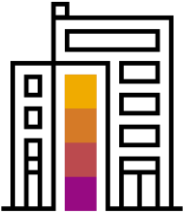




SAP® Innovation Awards 2020 Entry Pitch Deck

Increasing Plant Capacity with SAP® Integrated Business Planning for Supply Chain
Sterlite Technologies Limited



Company Information

Headquarters	Pune, India
Industry	Telecom
Web site	www.stl.tech

STL is a global leader in end-to-end data network solutions.

STL designs and deploys high-capacity converged fiber and wireless networks. With expertise ranging from Web-scale software, programmable networks (software-defined networks and network functions virtualization), hyperscale network design, deployment, and optical fiber and cables, the company is the industry's leading integrated solutions provider for global data networks. STL partners with global telecom companies, cloud companies, citizen networks, and large enterprises to design, build, and manage these cloud-native software-defined networks.

STL has innovation at its core. With an intense focus on end-to-end network solutions development, it conducts fundamental research in next-generation network applications at its centers of excellence. STL has a strong global presence with next-gen optical preform, fiber, and cable manufacturing facilities in India, Italy, China, and Brazil, along with two software development centers across India and one data center design facility in the United Kingdom.

On its digital transformation journey, STL has begun with initiatives aimed at solidifying master data management and enabling scalable, repeatable processes across plant locations and lines of business (LoBs). Process automation and data integration, as well as the introduction of smart technologies such as machine learning and the Internet of Things (IoT), will be key to continually improving production capacity, reducing waste, and growing while providing the same high levels of service customers have come to expect.

Increasing Plant Capacity with SAP® Integrated Business Planning for Supply Chain



Sterlite Technologies Limited



SAP Integrated Business Planning is more than a tool – it transforms the way you do business. We are now able to simulate opportunities and provide delivery dates in real time. This means we can tell our customer's right away how quickly we can service their orders.

Mohit Mathur, Head of Process Transformation, Sterlite Technologies Limited

Challenge

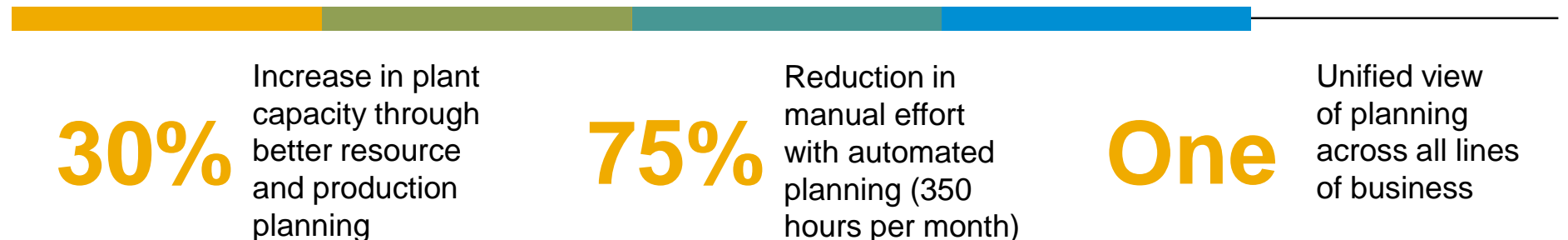
As a made-to-order manufacturer, STL needed greater visibility into demand, inventory, resource levels, and capacity status. Managing all this using spreadsheets meant lots of time spent extracting data, and it required managers from each LoB to meet and review plans for each area to make overall planning decisions.

Solution

STL worked with GitaCloud Inc. to deploy the SAP® Integrated Business Planning for Supply Chain solution, starting with the application for sales and operations at its largest manufacturing plant and completing the project in just four months. It then deployed the application for response and supply. Both are now being rolled out to all plants.

Outcome

STL now has a clear understanding of resource constraints, as well as the resulting revenue risks – allowing it to prioritize key customers and orders. Better planning has increased plant capacity. Automated and consolidated plans for dispatch, sales, and delivery mean STL can respond quickly to new requests and deliver as promised.





Participating Partner Information

GitaCloud Inc.

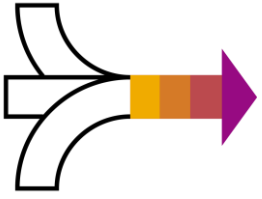
Implementation partner



“We treated the project for STL as a value-seeking business transformation – not just an IT deployment. We had strong executive sponsorship and LoB engagement from the get-go. We started with an intense four-week assessment to fully understand STL’s manufacturing processes. We then pursued an agile sprint deployment, completing it in just four months. Following that, we provided additional support, including adoption, value tracking, user struggles, and the creation of success metrics. The next step will be to roll out SAP Integrated Business Planning across the rest of STL’s plants.”

Ashutosh Bansal, President and CEO, GitaCloud Inc.





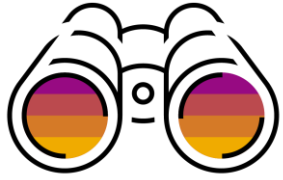
Business Challenges and Objectives

As STL continues to increase capacity and bring on new customers, it was faced with the following challenges:

- Long sales cycle followed by a short, four-to-six-week lead time from order to delivery
- Use of spreadsheets to manage planning needs across LoBs
- Difficulty determining what was in stock, what was in transit, and what needed to be ordered
- Need for meetings to figure out inventory levels, the resources being consumed by existing orders, the capacity to manage new orders, and so on
- Lots of manual work required for both data extraction and decision-making
- Lack of confidence in whether a plan was fully optimized or whether there was room for improvement

STL needed an integrated business planning solution that would allow it to:

- Provide all LoBs with dynamic, real-time planning data
- Improve internal alignment to clearly see which orders are in, which opportunities look likely, what needs to be bought, what capacity should be blocked, and which customers are priorities
- Enable planning simulations to better understand the impact of new or potential orders on current capacity, and then work with procurement and vendors to help sales provide realistic delivery deadlines
- Immediately see changes in demand and supply, as well as their impact on revenue projections from the previous day



Project or Use Case Details

When an order comes in, SAP Integrated Business Planning analyzes it against existing orders, orders that have been received but are not yet released into production, long-term orders planned over weeks and months, and projected forecasts from sales.

The process of forecast consumption determines how each forecast is consuming resources. In its calculations, the solution first consumes resources in the projected forecast to ensure that resources are not counted twice.

Demand is then prioritized based on customer, due date, contract size, and so on. The final planning run determines what can be produced and delivered by when, assuming infinite capacity, then adjusted after communicating with procurement to determine actual capacity. The corresponding delivery plan is then created, showing when the order will be ready, when the customer will get it, and what revenue STL can expect and when – helping finance with monthly revenue projections.

Executives can drill down into production data on each order to determine the impact of delays and other issues on actual revenue. They can also see how changes in the demand plan impact revenue projections from the previous day.



Benefits and Outcomes

Business or Social

- 30% increase in plant capacity
- Clear understanding of capacity constraints to better determine a delivery date for new orders
- Ability to prioritize plans to accommodate key customers and minimize revenue risk
- Greater clarity into the cost, waste, and schedule impact of planning decisions on daily revenue, allowing adjustments for better outcomes
- Performance analytics to determine the actual order value with production losses deducted

IT

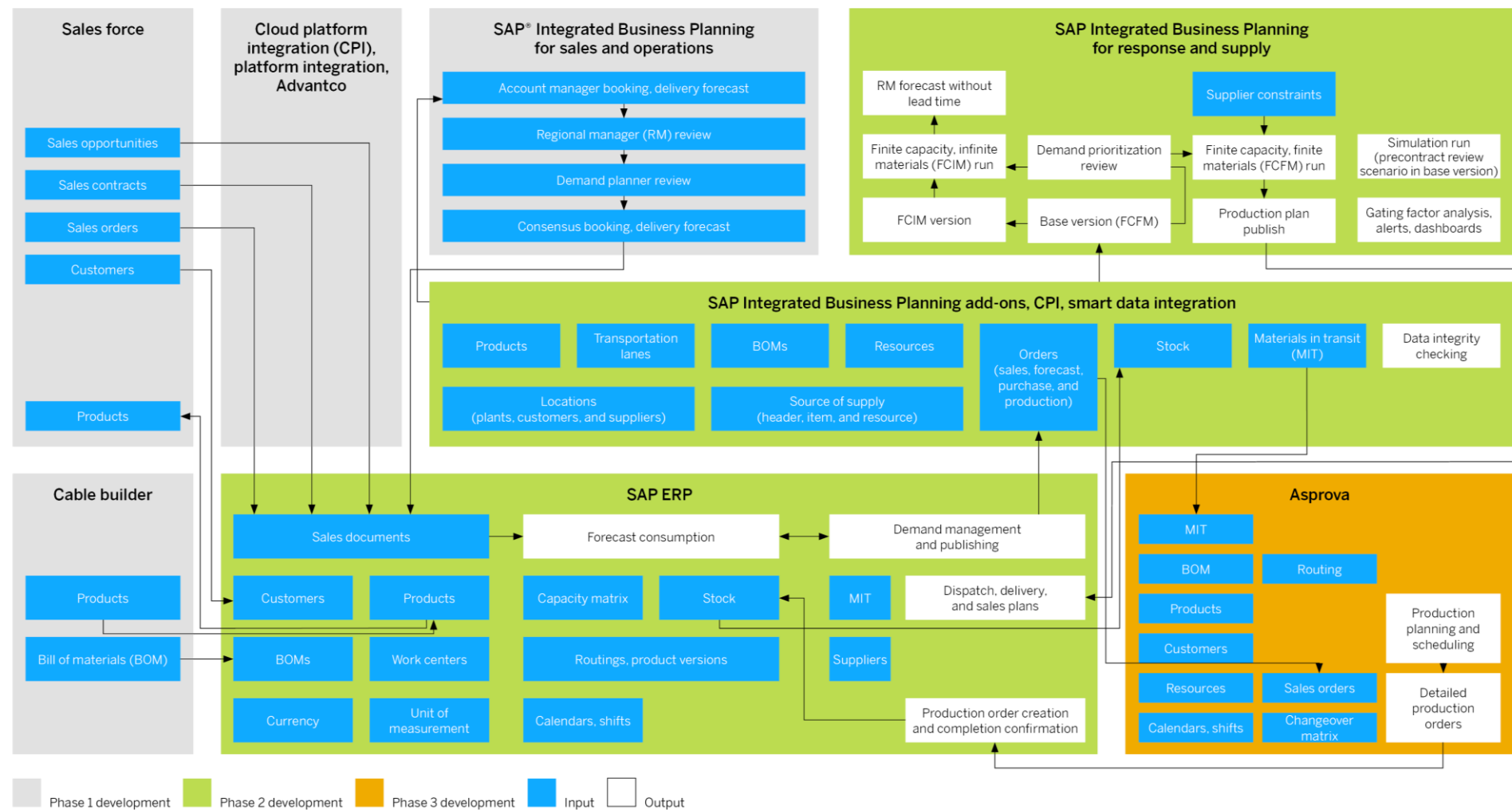
- 75% less effort required for manual data consolidation and planning alignment
- Self-service performance dashboards for executives and account managers
- Clean master data governance management, improving data across applications and reducing data management requirements for IT

Human Empowerment

- One unified view of planning data for sales, planners, finance, and leadership
- Ability to simulate opportunities and provide delivery dates in real time – accelerating decision-making
- Automated dispatch, sales, and delivery plans that are visible to account executives, who can then better communicate status and delays to customers
- Ability to respond quickly to new requests from customers and negotiate realistic delivery dates



Architecture





Deployment

Deployment status Live

Date December 2018 and July 2019 **Number of users** 120

SAP technologies used:

	SAP product	Deployment status (live or proof of concept [POC])	Contribution to project
1	SAP Integrated Business Planning application for sales and operations	Live – December 2018	Core project; Deployed at one plant with plans to roll out to all plants
2	SAP Integrated Business Planning application for response and supply	Live – July 2019	Core project; Deployed at one plant with plans to roll out to all plants
3	SAP ERP application	Live – 5 to 7 years	Integrated with SAP Integrated Business Planning
4	SAP Manufacturing Integration and Intelligence application	Live	Integrated with SAP Integrated Business Planning

If you have used one of the services or support offerings from SAP Digital Business Services during the implementation or deployment phase, please select with ☒ one or more of the following offerings:

- | | | |
|--|--|--|
| <input type="checkbox"/> SAP MaxAttention™ | <input type="checkbox"/> SAP ActiveAttention™ | <input type="checkbox"/> SAP Advanced Deployment |
| <input type="checkbox"/> SAP Value Assurance | <input type="checkbox"/> SAP Model Company | <input type="checkbox"/> Others: [Enter text here] |
| <input type="checkbox"/> SAP Innovation Services | <input type="checkbox"/> SAP Innovative Business Solutions | |



Advanced Technologies

The following **advanced technologies** were part of the project.

	Technology or use case	Yes or No	Contribution to project
1	3D printing	No	
2	Blockchain	No	
3	Internet of Things (IoT)	Yes	Plans to integrate IoT data with resource planning data
4	Machine learning or AI	Yes	Plans to use machine learning models to further increase plant capacity and reduce waste
5	Conversational AI	No	
6	Robotic process automation	No	
7	Data anonymization	No	
8	Augmented analytics	No	