

Case study

Sales & Operations Planning (S&OP)



Fashioning a Transformation

Results

- Increased visibility thereby leading to greater forecast accuracy and better decisions
- Improved profitability and resource utilization

Productivity improvement:

“Blue Yonder’s consultants helped us to first create a vision of the radical transformation, then share it with our employees. With assistance from Blue Yonder, we created a roadmap and invited people to join us on the journey. Then we empowered our employees to find their own way to make the digital transformation happen. We needed their creativity to drive innovation. The sense of ownership that resulted became a huge factor in our success.” – **Chief Commercial Officer, Lenzing**

Challenges:

- Based in Austria, the Lenzing Group supplies high-quality specialty fibers to the global fashion industry. Its botanic cellulose fibers, which support the production of textile and nonwoven products, are known for their innovative properties, including a reduced environmental impact when compared to traditional materials.
- The company sought to connect demand forecasting, sales planning and operations planning via digitalization thereby creating an extremely accurate, efficient end-to-end supply chain.

Implementing a solution:

To achieve a solution, Lenzing partnered with Blue Yonder to implement Sales & Operations Planning (S&OP) across its production operations, as well as its sales, marketing and finance activities.

The company’s goal was to create an extremely accurate end-to-end planning process that matches demand and supply very precisely while also minimizing inefficiencies and maximizing profitability. S&OP addresses these needs by taking a cross-functional approach to integrated business planning that unites all the moving parts across the supply chain with a shared focus to meet demand across markets, with an eye on both immediate and long-term strategic goals.





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Digital transformation:

This implementation represented the first step of a digital transformation for this 80-year-old business. Existing commercial tools, such as Excel spreadsheets, and manually intensive processes were replaced with a specialized solution built to manage the complexity of Lenzing's worldwide business model. Cross-functional teams were brought together for the first time in an agile, collaborative process, working with a single set of data that is shared across the business.

This new level of transparency and visibility helped Lenzing stakeholders understand the needs of both customers and end consumers, creating a more accurate forecast and, ultimately, a much more agile and responsive supply chain.

Solution benefits

- Increased visibility thereby leading to greater forecast accuracy and better decisions
- Improved profitability and resource utilization
- New level of cross-functional alignment and employee buy-in

Blue Yonder's expertise:

“Not only did Blue Yonder deliver the best-in-class digital technologies Lenzing needed, but Blue Yonder also understood our overall business challenges and goals. Blue Yonder's experts ensured that the new processes and supply chain model would set the stage for long-term success, both financially and in terms of our commitment to environmental stewardship. And they made sure our employees believed in the vision and made it happen.”

 Luminate Planning

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