SCM Planning for India's leading manufacturer of Pharma and allied Services

Client Overview

Our client is a technology-driven pharmaceutical company with a global footprint. They specialize in developing and manufacturing cost-effective, inventive drugs in various medical fields. As a leading provider of pharmaceutical and allied services, the company is expanding its operations domestically while focusing on digital healthcare and commercial excellence for future growth and expansion.

Problem Statement

The organization faced significant challenges due to inefficient planning processes, resulting in a persistent gap between supply and demand. This misalignment frequently led to stockouts, negatively impacting customer satisfaction.

Moreover, their heavy dependency on manual reporting and non-standardized Excel sheets created inefficiencies in generating crucial reports and slowed down insights into inventory levels. The lack of automation further slowed down the integration of new products, limiting the organization's agility and operational efficiency.

Key Challenges

Inadequate Demand Fulfillment

An average of 5% of total SKUs were out of stock each month, indicating a significant gap between demand and supply plans.

Fragmented Data Sources

Challenges in establishing a unified source of truth due to the extensive use of segregated Excel where three different teams utilized three separate data sources complicated data consolidation and analysis.

Inefficient Reporting Process

Heavy reliance on manual processes prolonged the reporting timeline to the extent that creating crucial reports, such as the Penalty Report and new product integration, required 2.5 and 1 day of effort respectively.

Delayed inventory coverage insights

Insufficient inventory coverage leads to stockouts and lost sales opportunities. Slow insights into inventory levels contributed to inadequate coverage, with 30% of SKUs having less than 6 months of coverage.

Solution overview

Technology Stack

After conducting a thorough evaluation through multiple discovery workshops, we gained relevant insights into their data and decided that Anaplan was the best solution to provide a comprehensive and integrated analytics solution. This enabled our client to effectively manage their entire demand and supply planning processes.

Solution Details

Through the implementation they were able to :

Tailor user experience
The model was customized for each user, displaying relevant KPIs, grids, action buttons, and export/import options, providing a streamlined experience

Dynamic Variance Analysis
The tool generated demand plans and compared them against forecasts to calculate variance reports dynamically, facilitating real-time insights

Statistical Demand Forecasting
Implemented statistical demand forecasting considering reorder points, safety stock, inventory age, seasonality, and granularity for accurate forecasting.

Streamlined new product integration
Simplified processes for new product launch, purchase order creation, and report generation were established, reducing the time to integrate new products from days to just 30 minutes

- Multidimensional Reporting

The model enabled on-demand, multidimensional report generation. The Penalty Report, which previously took 2.5 man-days, now takes less than 1 minute to generate and export

Change Management

In addition to the technical capabilities, we were also involved in changement management :

Leadership alignment

- Identified leaders for implementation
- Regular fortnightly updates on project status and query resolution
- Milestone completion calls

Stakeholder Engagement

- Regular project status reports to identified stakeholders
- Feedback collection and incorporation

Change impact and readiness

- Assessed stakeholder readiness for implementation
- Addressed queries through virtual calls

Training

- Regular project status reports to identified stakeholders
- Feedback collection and incorporation

This structured approach helped them to manage change, and ensure that stakeholders are engaged, informed, and ready for the implementation of the new model.

Business Impact

98%
Faster new product integration

→

by reducing the time required from one day to just 30 minutes. This significant enhancement streamlines the onboarding process, allowing for quicker market entry and improved responsiveness to customer needs.

40%
reduction in demand-supply gap

→

This impressive alignment ensures that customer demands are consistently met, minimizing stockouts and enhancing overall customer satisfaction.

99.92%
Reduction in reporting time

→

This efficiency allows for rapid insights into inventory levels and performance metrics, significantly improving decision-making processes.

95%
demand forecasting accuracy

→

This high level of precision empowers better inventory management, reduces excess stock, and aligns production schedules more effectively with market demands.

POLESTAR

Client Feedback

Polestar's partnership with Anaplan was instrumental in transforming our supply chain. By optimizing our forecasting, inventory, and operations, we've achieved a remarkable 2-3% reduction in stockouts and a significant revenue uplift.

Polestar's expertise in both Anaplan implementation and change management was invaluable in driving adoption and realizing the platform's full potential.