



www.districon.com



AIMMS
www.aimms.com

Effective decision-making

10 questions about supply chain optimisation



RESULT

0-3 questions answered with 'No':

Your decision-making processes are stable and simple enough for basic optimisation software. Your current processes and systems are set up in such a way that you can always make the best possible decisions.

4-6 questions answered with 'No':

Your decision-making processes are at risk of becoming too confusing and sub-optimal. In addition to needing robust ERP, your organisation would also benefit from flexible optimisation software.

7-10 questions answered with 'No':

Your decision-making processes are confusing and sub-optimal. Your company can make substantial gains by using flexible and scalable optimisation software to arrive at the best possible decisions.

“AIMMS technology allows us to quickly prototype and build unique optimization applications that create a competitive edge for Zalando”

Christoph Stark, Vice President Logistics at Zalando

About AIMMS

AIMMS is an innovative technology company with offices in Europe, the US and Asia, serving half of the global Fortune top 20 companies. The company provides a unique analytics, modeling and optimization platform that supports complex business decision making at every organizational level. AIMMS customers can quickly create high business impact with optimization apps to support both strategic and daily operational. AIMMS is trusted by companies like Nike, Unilever, Heineken, General Electric, Sanofi and many others.

Visit www.aimms.com for more info.



About Districon

Districon develops state of the art supply chain solutions for business and government. They add value by leveraging extensive experience and capabilities in the fields of Supply Chain Management, Cargo Logistics, Logistics Facilities and Business Intelligence. Districon offers advisory, professionals and solutions, driven by their motto “Creating value in logistics”.

Visit www.districon.com to learn more.



Better decision-making processes

The business complexity is increasing all the time due to globalisation, big data and dynamic interdependences. It is becoming ever-more difficult for supply chain professionals to make the right decisions. Supply Chain Media, software vendor Aimms and consultancy firm Districon have put together this checklist for supply chain optimisation.

In order to make the best possible supply chain decisions, it is vital to make a distinction between the various optimisation areas: the supply chain network and the associated stock allocation, the usually monthly supply and demand planning, weekly and daily production planning and scheduling, risk mitigation and the cost to serve. The optimisation objectives can vary, e.g. in terms of volume, costs, profit, market share, currency, cash, tax or CO2 emissions.

When making their calculations, most companies extensively utilise complex Excel spreadsheets. This involves lots of manual input work and hence is highly prone to errors. Although many companies have an enterprise resource planning (ERP) system, their IT infrastructure is usually still fragmented. This makes it difficult, if not impossible, to perform quick calculations for decision-making purposes. Effective decision-making actually requires software that has various powerful models which ideally can be used dynamically in simulations. Access to relevant information is necessary in the sales & operations planning (S&OP) cycle, for example.

In order to remain agile, it is essential to offer fast and effective decision-making support in relatively small steps. The software must be sufficiently flexible and scalable for it to be extended to other product groups, ever-larger geographical regions and other opportunities for optimisation within the company.

Answer the 10 questions below to discover how far your company is in terms of optimisation.

A STRESS TEST FOR YOUR OPTIMISATION PROCESS

1. Does the management know where the company is performing sub-optimally? YES NO
2. Do you optimise your supply chain network and stock allocation on a weekly basis? YES NO
3. Do you optimise risk mitigation in your complete supply chain network? YES NO
4. Is optimisation anchored in each phase of S&OP and/or integrated business planning? YES NO
5. Does your system automatically generate different scenarios in your supply, demand and production plan at strategic, tactical and operational level? YES NO
6. Are supply planning, demand planning and production scheduling automatically linked together? YES NO
7. Can you easily change the optimisation objective (volume, costs, profit, market share, currency, cash, etc.) in your planning? YES NO
8. Can you easily change the horizon (strategic, tactical and operational) of the optimisation objective? YES NO
9. Do your IT systems show the business impact of decisions in euros? YES NO
10. Can your IT systems calculate optimisation immediately (i.e. not overnight)? YES NO

▶ Staying agile and responding quickly to volatile demand

▶ Making the best possible decisions