

# 13. Performance catalogue

## Defining new S&OP process

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For a full overview of the tools see:

Stentoft, J., Freytag, P. V. & Mikkelsen, O. S. (2019), *Improved Competitiveness through Implementation of Sales & Operations Planning*, Department of Entrepreneurship and Relationship Management, University of Southern Denmark.

# Purpose, participants and application

- **Purpose**

- To create an overview of the different type of performance measures that can be applied in relation to Sales & Operations Planning (S&OP).

- **Participants**

- S&OP project group, top management, and key-resources within finance and IT.

- **Application**

- In the process of defining the S&OP process.



# Sales performance

- Improved earnings
- Improved service-level to customers
- Improved customer satisfaction
- Customer retention
- Acquiring new customers
- Growth in market share
- Improved on-time delivery
- Improved forecast accuracy
- Reduced stockouts
- Improved time-to-market of new products and services



The measurement areas should be operationalized  
– see inspiration in tool 14 – Defining KPI's.

# Cost performance

- A better balance between manufacturing and sourcing costs opposite to transport and safety stock costs
- A more stable production (lower level of re-planning)
- Better human resource allocation
- Improved productivity
- Improved capacity utilization
- Lower level of unplanned overtime
- Lesser obsolescence
- Lower manufacturing unit cost
- Lower purchasing costs
- Higher inventory turns

The measurement areas should be operationalized  
– see inspiration in tool 14 – Defining KPI's.



# Financial performance

- Lower capital tight up inventories
- Improved Accounts Payable
- Improved Accounts Receivable
- Improved net working capital
- Improved return on investment
- Improved product profitability
- Improved customer profitability



The measurement areas should be operationalized  
– see inspiration in tool 14 – Defining KPI's.