

## Advanced Planning System Implementation Report

An in-depth review of industry leaders' APS implementation experiences and key takeaways for future success

November 2024 – EyeOn – Years Ahead





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### **Main conclusions**

Across industries, supply chain leaders are actively replacing, upgrading, or expanding the capabilities of their advanced planning systems to meet digital transformation goals, improve performance and prepare for the next era of planning.

EyeOn interviewed supply chain leaders across industries to bundle their advanced planning system implementation experiences, expectations and state of readiness.

In this comprehensive industry report we summarize the findings along the lines of the **EyeOn best-in-class APS implementation framework**, focusing on: APS tool selection, APS readiness and APS value realization.

Learn more about our proven APS implementation framework to drive sustainable value >

#### **Executive summary**

#### APS tool selection

- Proves to be a balancing act between the functional needs for supply chain planning versus strategic IT fit and scalability.
- Respondents prefer to phase the complexity of the implementation over an all-in strategy.

#### **APS** readiness

- Organizations report that they often started too late or underestimated the impact of good quality data despite their awareness of the value impact.
- Organizations report that they have difficulty assessing planner skills required to effectively work with an APS. In addition, tailored skills-based training and on the job, coaching is seen as critical to close the gap.

#### **APS value realization**

- On-going executive commitment and willingness to invest in continuous improvement and dedicated APS capabilities beyond the initial go-live is not a given.
- Most of the respondents indicate that user adoption is not at the level they
  would like it to be. Explicit change management and investment in user
  engagement throughout the implementation are evaluated as key to boost
  user adoption and maximize APS value realization.

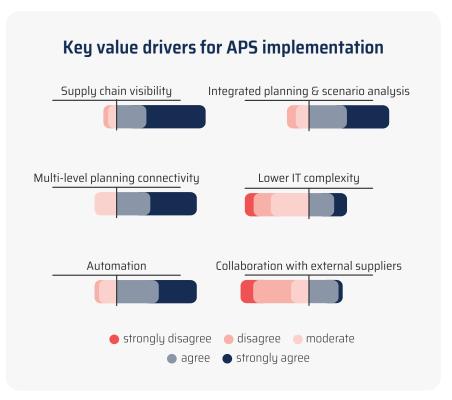




### Survey profile



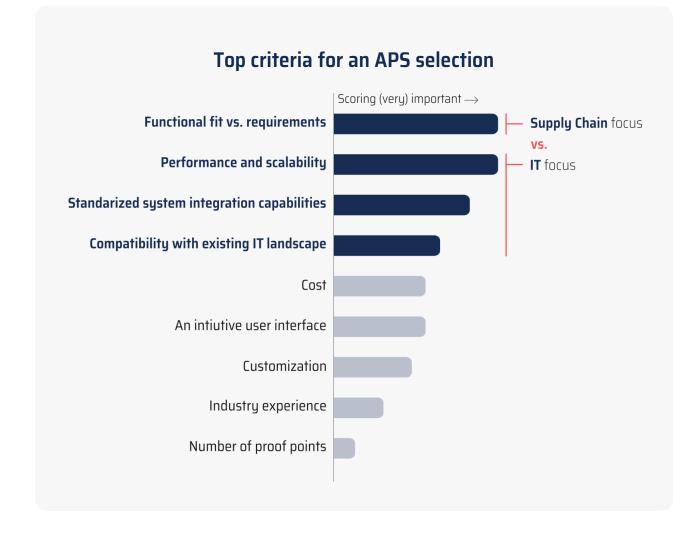






APS functional fit and rapid time to value are highly dependent on the ability to specify and translate business dynamics & E2E planning use cases to unique requirements and design solutions





## Fit for purpose **APS tool selection**

APS tool selection proofs to primarily be a balancing act between the functional needs for supply chain planning on the one hand side versus IT related factors like IT landscape compatibility, integration criteria and scalability on the other hand.

As many organizations invest not only in APS capabilities but also in ERP, advanced analytics, and a reporting tool stack as part of their overall digital transformation, participants have indicated that clear trade-offs are required in terms of timing and scalability of APS capabilities. Also because of the increased need for ecosystem-level integration.

Interestingly, companies are less focused on the number of proof points and industry specific experience of the vendors at hand.

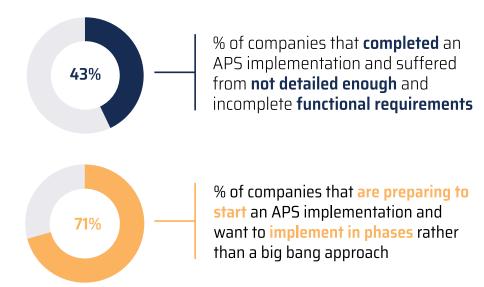
How to approach the most important decision in your APS journey the right way >



### Fit for purpose **APS tool selection**

Organizations rate 'functional fit vs. requirements' as essential. A confirmative correlation with APS value realization is that a large proportion of respondents who have completed an implementation say that the lack of sufficiently detailed user requirements and use cases was a key challenge.

Organizations emphasize that **phasing of complexity** has their preference to be able to absorb the impact of the implementation and increase the likelihood of implementation success. Primary reasons highlighted are the change management aspects of the implementation, and planner capabilities specifically.



This also has its impact in the vendor selection process, companies may decide on an APS solution that enables a more modular implementation approach. Organizations that have yet to begin their APS implementation highlight risks on **IT readiness**. This could pose a risk also in the vendor selection phase, as companies tend to be biased towards "what they already know".

### **Key Stats**

63% IT department does not have APS testing experience

53% Strong IT systems support is not fully available

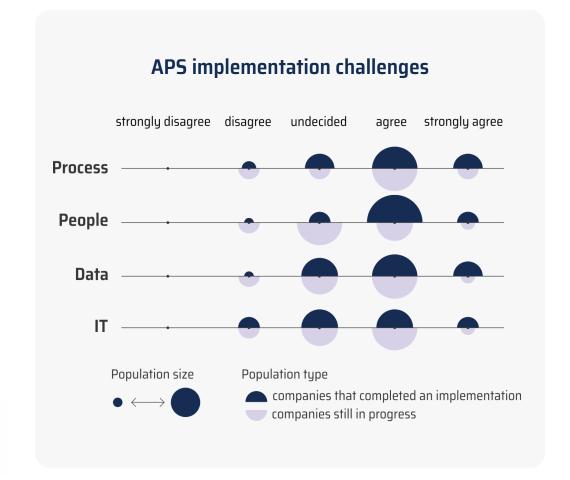
System integration expertise is not available





Companies that have gone through the various stages of an APS implementation emphasize that the challenges they encountered were multifaceted, also highlighting gaps in readiness of the organization to deal with the dynamics of an APS implementation. Those that are still in the midst of the journey tend to rate the immediate challenges related to process, data, and IT (particularly during the design and testing phases of the implementation) as more significant. This could be explained by the prevailing positive and can-do mentality that often characterizes the implementation phase, while the full impact on people and organizational dynamics has yet to become fully visible.

Discover how to best approach this critical phase of your implementation >



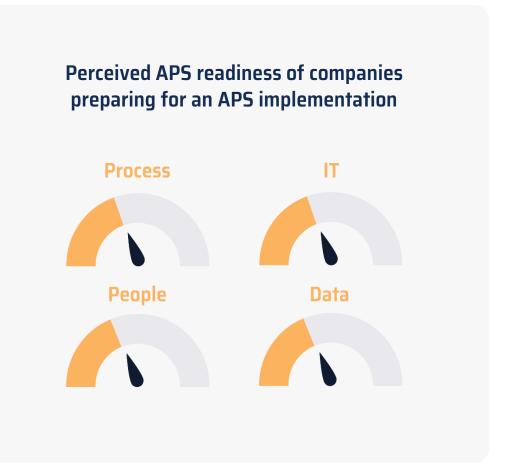
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## APS **Readiness**

Overall, companies that have not yet started their APS implementation journey show a strong consistency in their perception of APS readiness. They in majority highlight that their organizational readiness across the key dimensions — process, people, data, and IT — is not yet at the level they aspire to achieve. Many feel that foundational improvements in these areas are crucial to ensure a smooth and effective implementation process. As a result, this gap has prompted supply chain leaders to focus on convincing top management to commit to the essential upfront investments needed to bridge these readiness gaps and pave the way for a successful implementation.

How to assess your APS readiness in advance





## APS **Readiness**

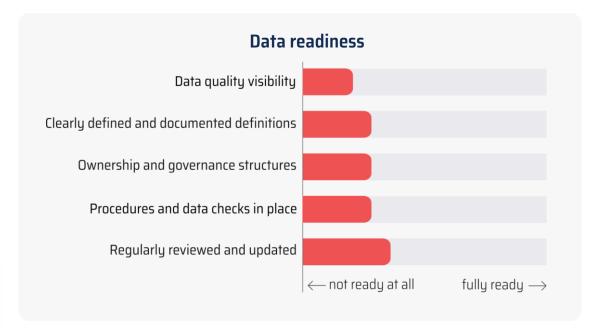


#### Data fuels growth

Respondents are explicit about the critical role that data quality plays in accelerating planning maturity growth when feeding an APS system. Many recognize that achieving this requires careful preparation and alignment from the outset. However, the operational reality is that organizations often start this process too late or significantly underestimated the starting point, overall scope, and overall effort required to be fully prepared. As a result, addressing data readiness has become a focal point for those aiming to maximize the value of their APS implementations.

How to get insight into your data quality in advance







# APS **Readiness**



#### **Process maturity**

Many respondents confirmed that the maturity of as-is processes and the ability to define future-proof to-be processes prior to implementation are not where they would like them to be. As a result, process definition discussions extend the implementation timeline and/or related design decisions are suboptimal.



#### Capability gap

Organizations report that they struggle to assess the skills and capabilities required to work with an APS — likely due to the vast changes in APS functionality compared to the current landscape. Gaps in skill levels, as well as the need for early and tailored skillsfocused capability building programs to mitigate them, are perceived as a key area of focus.





#### What business value is realized through APS tooling



### **APS**

### value realization

While not as easy to measure, perceived APS value realization is typically a strong indicator of APS success.

Consistent with the typical APS business case components, inventory reduction and obsolescence and waste reduction drivers score the highest overall.

Companies increase the robustness and agility of their supply chains to drive service level improvements.

A recognizable outcome is the challenge faced by companies to significantly improve efficiency – which correlates with the previously mentioned people change components.

How to deal with common pitfalls in realizing the intended business value of APS >



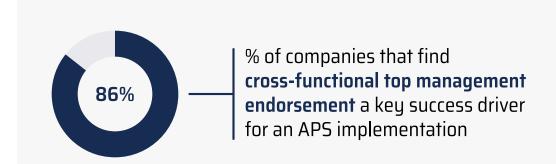
# APS value realization



#### Top management commitment

Cross-functional top management buy-in is consistently highlighted as one of the most critical enablers for a successful APS implementation. Respondents emphasize that this top-level commitment is typically present at the outset, ensuring alignment and support during the initial deployment phase. However, maintaining this commitment over the long term proves to be a significant challenge. Without sustained focus and resources, the potential of achieving long-term benefits and driving strategic value can be diminished.

How to increase strategic alignment throughout your implementation >





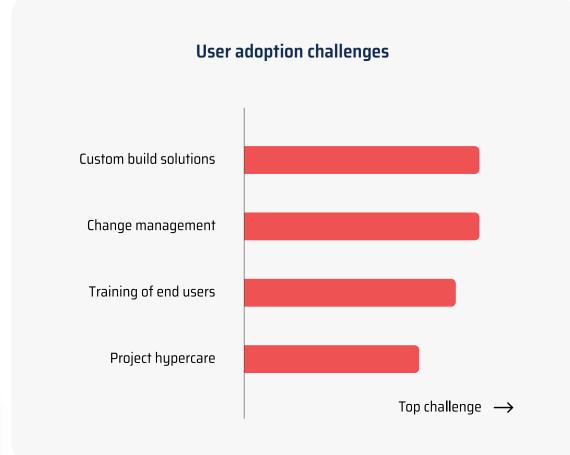


# APS value realization

#### Driving people change

Organizations are aware of the ongoing change impact of that comes with an APS implementation and recognize it as a key driver of success. However, effectively translating this awareness into a comprehensive and impactful change management approach remains a significant challenge. This difficulty may stem from the fact that planning roles, responsibilities, and handover often lack the robustness and clarity needed to support such a transformation. Without these foundational elements in place, efforts to implement and sustain meaningful change may limit the potential impact of the APS system.

How to improve your organization's willingness to change





# APS value realization



#### **User adoption**

61% of respondents indicated that they were not fully satisfied with the level of end-user adoption achieved following their APS implementation.

- Perceived limitations in the quality and comprehensiveness of end-user training provided during the rollout.
- Insufficient time and resources allocated to project hyper care; which is critical for addressing early challenges and reinforcing learning.
- A lack of the right level of in-house APS platform expertise to provide ongoing support and guidance.

How to stimulate a continuous change and improvement culture >

## A future proof planning organization Structured role definition (SMEs / key users / super users) during and after implementation Planning roles mapped to the process decomposition Implementation change management approach in place Defined handovers between different planning roles strongly disagree disagree moderate agreestrongly agree



# **Ready** to realize **the full potential** of your **APS?**



### APS implementation framework

Our implementation experience has led to the creation of a proven APS Digital Transformation Framework that will help you realize sustainable value. It outlines the 5 key phases of a successful APS implementation and provides you with a checklist for each phase.

**Get your copy** 



## Discuss your business case

Ready to get the most out of your APS implementation and curious about how EyeOn can help? In a one-on-one meeting, we will assess your organization's APS readiness and determine the best possible approach to accelerate your transformation journey.

Get in touch



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