

Case Studies: Designed a S&OP process for a leading global Pharmaceutical company

We developed a 3 year roadmap for implementation of strategic initiatives starting with the S&OP process followed by initiatives in Procurement and Distribution



Industry

- Pharmaceuticals

Business Scenario

- Established Processes for current business complexity
- Steep Growth planned in the immediate future

Our Solution

- Integrated high level S&OP process with IT systems
- Strategic Initiatives to support steep Growth

Benefits

- Roadmap with Benefits, Management of Risks and Milestones
- Process to Significantly Impact Bottom line

Business Scenario

- Pharmaceutical MNC with an established presence in India. Annual Sales of approx 180 crores and 40 SKUs
- Products are all established ones and purely driven by prescription sales. Offers to trade are planned, and very few. Products have Highly predictable sales and are in the growth and maturity stages of the life cycle. There are very few new product introductions
- All Manufacturing outsourced to 3rd parties, but Procurement handled within the company
- Country wise distribution done through 20 stocking points managed by CFAs (Carrying and Forwarding Agents). All CFAs and departments are on ERP.
- Planning and Distribution carried out using annual budgets and excel sheets using a process which has worked well for many years
- Company has growth plans to double market share and triple turnover in India in a period of 5 years

Our Solution

- A S&OP Diagnostic exercise was done to understand planning processes. This revealed a “Basic” level of maturity implying that processes existing were sufficient to support current business but not enough to support future growth
- Improvement Areas revealed mainly in Sales and Operations Planning Process, IT Systems used for Planning, Procurement Processes and Distribution Strategy
- We developed a Road map for phased strategic initiatives starting with implementation of the S&OP process and then Procurement Strategy and Distribution Network Optimization
- Detailed Roadmap with resources, deliverables and milestones was developed for the first initiative - S&OP process implementation
- Major highlights of Procurement Strategy and Network Optimization were showcased

Benefits

- Clear Understanding of the Strategic Initiatives required and way forward
- Process for Identification and Elimination of Risks for ensuring and supporting Top Line Growth
- Process for creating Significant Impact s to the Bottom Line from Supply Chain Efficiencies