN TRANSFORMATION PROGRAMS

ingevity®

Design and globally deploy Ingevity's technology platform of the future on SAP S/4HANA®, providing the organization with the ability to scale its intelligent operations with a long-term growth mindset manufacturing locations

READ INGEVITY STORY

COGNEX

Cognex moved to 1909 version for S/4HANA®. In 2017, Cognex implemented SAP S/4HANA® 1610 with the applications hosted on Azure. Also, the Capgemini Cloud Platform provided a single-cloud management system.

READ COGNEX STORY

T.Marzetti™

Business and digital transformation enabled by a full greenfield implementation of SAP S/4HANA Cloud on MS Azure leveraging our CPGPath solution, plus SAP TPM (Trade & Promotion Management), SAP Enable Now, SAP BW, Dell Boomi, MDM Riversand, and MS Power BI.

LISTEN TO T.MARZETTI STORY

CooperStandard

Strategic Transformation – Brownfield Conversion to SAP S/4HANA. The transformation to SAP S/4HANA is set to increase speed, visibility and reporting in support of Cooper Standard's accelerated growth.

READ COOPERSTANDARD STORY

EXCELERATE ENERGY

Transparent supply chain with end-to-end visibility - Capgemini worked with Excelerate to implement blockchain functionality on the SAP Business Technology Platform

★ 2021 SAP Innovation Award Finalist

READ EXCELERATE ENERGY STORY

SEAT

SEAT reviewed its existing systems and processes in order to identify the challenges of its impending SAP S/4HANA implementation and create detailed transformation roadmaps.

READ SEAT STORY

TE connectivity

Moved to a managed service model to better incorporate customer feedback, introduce SAP S/4HANA, drive Supply Chain transformation and adapt to a world in which remote working has become increasingly important.

READ TE CONNECTIVITY STORY

IMERYS

To Design and implement an intelligent platform based on SAP S/4HANA®; with the capacity to integrate its various business functions including Finance, Sales, Purchasing, Manufacturing, Maintenance, Quality and Master Data – as well as the Business Areas of the Imerys Group across the globe.

READ IMERYS STORY

LUCID

Creation of a new company to build luxury EV vehicles. Greenfield implementation of S/4HANA Cloud as the digital core including most processes across finance, manufacturing, and supply chain.

READ CHS STORY

ST UNDER NDA

Deployment of one organization, one process and one solution across all entities

Fast delivery of the forecasting solution in 3 months, reaching +200 users, then S&OP, involving +50 users worldwide

Successful implementation of the DDMRP solution in replenishment planning

03

DISCUSSION AND NEXT STEPS

IMMEDIATE COURSE OF ACTION TO CONTINUE THE DISCUSSION WITH CAPGEMINI

INTELLIGENT SUPPLY CHAIN IGNITE DAY	DIGITAL SUPPLY CHAIN MATURITY ASSESSMENT	SUPPLY CHAIN SUSTAINABILITY ASSESSMENT

1-2 days Workshop:
- Digital and RPA/IPA technologies and related disruptions
- Business opportunities and threats in the industry
- Initial review of" legacy" and existing initiatives/projects
- Initial view on roadmap and benefit case "by analogy"
- Benchmark (trends, clients testimony, …)

Clients leave with:
- Shared view on SC challenges and opportunities
- Concrete examples of use cases/applications (industry benchmark and ideation)
- Initial benefit case and next steps

Assets to leverage:
- Applied Innovation Exchange' centers
- Capgemini end-to-end expertise and credentials across industries
- Use case library and data accelerators (from the '890 by Capgemini' platform and 'Innovation Portal')
- Capgemini Research Institute reports
- Capgemini demonstrators (network design, Warehouse design,..)

Digital Supply Chain Maturity Assessment:
- End-to-end supply chain assessment (process, organization, IT), industry leaders' benchmarks and key KPIs monitored and data collection
- Overall IS/IT supply chain landscape mapping (applications, interfaces)
- Initial review of existing initiatives/projects
- Business, IS/IT and digital opportunities

Clients leave with:
- Supply chain maturity assessment
- Shared view on company supply chain strengths and weaknesses
- Initial qualification of business and IS/IT improvement priorities
- Supply chain readiness for new industry paradigms (of which sustainability and resilience)

Assets to leverage:
- Supply chain and industry experts
- Existing workshop materials
- Assessment frameworks
- Use case library and data accelerators

Supply Chain Sustainability Assessment:
- Reviewed supply chain sustainability frameworks
- Available and to-be collected data
- Tool-based questionnaire for quantitative-qualitative assessment
- Initial evaluation of the supply chain carbon footprint
- Initial sustainability roadmap and next steps

Clients leave with:
- A clear understanding of where the company stands CSR wise
- CSR targets and first transformation roadmap

Assets to leverage:
- EcoVadis' Solution for full CSR assessment
- Capgemini research institute reports
- Capgemini credentials

NEXT STEPS TO ENGAGE WITH CAPGEMINI ON YOUR INTELLIGENT SUPPLY CHAIN JOURNEY

SMART FORECASTING MVP	360° SOURCING SCORECARD	INTELLIGENT SUPPLY CHAIN IS/IT BLUEPRINT	TOOL SELECTION: IBP, WMS, TMS, CONTROL TOWER

MVP development and scale up roadmap
- Prioritized use cases (value driven)
- Accelerated development of a simplified solution
- Showcasing of reusable assets, accelerators and frameworks for deployment at scale
- Initial roadmap for scaling up

Clients leave with:
- An initial solution to iterate on
- A quick demonstration of the value of smart forecasting
- A clear path to deploy at scale

Assets to leverage:
- Use case library, Industry and use cases requirements expertise (from Capgemini platforms)
- Integrated Demand Sensing and Inventory Optimization solution (Capgemini accelerator)
- Data and AI @scale assets and frameworks

Build initial 360° scorecard (resilience-performance-sustainability):
- Prioritized use cases across all tiers
- Identified internal and external available and to be collected data
- Designed initial dashboards
- Built, integrated and deployed dashboards

Clients leave with:
- Live initial 360°scorecards
- Initial foundation to monitor supplier base performance

Assets to leverage:
- External KPIs, surveys and reports
- Capgemini credentials, use cases
- Use case library and data accelerators
- Capgemini procurement platforms and tools

End-to-end architecture scoping and roadmap:
- Qualified business issues and pain points by business area, key process
- IS/IT legacy mapping and qualification (silos, discontinuities, mismatch)
- Reviewed existing initiatives/projects
- Designed future IS/IT architecture
- Initial roadmap and next steps
- Initial sustainability roadmap and next steps

Clients leave with:
- Shared view of business priorities
- Shared view of current IS/IT architecture strengths and weaknesses
- Overall intelligent SC architecture design
- Way forward and next steps

Assets to leverage:
- Industry and business requirements expertise
- Software expertise
- Track-record of large SC system integration across domains, processes and industries
- Co-branded solutions as demonstrators

Tool selection and transformation roadmap:
- Scope and ambition
- Requirements: functional, technical/performance, ease of use, cost, integration
- Assessment criteria of which specific and priority use cases
- Software vendor RFP
- Tool selection based on answers, demos/POC, credentials
- Solution deployment roadmap and next steps

Clients leave with:
- Shared scope, ambition and requirements
- Solution to be implemented and roadmap

Assets to leverage:
- Supply chain and industry expertise
- Overall SI capabilities
- Supply chain technological ecosystem
- Capgemini credentials

About Capgemini

Capgemini is an AI-powered global business and technology transformation partner, delivering tangible business value. We imagine the future of organizations and make it real with AI, technology and people. With our strong heritage of nearly 60 years, we are a responsible and diverse group of 420,000 team members in more than 50 countries. We deliver end-to-end services and solutions with our deep industry expertise and strong partner ecosystem, leveraging our capabilities across strategy, technology, design, engineering and business operations. The Group reported 2024 global revenues of €22.1 billion.

Make it real.
www.capgemini.com