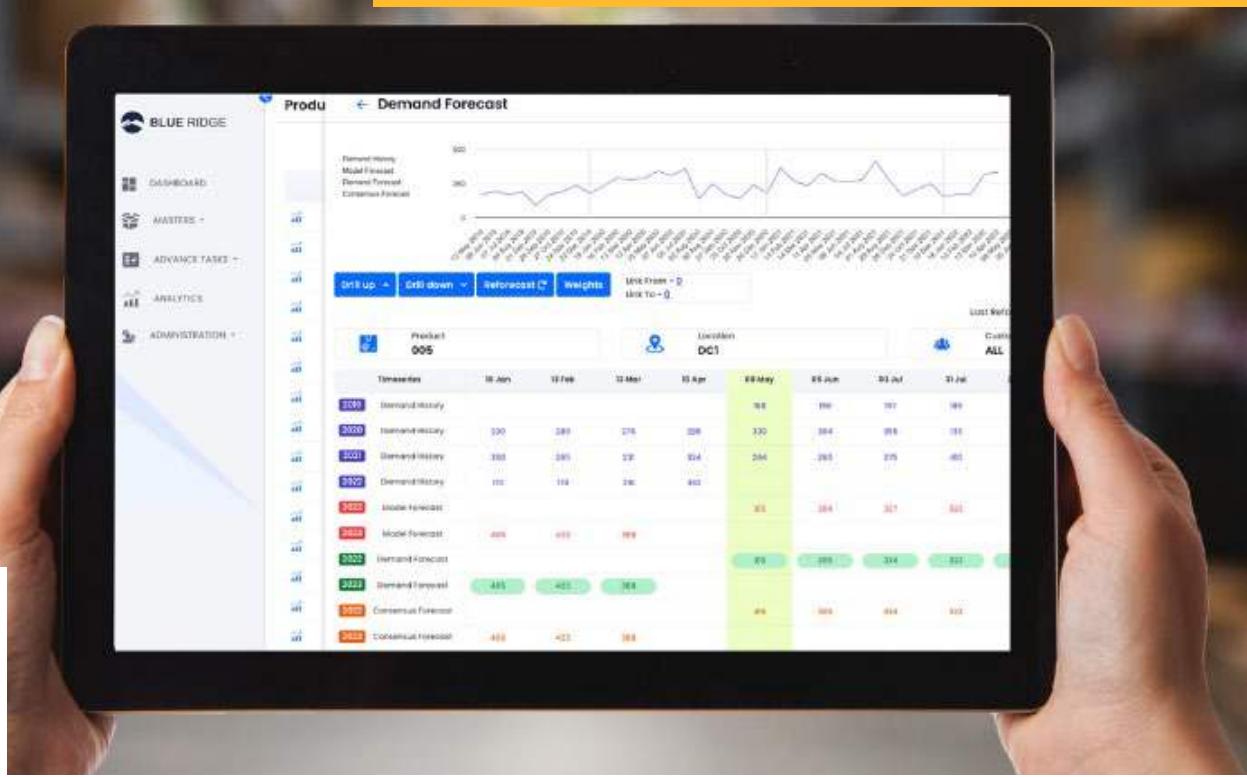




BLUE RIDGE

# Supply Chain Planning Solution Selection Guide

The 'Why, Who, What & When' of  
Selecting or Replacing Your Supply  
Chain Planning Solution



EBOOK

# INTRODUCTION



Today's dynamic landscape has resulted in a transformative era in supply chain planning solutions. Over the past few years, the once-steady field of inventory science has undergone a rapid evolution, fueled by groundbreaking advancements in technology, particularly in the realms of demand forecasting and safety stock accuracy. The convergence of data science, artificial intelligence (AI), machine learning, and cloud computing has ushered in an era where businesses can not only navigate the complexities of customer demand but also cultivate fully synchronized planning teams that seamlessly integrate with Sales and Merchandising departments.

The stakes have never been higher for organizations that have yet to invest in modern supply chain planning solutions. With challenges such as shrinking margins, tariffs, unpredictable market conditions, prolonged lead times, and the persistent influence of agile 'e-giants,' the cost of unstable demand is increasingly evident. However, amidst these challenges lie significant market opportunities. Forward-thinking organizations are now implementing comprehensive inventory investment programs that leverage data-driven forecasting, marking a monumental financial shift.

Are you ready to harness the agility of a tier-one solution that actively contributes to creating new efficiencies and profit opportunities for your team? Do you seek better alignment to capitalize on available deals and rebates, operate with leaner inventories to free up cash, and accelerate the inventory planning experience through cost-effective cloud features delivered at the speed of development? If so, you are standing at the crossroads of unprecedented market opportunities, but the path forward may be unclear.

This 4-part guide is designed to explore the **why**, **who**, **what**, and **when** of selecting a best-in-class supply chain planning partner. We delve into the essential components – industry expertise, a culture of innovation, and comprehensive development and guidance programs – that define a solution capable of not just initiating your software selection process but empowering your team to navigate the complexities of inventory investment. Join us on this journey to transform your inventory planning experience and achieve remarkable results in service, profit, cash flow, and growth.

# TABLE OF CONTENTS

---

**1**

Why is Change  
Needed?

**2**

Who Should be  
Involved?

**3**

What to Look For?

**4**

When to Make the  
Change?

---



# Part 1: Why is Change Needed?

If you are using a legacy solution or spreadsheet to manage demand, you are putting your business at risk. Advanced supply chain planning solutions are not a nice-to-have, but rather a necessity to protect against financial threats and open new opportunities for improved service, profits, and cash flow.

To understand WHY a supply chain planning solution is needed, we first need to understand the challenges and opportunities, as well as the benchmarks for any return on investment (ROI) to support the purchase decision.

Financial Threats	Inventory Challenges
<ul style="list-style-type: none"> <li>• Tariffs &amp; global economic change are cutting into profit margins.</li> <li>• Extended lead times compromise customer service &amp; inflate expenses.</li> <li>• Unpredictable demand causes fear &amp; costly “panic-buying.”</li> <li>• Inventory teams that lack the tools &amp; training struggle to break the reactive cycle.</li> <li>• Inflation is increasing the cost of goods sold, reducing profit margins.</li> </ul>	<ul style="list-style-type: none"> <li>• New online, omni channel, and brick and mortar competitors steal business &amp; impact demand forecasts without warning.</li> <li>• Consumer demand is rapidly changing making forecasting difficult.</li> <li>• Rising interest rates are increasing inventory carrying costs.</li> </ul>

If you are facing these issues, supply chain planning technology can help by providing a tremendous potential for service, control, and profit, all resulting in increased profitability. New AI supply chain tools are delivering dramatic improvements to seasonal forecasting, slow mover forecasting & other areas that were recently considered low success areas. With the right inventory management tool in place, your company will achieve the following results:

**Industry-Leading Service.** Management and the inventory team should be able to set a Service Level Goal, and the precise safety stock and other component math should deliver that result. A lower service level could also be beneficial for certain products because it frees capital for other investments.

**Be in Control, With No Surprises.** Your supply chain planning solution should tell you what it will cost (or save) by adjusting your Service Level Goals. If you want to reduce your investment by \$100,000, you should know exactly what adjustments will deliver that reduction.

**Increase Profits** via inventory reduction, economic buying cycles, strategic price and transportation brackets, optimized deal opportunities and much more. Your inventory components will become intelligent overnight, and the orders will make sense to your team.

A next-gen supply chain planning solution will enable this by providing the following:

- You will not need as much safety stock to meet the service levels for your A-Items and you will have an effective safety stock.
- Demand Forecasts will be the foundation of industry leading service and introduce your team to the unique item seasons within the year, week, and month which they could never see in their old methods.
- Lead Times will no longer be a guess and you won't have to add millions of dollars in safety stock to deal with supplier variability. Poor supplier performance will be spelled out in true dollar impact.
- You will control your investment with Service Level Goals that allow you to establish a strategy by product type, market, region, and customer.

Today's best-in-class supply chain planning solutions don't just automate 85% to 90% of your daily replenishment; every tool and feature ensures that 100% of your suppliers and items will be streamlined.

**When Profits Increase, Cash Becomes Available.**  
Capital for your next venture is sitting in your inventory and about to become available. Reductions of 30% are common for those committed to finding the right partner with the right solution and a comprehensive development program for their team.

Now that the why is clearly defined, you can move onto the next question: Who should be involved in the decision to ensure selection of the best Supply Chain Planning software, and a smooth implementation to achieve the best results?

## GOALS AND RETURN ON INVESTMENT REQUIREMENTS

With any technology investment, it is of the utmost importance to understand the return by creating an ROI model to use during your search. Your solution partner should be well engaged and committed to your success. That includes offering tools and programs designed specifically to assist you in creating your ROI model.

### A Good ROI Model Incorporates These Benefits:

1. Service Improvement
2. Forecast Accuracy Improvement
3. Inventory Reduction
4. Profit Increase
5. New Cash Available
6. Payback in Weeks, Not Months

### Where Will the Results Come From?

1. Demand Forecasting
2. Lead Time Forecasting
3. Order Cycle Management
4. Service Level & Safety Stock Management
5. Daily Replenishment
6. Special Inventory Opportunities
7. Valid Order Management

A good place to start is Blue Ridge's ROI Calculator. It will help you gauge how an advanced supply chain solution can benefit your revenues, cash flow, inventory, and bottom line. If you would like to learn more, [contact us](#) today!

# Part 2: Who Should be Involved in Selecting SCP Software?

This section examines who will experience the results of implementing an advanced supply chain planning solution and, therefore, who should be recruited for the selection team.

The first step is identifying the benefactors. Who will be impacted by the new solution? You can use these three categories to analyze your organization to determine the following:

Stakeholders	Inventory Team	Partner Departments
Any person or group in the organization who is responsible for revenue growth, profit growth, or available cash.	The solution will free up hours each day for profit-focused tasks, elevating their corporate profile to an all-new level.	Any group that works directly with the Inventory Team will benefit from efficiencies, consistencies, and data analytics.

The next step is clearly defining the selection team. Your selection team should include:

**Executive Committee** – The leadership of each of the key benefactors from your executive committee. This group sets the tone that this journey is aimed at finding the solution partner who will deliver game changing results in service level and profitability. The executive committee must make it clear that this is a strategic program for the company aimed at results and not simply another software implementation. The rest of the company will follow that lead.

**Search Committee** – The first task for the executive committee is to create an A-Team of search members, with balanced representation from key parts of the organization. This team will be responsible for identifying solution partners that fit the description and goals set forth by the executive committee.

**Finance** – With the focus on financial results, a key member from Finance is a welcome and critical addition to the team. The CFO should consider the opportunity to play this role.

**Business Process** – Any world-class supply chain planning solution partner will focus on the inventory process within their software. Team members in the company who are in the business process group, or simply have a strength in process improvement, will help find strong partner candidates.

**IT** – Absolutely, the IT team has a key seat along the way, learning the needs, ensuring compatibility with existing systems, and educating the team as they enter new technical worlds.

**Sales & Marketing** – Great progress and innovation has occurred by tying Sales and Operations planning into the inventory planning process. Choose strategic thinkers from the Sales & Marketing teams who see the benefit of building bridges across departments.

**Operations** – Implementing a world-class supply chain planning solution will have a significant impact on your Operations. Your Operations partners have knowledge which you will need during implementation and beyond.

Having the right players involved at the selection stage is critical for the successful implementation and adoption of any solution. Now that we have identified who should select your supply chain planning software, we are ready to explore the next question to help guide this team in making the best decision for your organization: **What should you look for in a supply chain planning partner?**



# Part 3: What To Look for in a Supply Chain Planning Partner?

This section explores what to look for in a software partner, including the company profile, software features, and some key questions you can ask to ensure the right decision for your organization.

The Ideal Company	The Ideal Features
<p><b>Supply Chain Planning Best-In-Class</b> – A best-in-class supply chain planning solution will provide superior features, innovation, guidance and ultimately, results. ERP solutions or other generalists won't have the depth of features needed. Find a "heart" expert for the heart of your business.</p> <p><b>Growth &amp; Innovation</b> – Research the vision, innovation and rise of the partner options. Is the solution getting richer every year? Is the customer base growing and helping to stretch the depth of the solution?</p> <p><b>Extensive Inventory Experience or Simply Software</b> – Go beyond the Sales Representatives and invest extensive time with their inventory experts. Learn their industry backgrounds. Have they lived in your shoes? Do they understand your world?</p>	<p><b>Cloud vs. On-Premise Solution</b> – Cloud offers a host of valuable options. Benefits of the cloud include incredible speed-of-innovation and dynamic user experiences. Cloud-based supply chain planning solutions significantly cut down on implementation time and IT resources.</p> <p><b>Integrations</b> – Does the partner have experience integrating with your ERP solution or one very similar? Explore the integration process and experience of the solution team. Is it fast? Flexible?</p> <p><b>Business Process</b> – A best-in-class solution should start with a proven business process. Substandard solutions focus mainly on the math, with very little consideration of how it plugs into your day-to-day. This will guarantee frustration for the users and a lack of results! A proven process will change the lives of the inventory planning team. It not only provides the answer of 'how much to buy?' but also the key question of 'when to buy?'. AI breakthroughs can deliver management-by-exception excellence in each business process area.</p> <p><b>Customization</b> – You won't hear best-in-class solutions talk much about customization because the need is not there. Most specific needs will be addressed by configuration settings in the solution. A best-in-class supply chain planning solution is incredibly deep and wide, yet much more plug-and-play compared to ERP solutions.</p> <p><b>Analytics Requirements Checklist</b> – A few years ago, an advanced drag-and-drop chair-side analytics solution was a luxury for the inventory team. Now it is a requirement. Your team should be able to go from inventory idea (or hunch) to a working chart or dashboard in a matter of minutes, without the need to request a report from IT.</p>
	

Although the company and features are highly important, it is also beneficial to understand the other areas of the supply chain planning partner's business, like education and services, and the customer community. Here are some questions to ask or conduct research around when finalizing your selection.

**Do they offer solution development or simply training?** You'll get the best results with a partner that provides a combination of best-in-class technology and a knowledgeable inventory team that is fully equipped to deliver. Software training is typically about screen movements and clicks. Team development – on the other hand – builds knowledge of principles, concepts, processes, and actions to take based on situations. Your supply chain planning partner should offer a long-term plan for the inventory analysts, team champion, and company leaders.

**How easy is implementation?** A supply chain planning partner whose sole focus is implementing supply chain planning solutions has seen all the errors and knows how to avoid them. Each implementation is smarter than the one before – so time-to-value is swift. Your implementation plan should have flexibility in the rollout with checkpoints along the way to ensure success.

**Do they have an ongoing guidance program?** Cloud-based supply chain solutions with experienced teams offer a huge advantage over marquee-brand enterprise solutions. These teams can be deployed to watch your key performance indicators and alert you to issues before any failures occur. These capabilities continue to advance increasingly due to the cloud and deliver speed and assurance of results.

**Do they offer you a community to connect with other customers?** Your learning and growth accelerate when you are exposed to other customers' successes. Your inventory partner should find ways to frequently connect you with others who are on your path, or ahead on your path.

Learn from their successes and mistakes. A vibrant community offers you a chance to explore beyond your industry and learn from other industry leaders. Other industries often have to be great in areas where you are just moving to be good. Request customer references or seek to join these communities, webinars, or conferences early in the sales discovery process and you will nail the transformation.

#### **Do they take customer feedback seriously?**

Explore what influences the customer community has had on the solution and development offerings. Find out if you will be able to have a similar influence. In today's hyper-connected world, you can also rely on customer testimonials from a variety of sources, like G2, to understand a solution vendor's customer relationships without needing a direct reference call.

Although this guide provides a comprehensive list of checkpoints for finding the right supply chain planning solution partner, it is still important that your benefactors and selection committee work together to define the criteria that is most important for your organization. You can use this as a starting point to create a clear list of must-haves that will help narrow your search. Now that we have identified what to look for, there is only one question left: When should you make the change?



# Part 4: When Should You Make the Change?

This section will help you determine when to implement your advanced supply chain planning solution and covers the importance of having a commitment from your partner to demonstrate the opportunity cost, some key timing considerations, and FAQs.

## The Opportunity Cost

A comprehensive ROI model will answer the question “when?” by clearly identifying **the opportunity cost**.

Your potential supply chain planning partner should invest time in the discovery period to build a comprehensive model showing the service, sales and profit you are losing every month by not upgrading to an advanced planning solution. Highlight this value as your magic number, which will be used by your search committee and set as the target for your implementation team.

There are also other factors that can help you decide the right timing for your supply chain planning solution implementation. Consider some of these key events to plan accordingly:

**Initial Training:** If you are in a highly seasonal industry, schedule your initial training to avoid your heaviest buying season. You know your industry, and you know the seasons to avoid. Just watch the faces of your inventory team if you try to make poor timeline suggestions!

**Annual Events:** Take advantage of attending the annual user conference and any other customer events planned by the supply chain planning software partner you have chosen (or are considering). Not only will this confirm your decision, but you will learn valuable insight from their new and seasoned customers to reaffirm that it's time to make the switch.

**Management Kick-Off:** Plan a strong management kick-off to allow your supply chain planning software partner to provide an educational session for your leadership team. Each department head should be in attendance.





# Frequently Asked Questions

## 1. How does the implementation impact our operations?

Today's cloud-based supply chain planning solutions do not require a total overhaul like an ERP implementation. Your team can gradually onboard suppliers while still replenishing through the old method. Typically, the rollout period is around 60 to 90 days.

## 2. Will our inventory increase before we see the inventory reduction?

No. The planned supplier rollout ensures this will not happen. Inventory for A-items, with frequent movement, will decrease as inventory for slower-moving items are built up. Top-tier supply chain planning partners follow a proven implementation plan, guided by experienced professionals who prevent making drastic moves with service level goals during implementation.

## 3. Do we need to wait until our stock status information is 100% clean?

No. However, if your team can replenish with current stock status, a best-in-class supply chain solution will significantly enhance performance. A robust supply chain planning partner offers analytical tools and reports for smart discovery and count verification support.

## 4. Can my current team manage the change?

Your inventory team will achieve superior results with the new solution compared to current planning tools. The right partner provides ongoing development. Over time, you will identify skills for delivering the best results which will improve future recruitment. Choose an experienced supply chain planning software partner for development and recruitment assistance.

The opportunity is great, the solution partners are available, the search is on. Now that you have a solid understanding of why a change is needed, who should be involved in selection, what to look for in a software partner, and when to make the change... why not go for it?

## About Blue Ridge



Blue Ridge is the supply chain software that improves planning precision with an unmatched partnership so you can eliminate guesswork and maximize inventory performance. We empower you with predictive insights and precise buying recommendations based on comprehensive details. You'll always be prepared and in control, ready to make fast and accurate planning decisions. Our software improves cashflow and increases profitability by optimizing spending, increasing service levels, and reducing overstock and lost sales. Our unmatched LifeLine supply chain software coaching enables you to accelerate software adoption and efficiencies while simplifying buying complexity. We'll stand by you so that you can be supply chain invincible. For more information, visit [www.blueridgeglobal.com](http://www.blueridgeglobal.com) or request a demo at [blueridgeglobal.com/request-demo](http://blueridgeglobal.com/request-demo).