3. Organizational readiness

Recognition phase

Purpose, participants and application

- **Purpose**
  - To secure that there is an organizational readiness to start up a Sales & Operations Planning (S&OP) project.
  - Identity possible barriers.

- **Participants**
  - Top management, relevant middle managers, and key-employees corresponding to possible S&OP project.

- **Application**
  - In the recognition phase.

Approach

- Relevant employees make a judgment about the organizational readiness based on a number of listed statements (see the table on the next slide).

- It is recommended that the tool is used individually and is evaluated in a group to compare scores.

- The areas can be prioritized, and facts about the statements can be gathered to develop an action plan if improvements are necessary.

Organizational readiness

Mark with a X, where 1 is "to a very low degree" and 5 is "to a very high degree"	1	2	3	4	5
1. Top management is committed to S&OP.					
2. The organizations is in general ready to change.					
3. Sale is positive and committed to S&OP.					
4. Operations is positive and committed to S&OP.					
5. Finance is positive and committed to S&OP.					
Overall score:					

Data processing

- Areas with scores on 4 or 5 are satisfying.

- Areas that obtain a score on 3 should get some consideration.

- Areas with scores on 1 or 2 should get special consideration – is it something that needs to be improved before starting a S&OP project?

Scores

- Overall scores between 1-8 indicate a lack of organizational readiness.

- Overall scores between 9-16 indicate some organizational readiness.

- Overall scores between 17-25 indicate high organizational readiness.

Comments

- The different questions and their number can be adjusted to the actual situation.

- Point intervals are indications.

- The approach contains some uncertainty because it rests on personal judgments. Spend therefore time to clarify a score.