



Consumer Packaged Goods

## Enabling Integrated Business Planning for Enterprise during COVID-19

*Ensuring business planning in times of disruption is the need of the hour. Synchronize your business with speed and scale through an integrated business planning solution.*

Setting up a commercial discipline with a future planning lens is essential for any enterprise. Since the onset of the COVID-19 pandemic, many CPGs in the US have done well in orchestrating resources to meet the demand surge for categories like food, beverages, personal care, home care, etc. The last couple of quarters have seen many of them posting double-digit growth which has not happened in decades. Penetration, consumption, and spending patterns have changed for these categories, some temporarily and some more permanently.

Enterprise planning in this new normal needs to evolve into a fully integrated cross-functional management and strategic execution process.

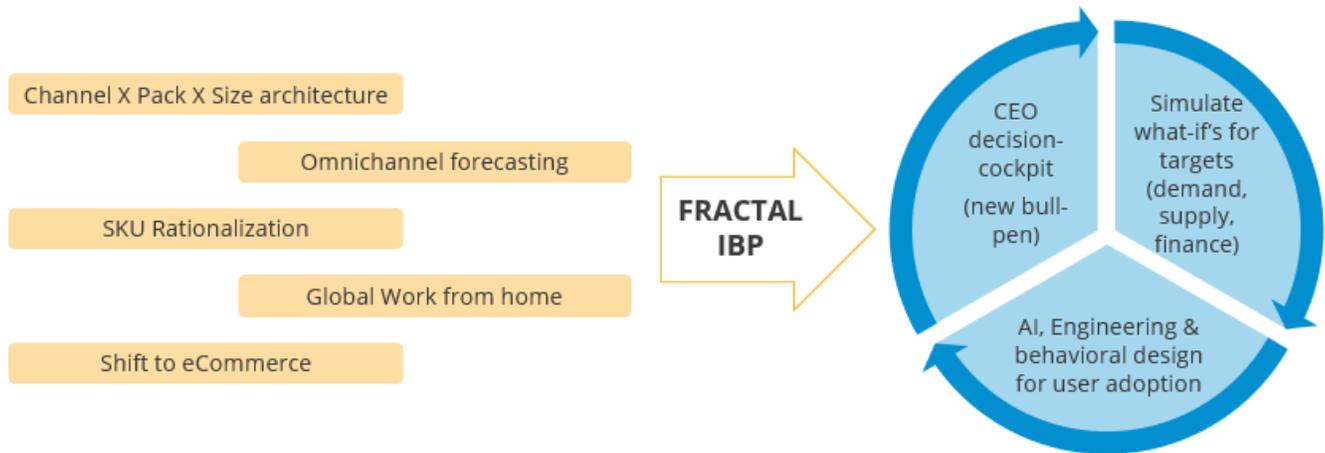


Figure 1: Integrated business planning (IBP)

### An integrated vision for Enterprise Management processes

**Integrated Business Planning (IBP)** - 'The latest evolution of Sales & Operational Planning (S&OP) – builds on S&OP's historic production planning roots to include the entire organization and deliver a seamless management process.

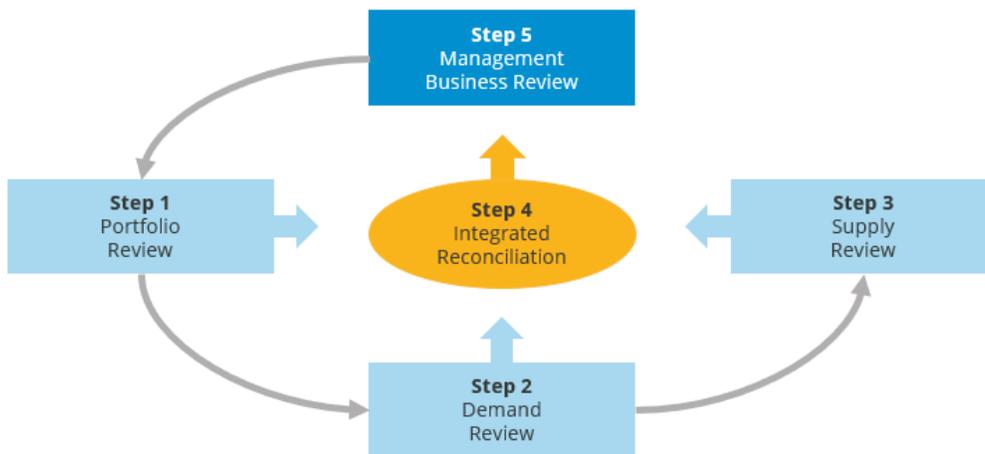


Figure 2: IBP Processes

## Fractal approach to enable IBP

We believe the three pillars for a successful IBP implementation in an organization are – People, Processes, and Tools. We enable IBP by mapping the process decision journey and identifying the right metrics and tools that business leaders require to make their decisions.

Portfolio Review	Demand Review	Supply Review	Integrated Reconciliation	Management Business Review
<ul style="list-style-type: none"> <li>Channel/Pack Architectures</li> <li>New Product performance &amp; Innovation white spaces</li> </ul>	<ul style="list-style-type: none"> <li>Project unconstrained Consumption</li> <li>Risks &amp; mitigation decisions</li> <li>Opportunities and maximization decisions</li> </ul>	<ul style="list-style-type: none"> <li>Project Supply KPIs with constraints</li> <li>Demand &amp; Supply reconciliation</li> <li>Mitigate risks in Capacity, production, Logistics &amp; inventory to meet demand</li> </ul>	<ul style="list-style-type: none"> <li>Project YEE (Year End Estimation) of full P&amp;L</li> <li>Risk and Opportunity simulation on YEE P&amp;L</li> </ul>	<ul style="list-style-type: none"> <li>Performance projection vs Annual Operating Plan</li> <li>Threats and course correction decisions</li> </ul>
<ul style="list-style-type: none"> <li>Brand health tracking</li> <li>SKU rationalization</li> <li>New launch performance Tracking</li> <li>Cultural and Consumer white space analysis for Innovation</li> </ul>	<ul style="list-style-type: none"> <li>Market share analysis</li> <li>eCom performance</li> <li>Consumption drivers &amp; elasticities</li> <li>Consumption forecast and simulation</li> </ul>	<ul style="list-style-type: none"> <li>Supply KPI visibility</li> <li>CFR and OOS drivers</li> <li>Shipment Allocation</li> <li>Demand &amp; Supply Scenario Planning</li> </ul>	<ul style="list-style-type: none"> <li>Customer &amp; Product level P&amp;L</li> <li>Risk and Opportunity P&amp;L Simulation</li> </ul>	<ul style="list-style-type: none"> <li>Business performance analysis and projection vs AOP</li> <li>Risk and opportunity tracking with P&amp;L impact on AOP</li> </ul>

Figure 3: Process decision journey

## IBP client enablement

We recommend a 3-pronged approach to kick start the journey of transforming IBP in any organization:

### 1. Simplification

A commonly observed challenge in most organizations is an overload of reports and tools – leading to a lack of a single source of truth, an overworked team, and frustratingly long data to decision journeys. The simplification exercise's objective is to identify, consolidate, and enhance an organization's existing digital assets. We start with low hanging fruits, create a great user experience for all business users, and gain a tremendous understanding of:

- What decisions are being taken, and the data & tools that enable them.
- What the unstated business challenges are and that remain unresolved through the AS-IS digital assets?

The entire simplification journey is planned via agile execution process – delivering value to business every 2-3 weeks and consolidating the assets. We typically recommend working backward from the user interface – this enables early value recognition by the business while the larger work on data and latency is resolved in the background through seamless continuous automation and deployment.

## 2. Transformation roadmap

The objective of this exercise is to understand and document in detail the existing AS-IS processes enabling IBP. At the end of this exercise, we deliver the following artifacts:

- a) Gap analysis of AS-IS processes,
- b) Blueprint for the TO-BE process,
- c) Implementation plan of the TO-BE process, broken down into Minimum Viable Products (MVPs) that can be released for business users in 4-8 weeks,
- d) Prioritization framework for the MVPs.

This exercise builds on top of the simplified digital assets to identify the next generation of tools, technologies, and processes required for a seamless digital IBP process.

## 3. Value derivation

This exercise focuses on ensuring we lock in the value derivation framework early in the IBP transformation journey. Critical components include:

- a) Documentation of decisions, action items, and value impact
- b) Building robust governance to ensure continuous enhancements (stagnant products die)

Cycle 0	Cycle 1-3	Cycle 4-6	Cycle 7-8	Cycle 9+
<b>Design &amp; Tool Integration</b>	<b>Improve Communication</b>	<b>Problem Solving</b>	<b>Problem Prevention</b>	<b>Strategic Decision Making</b>
<ul style="list-style-type: none"> <li>• Meetings occur</li> <li>• Set expectations</li> <li>• Early design is solid</li> </ul>	<ul style="list-style-type: none"> <li>• Messy</li> <li>• Improved flow</li> <li>• of information</li> <li>• Redundant work streams</li> <li>• Committed, but overwhelmed</li> </ul>	<ul style="list-style-type: none"> <li>• Working issues</li> <li>• Consistent sharing of information</li> <li>• Below The Line changes prioritized &amp; initiated</li> <li>• Simplification efforts progressing</li> </ul>	<ul style="list-style-type: none"> <li>• Resolving issues in IBP meetings</li> <li>• Confidence in process = fewer fire drills</li> <li>• Trust and teamwork Improving</li> </ul>	<ul style="list-style-type: none"> <li>• Link to strategy</li> <li>• Scenario planning</li> <li>• Longer term horizon</li> </ul>

Figure 4: Deriving value from IBP

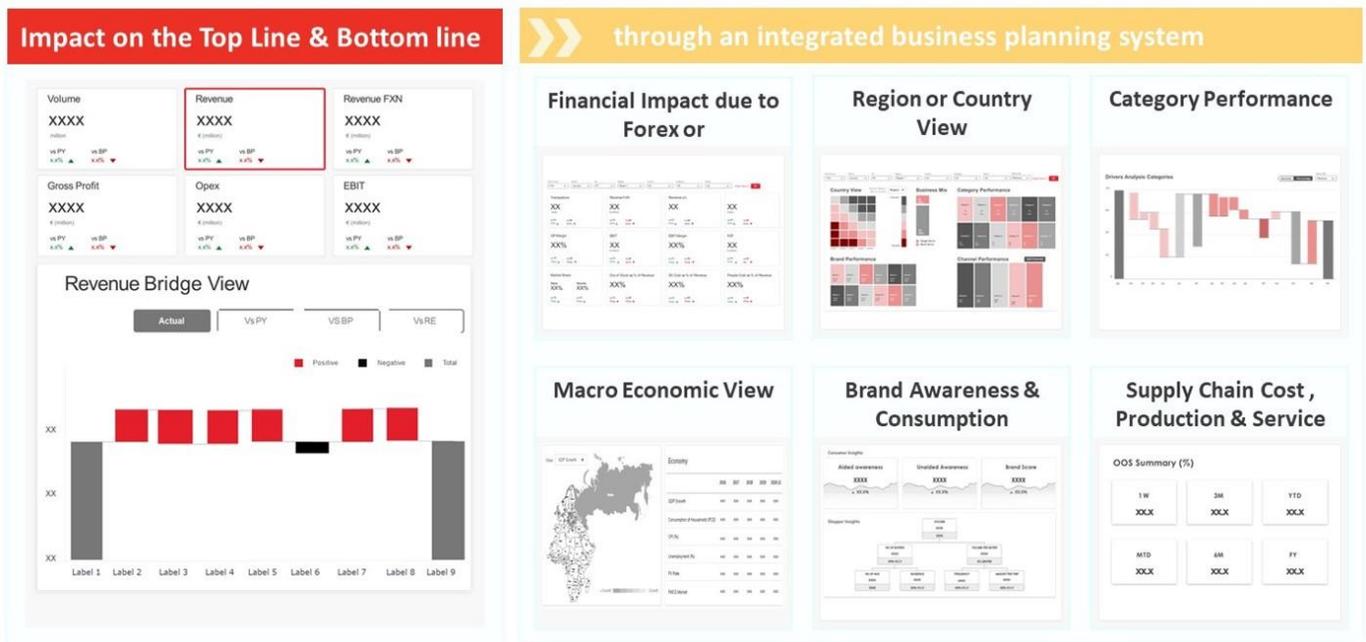
## Excerpts from past engagements

This year has illustrated how crucial it is for enterprises to continue adapting and evolving with technologies. Our IBP solution:

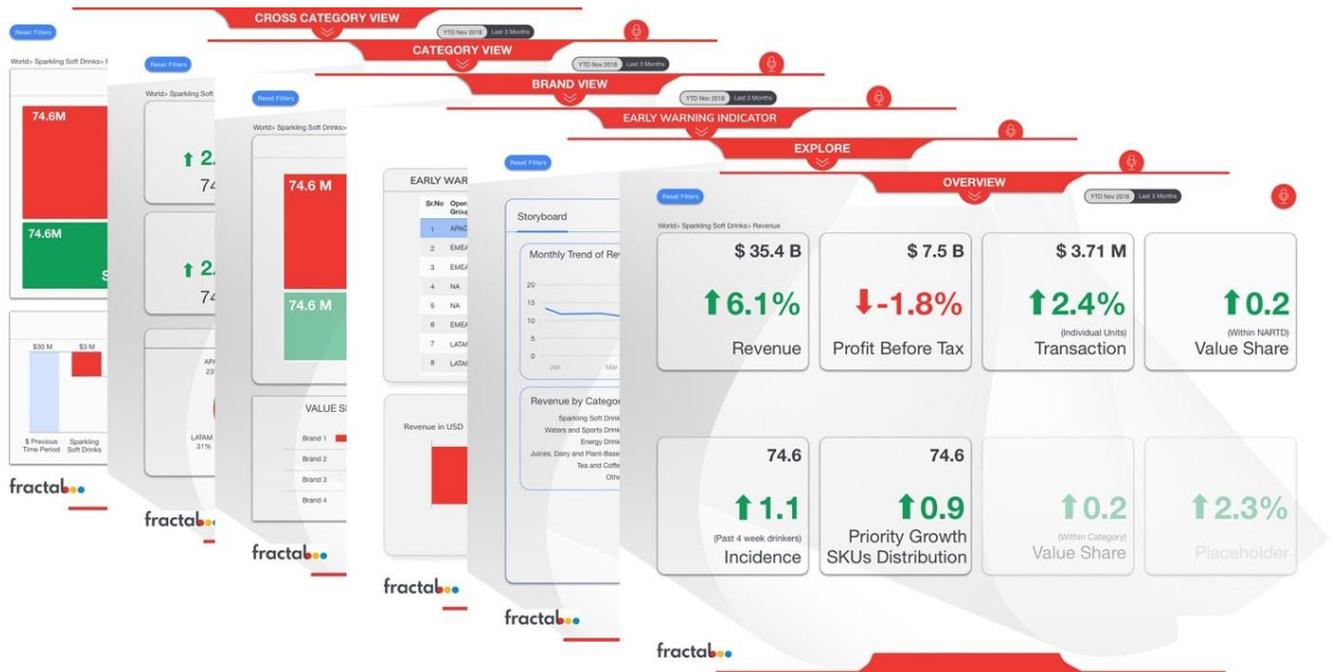
- Is designed to enable enterprise-level data to decision journey at speed,
- Utilizes behavioral nudges in user interface design to increase adoption,
- Enables scenario planning across demand, supply, and financial metrics,
- Enables integration across functions through processes and data flow for a truly cross-functional decision making.

Here are excerpts from our past engagements:

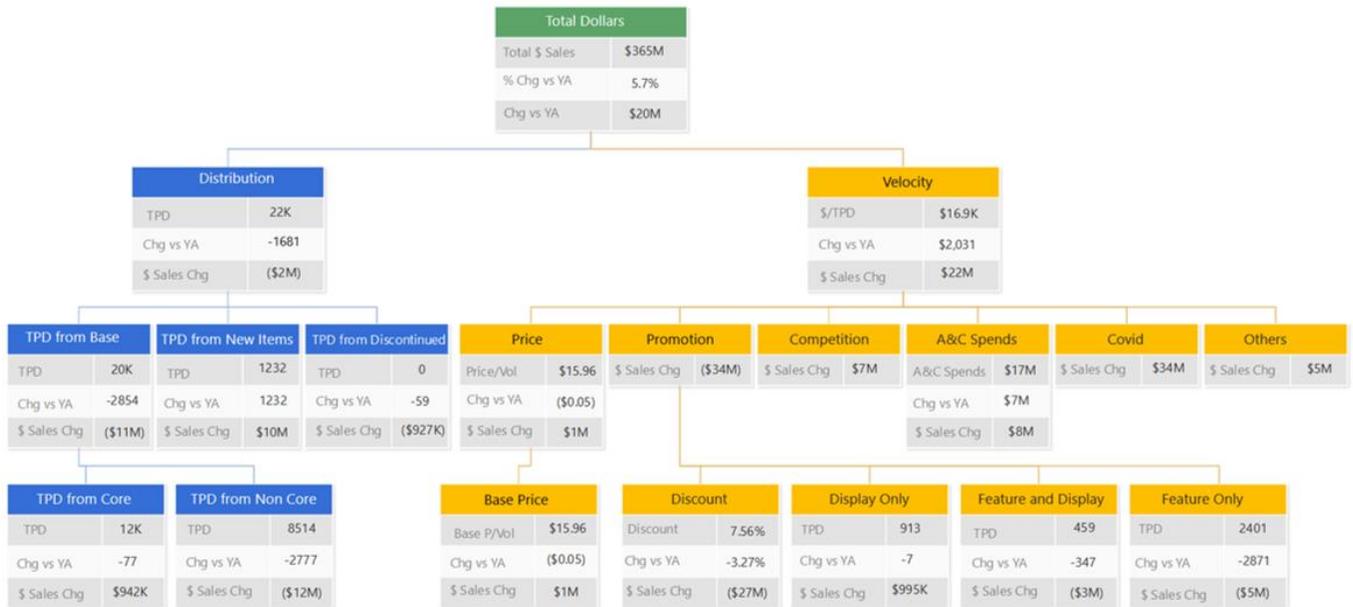
### 1. C-suite enabled: An integrated view for global performance management



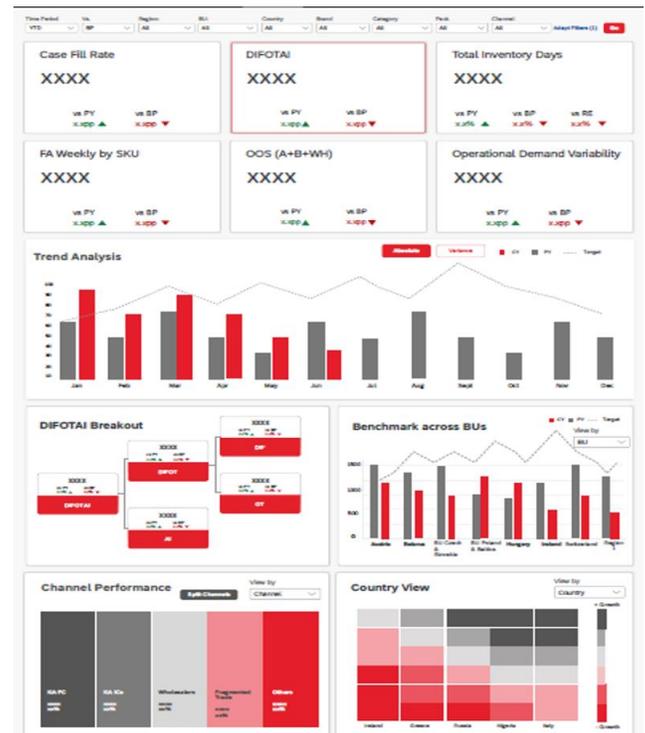
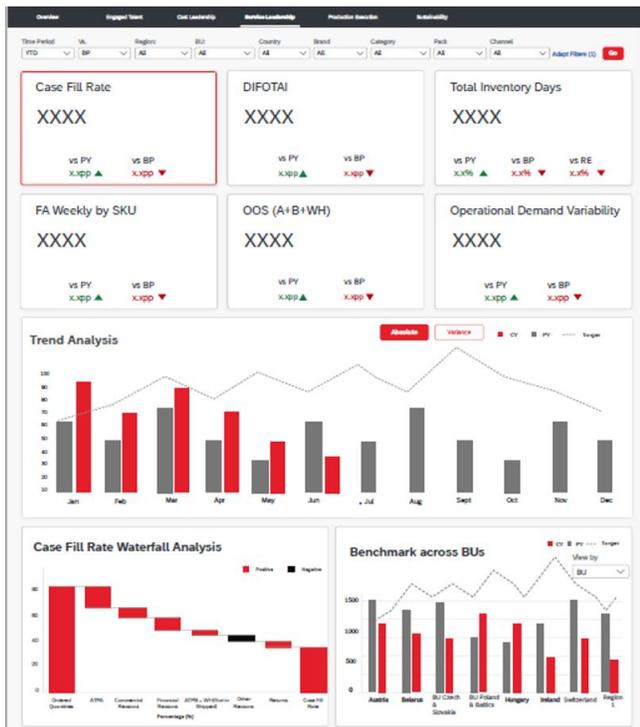
## 2. Setting up a Commercial Analytics Center of Excellence for a Fortune 100



## 3. C-suite enabled: An integrated view for predictive forecasting, planning & tracking



#### 4. Enabling Supply Review through visibility of key metrics



### Conclusion

We can simplify decision making by empowering executives with data that are readily available on their devices. The information is available right on their laptops, mobiles, tablets for quick access to office spaces on desktops and collaborative rooms.

We can use algorithms to take away the tactical and operational tasks daily from thousands of people in an organization and allow them to focus on their health, family, hobbies to work in this new normal.

Intuition and judgment can finally be backed by historical evidence and learning. Through this disruption, legacy organizations can also leapfrog to digital transformation – converting traditionalists to self-serve using next-generation technology. This transformational program can show quick wins, thus leading to the highest adoption of tools ever, that can be celebrated to propel the organization forward.

Having implemented these transformative set-ups for Fortune 500 companies for various contexts, we feel confident in helping entities – businesses, governments, and every individual navigate through this tough time with less pain, even if work-life becomes a less significant part of many of our lives.

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## About Fractal

Fractal is one of the most prominent players in the Artificial Intelligence space. Fractal's mission is to power every human decision in the enterprise and uses the power of AI to help the world's most admired Fortune 100 companies.

Fractal's products include Qure.ai to assist radiologists make better diagnostic decisions, Cuddle.ai to assist CEOs and senior executives make better tactical and strategic decisions, Theremin.ai improve investment decisions and Eugenie.ai to find anomalies in high velocity data.

Fractal has consistently been rated as India's best companies to work for, by The Great Place to Work® Institute. Fractal has been featured as a leader in the Customer Analytics Service Providers Wave™ 2019 by Forrester Research, and recognized as an "Honorable Vendor" in 2020 magic quadrant for data & analytics by Gartner.

For more information, visit [fractal.ai](https://fractal.ai).

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