



SAP Innovation Awards 2019 Entry Pitch Deck

Manufacturing Integrated planning
Stay ahead the planning curve with SAP IBP
FAURECIA

Manufacturing Integrated Planning

FAURECIA

“Quote”

“ MIP has enabled us to align plant key stakeholders on a collaborative and integrated manufacturing plan, unleashing new synergies and maximizing efficiencies”

Philippe Rouche
Group PC&L Director
FAURECIA

Challenge

FAURECIA is one of the leading Tier-1 Automotive supplier with a worldwide footprint, specialized in various technologies and car components. The Group faces variety of manufacturing constraints and has been struggling for 10+ years to deploy standard planning processes for MPS and SIOP due to technological limitations, leading finally each department to plan individually in Excel.

Solution

FAURECIA has implemented next generation MPS and SIOP processes leveraging SAP IBP with S&OP module, together with the Sprint2IBP qualified package by SILVEO. The solution is designed to address demand planning, capacity and manufacturing constraints and develop collaboratively an integrated manufacturing plan – through a user-friendly Excel interface.

Outcome

Maximize resource utilization / Anticipate manufacturing constraints / Align Supply Chain, Production, Sales and Finance / Improve planning steadiness & reliability / Increase planning team efficiency / Reduce planning cycle duration / Decrease inventory / Optimize DL planning

Increase resource utilization*

Reduce inventory*

Improve Direct Labor
Efficiency*

Expectations*



Partner Information



SILVEO

Our value proposal is to deliver high value projects for industrial customers by implementing Supply Chain and Manufacturing solutions with an international team of more than 50 consultants. SILVEO is a trusted partner for SAP (Value added Reseller) with a strong capacity to innovate by working on disruptive technology (SAP IBP, EWM, ME/Mii, SCP...). In 2018, we were the first company WW to qualify a package dedicated to SAP IBP : Sprint2IBP™ in order to accelerate the deployment of S&OP and MPS processes for industrial customers.



“ Leveraging the Sprint2IBP prepack from SILVEO has been an undeniable asset to jumpstart our project. It enabled us achieving a deep reengineering of our S&OP & MPS planning processes in a very short timeframe, focusing on what really mattered and going even beyond our original expectations. “

Raphaël Gueret, Group IS Manufacturing Domain Leader - FAURECIA





Business Challenge & Objectives

- High manufacturing constraints at plant level: multi-customer, multi-processes, multi-level – leading to work in Excel, with approximate resource planning and ultimately a degraded usage of resources available.
 - Complexity of our former planning system prevented the capability to develop multiple scenarios and drive decisions on a value-based and qualitative perspective
 - Incorporating new projects, new line or new equipment was only possible in Excel and therefore not shared properly between different departments
 - How to make sure plants are effectively running MPS and SIOP using our Group standards?
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- Run highly integrated supply chain planning. Enable advanced & multi-level capacity analysis – both for MPS and SIOP, first at local but gradually at global level.
 - Be user-friendly and efficient
 - Standardize all planning processes for all plants into a unique planning hub enabling consolidation and information sharing
 - Be able to simulate different value-based scenario in real-time, including new projects
 - Share and collaborate effectively between different departments
 - Deploy MIP on 200+ sites in 5 years !



Project / Use Case Details

With a footprint of 200+ plants, it was crucial to select and design a solution which would meet the initial requirement but also be flexible to scale up and be deployed fast.

After an initial POC phase, IBP proved its capability to support Supply Chain requirements and even go further addressing long-lasting issues which would ultimately deliver a tremendous value to the plant stakeholders, beyond Supply Chain boundaries. Moreover, considering the user-friendliness of the solution, it would definitely obtain an early adoption by the Business and be deploy-able at very high pace. FAURECIA decided then in October 2018 to launch the MIP project ("Manufacturing Integrated Planning"):

- Implement SAP IBP leveraging a preconfigured IBP package and adapt it towards our specific requirements and local architecture
- Develop master data and planning data extractors from our SAP ERP (3x instances)
- Harness inbound and outbound interfaces in SAP Cloud Platform Integration to extract and transfer back the planning results to SAP ERP
- Configure Analytics and Dashboards in IBP

In a compact timeframe of 5 months for the Core Model Design and the roll-out at 3 pilot sites belonging to different industrial branches. FAURECIA is now ready with a solution which obtained a very enthusiastic welcome from the Business and will now be deployed at an accelerated pace of 50 plants per year (6 weeks effort per site).

Today, with MIP, FAURECIA plants' teams are able to develop end-to-end integrated SIO and MPS plannings, with a full transparency on figures: volumes, workloads, constraints, profits and costs. It provides to stakeholders a clear view on the past performance, realign on the future working assumptions, evaluate upcoming impacts or risks risen from the envisioned business plan. Each stakeholder can evaluate the shared integrated plan from its own perspective, simulate alternative scenarios, taking then collectively rational decisions to balance demand, supply and cost.

MIP will definitely play a major role in the FAURECIA digital continuity' ambitions and support the Group being more agile and lean addressing future challenges.



Benefits and Outcomes

Business / Social

Maximize resource utilization

Anticipate manufacturing constraints

Align Supply Chain, Production, Sales and Finance

Improve planning steadiness & reliability

Increase planning team efficiency

Reduce planning cycle duration

Decrease inventory

Optimize DL planning

IT

- 1 Global SAAS solution for planning execution with central administration
- Using computing power of HANA in-memory for calculation and simulation
- Using SAP Cloud Platform to easily administer and supervise

Human Empowerment

Improve collaboration between department

Improve team efficiency

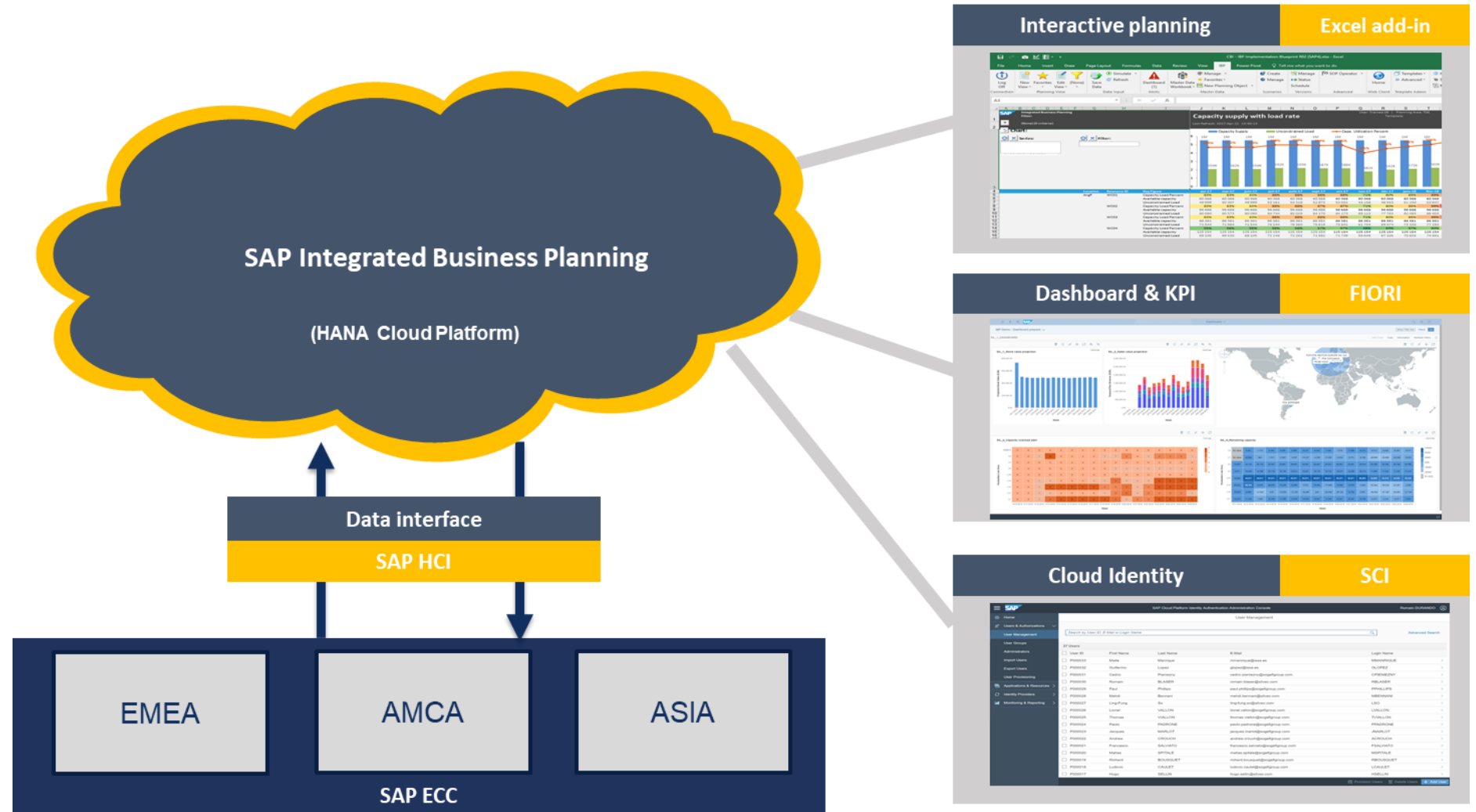
Facilitate change management by using one of the most flexible planning framework: Excel

Reduce repetitive or non-added value tasks

Support “What-If” scenario.



Architecture





Deployment

Date of Deployment or POC: April 19 → first pilot live on SAP IBP

Number of live users: 150 in 2019, 900+ in 2023

SAP Technologies Used:

SAP IBP with Sprint2IBP package	April 19
SAP Cloud Platform (CPI)	April 19

**5+ pilot site are planned to be deployed before June 2019 in 3 different countries.
After 5 years, 200+ sites with worldwide scope.**

Server Processor: SAP Cloud solution with Hana Database

Linux Distribution: Unknown



Emerging Technologies and Use Cases

The following Emerging Technologies and use-cases are part of the project and describe the contribution

	Technology or Use Case	Yes/No	Contribution to Project
1.	Machine Learning / Artificial Intelligence	YES	
2.	IoT	YES	
3.	3D printing	NO	
4.	Blockchain	NO	
5.	API Economy / Integrate the Intelligent Enterprise	NO	
6.	Cloud Native / Event Based Architectures	YES	Using last version of SAP IBP
7.	Extending the digital core with SAP CP / ABAP in SAP CP	YES	Using Cloud Platform Interfaces +SAP Cloud Platform dashboard
8.	SAP Leonardo Application (extending SAP application, using Industry Innovation Kits or result of Design Thinking workshop)	YES	Sprint2IBP as a qualified package