

**S&OP CLASS A PROJECT: OBJECTIVES, GOALS, TACTICS & MEASURES**

OBJECTIVE	GOAL							
Determine and implement an effective S&OP Methodology aligned to customer and manufacturing requirements adopting a common methodology and template for Harlequin Group.		1/12/2010	1/1/2011	1/6/2011	1/9/2011	1/12/2011		
	S&OP Rating	D	C	B	A	A		
	Customer Service	80%	85%	90%	95%	97%		
	Stock Turns	3.8	4.5	5.5	7.5	9		
	Inventory \$millions	\$14.1	12.1	9.7	7.1	6.0		
STRATEGIES	TACTICS							
1. Establish a formal and integrated forecasting, planning and execution process backed up by policies and procedures at all levels of management.  2. Achieve and maintain data integrity and timeliness for all are affecting planning and control functions.  3. Implement an on-going education and continuous improvements to accelerate project deliverables.  4. Establish line accountability and top management involvement in delivering project results.	1.1 Establish and define new core competencies. 1.2 Improve integration of software. 1.3 Replace planning cycle (eg. Monthly to weekly buckets)  2.1 Establish single source of data for planning, execution and accounting. 2.2 Improve data accuracy. 2.3 Establish Data Management function and responsibilities. 2.4 Establish Demand Management function and responsibilities.  3.1 Establish performance measurement process and utilise for improvement. 3.2 Implement "Best Practise" practises through benchmarking other organisations. 3.3 Implement company wide MRP11 education. 3.4 Implement system training for key users. 3.5 Optimise expert facilitators and audit results. 3.6 Institutionalise continuous improvement tools (eg. "Quadstat")  4.1 S&OP Project Organisation established and implemented. 4.2 Appoint owners of each ABCD checklist item. 4.3 Establish line ownership and accountability for each performance measure. 4.4 Conduct Monthly S&OP review with Senior Management, Project Team and External Consultant.	MEASURES						
		AREA	TARGET	1/12/2010	1/1/2011	1/6/2011	1/9/2011	1/12/2011
		Business Plan (ROI,Profit)	95 - 105%					
		Sales Plan (Total)	95 - 105%					
Production Plan (Total)	98 - 102%							
Customer Service	95%+							
Master Schedule	95%+							
Suppliers Delivery	95%+							
BOM Accuracy	98%+							
Routing Accuracy	98%+							
Inventory Accuracy	95%+							
Manufacturing Performance	95%+							
Overall Performance								
S&OP Rating								
S&OP Target	>95%	>95%	>95%	>95%	>95%	>95%		
Legend	50 - 69% = Cla 70 - 79% = Class C							
	80 - 94% = Cla 95 - 100% = Class A							

**S&OP PRINCIPLES**

1. COMPANY-WIDE PROGRAM/TOP MANAGEMENT COMMITMENT AND INVOLVEMENT
2. FORMAL SYSTEM: POLICIES, PROCESSES, PROCEDURES DEFINED AND FOLLOWED
3. PERFORMANCE TARGETS SET, MEASURED, REVIEWED AND IMPROVING
4. CONTINUOUS IMPROVEMENT PROGRAM IN PLACE
5. ONE SET OF NUMBERS FOR FORECASTING, BUDGETS, PLANNING, OPERATIONS AND ACCOUNTING
6. ACCOUNTABILITIES WELL DEFINED/FUNCTIONAL OWNERSHIP
7. S&OP ACCEPTED AS A PEOPLE SYSTEM SUPPORTED BY THE COMPUTER AS OPPOSED TO BEING A COMPUTER SYSTEM.  
A CULTURE CHANGE WILL BE REQUIRED (POLICIES, PROCEDURES, ETC) AS WELL AS SYSTEMS CHANGE.