

Conducting an S&OP Process Assessment for a CPG Manufacturer

INDUSTRY:



Consumer Products

PRODUCTS AND SERVICES:



Food, beverage, and
personal care products

BUSINESS TRANSFORMATION STORY & BUSINESS CHALLENGE

The client manufactures natural extracts and ingredients used by leading flavor houses, beverage, and consumer goods brands. The client provides formulators with the creative tools to deliver novel and authentic sensory profiles to consumers.

Facing customer dissatisfaction caused by a rise in lead-times and inventory, the client's executive leadership pursued an assessment of its global cross-functional processes related to their state of readiness to implement a sales and operations planning (S&OP) process. They sought recommendations on changes that could be implemented to support a growth in sales and profitability alongside a new market growth strategy.

The client engaged Clarkston Consulting's supply chain experts to assess the current state S&OP processes and systems, define a future state vision, and develop a roadmap with actionable next steps to drive business benefit.

PRIMARY OBJECTIVES:

- Assess the current end-to-end S&OP process across its organization
- Review currently used information and data, including KPIs that are exchanged, its availability, the method, structure, and ownership
- Evaluate the client's S&OP maturity against S&OP best practices
- Identify, prioritize, and establish an S&OP Implementation Roadmap leading to improvement of the overall S&OP processes
- Distinguish and prioritize quick wins that minimize time to value





SOLUTION:

- Conducted a comprehensive S&OP assessment using Clarkston's proprietary IBP/S&OP Assessment Tool to evaluate current performance and maturity
- Reviewed the client's end-to-end business processes, including core supply chain planning functions (demand and supply planning), and assessed accountability structures, approval workflows, communication protocols, and management routines
- Facilitated cross-functional interviews and conducted a detailed analysis of planning data, forecasting techniques, and KPIs to evaluate how effectively current practices supported business and supply chain objectives
- Analyzed the client's financial performance and operational efficiency using Clarkston's multi-dimensional benchmarking model, comparing against industry peers using both traditional and advanced performance metrics
- Delivered a maturity model-based rating of the client's current-state capabilities and identified key gaps and opportunities across process, people, and technology
- Provided a detailed findings summary and actionable roadmap outlining key initiatives, projected business benefits, and cost impact estimates to guide future implementation efforts

KEY BENEFITS:

- A roadmap identifying the steps for implementing IBP/S&OP
- A detailed case for change to support their implementation plan
- A list of expected benefits and cost savings that could be seen by executing initiatives
- Cross-functional recognition for the client's leadership team of the voids within their knowledge and understanding of supply chain and S&OP best practices



KPIs

- Conducted a client stakeholder self-assessment survey of 55 employees, garnering a 78% response rate
- Interviewed 42 employees across the organization
- Identified a total expected savings of \$3.2M