



# self-assessment

## *How to determine whether your Sales & Operations Planning department is effective*

- What is the actual process that you engage to forecast and plan production and inventory levels?
- Who are the participants and what influences their behavior?
- How well developed are their skills in creating the plans?
- Who makes the decisions that impact your financial performance?
- Are these reviewed and approved before they are executed?
- Who are the customers of your Demand Planning and S&OP process?
- Is this process aligned with corporate goals and strategies?
- Is this process aligned with your sales strategies and your customers' markets?
- How well do you incorporate and measure the effectiveness of your Trade Promotions spend?
- Does your process align with new product development and introduction and overall product portfolio management?
- Is your process influenced by silos and what bias is caused by this?
- How do you measure forecast accuracy?
- Are your metrics and processes aligned to the financial decision time horizon of the consumers of your S&OP plan?
- How do you measure the effectiveness of your production and inventory plans?
- What tools are available for Demand, Inventory, and Production Planning?
- How effective are these tools and how well are they used?
- What does Safety Stock mean to your company?
- What VMI opportunities do you have?
- What bad habits are you hiding by keeping excess inventory?
- Where does your inventory sit (location and stage of production)?
- What is your Inventory policy and how granular and seasonal is it?
- How much cash can be freed by improving your process?

**If you can't honestly and effectively answer most of these questions then consider talking with The Powers Company about some of the missed opportunities within your supply chain and S&OP.**