

An aerial, high-angle photograph of a dense urban landscape, likely a city center. The image shows a complex arrangement of skyscrapers and buildings, with varying heights and architectural styles. The colors are somewhat muted, with a lot of greys, blues, and browns, suggesting a high-contrast, possibly filtered or stylized image. The perspective is looking down from a high altitude, showing the tops of many buildings and the intricate patterns of the city's layout.

THE TOP 5 SUPPLY CHAIN PLANNING MYTHS DISCOVER THE NEW GOVERNANCE MODEL TO DEFEAT DISRUPTION

THE NEW SUPPLY CHAIN PLANNING MODEL

After one of the most tumultuous and disruptive periods in recent history, many companies have had to face reality: Historical supply chain planning approaches have proven inadequate against new challenges. Functional optimization and incrementalism will not deliver the required resiliency and agility. The good news? Pioneering executives, supply chain leaders and practitioners around the world have recognized that a new governance model, based on the technique of end-to-end concurrent planning, is now available to optimize the business. Companies big and small are going from Excel to advanced planning in 12 weeks or less.

Now is the time to adopt end-to-end concurrent planning

Clear corporate benefits

Companies can see both supply chain benefits like inventory reductions, accelerated S&OP and improved customer experiences in addition to financial benefits such as improved cash flows. They see return on investment in times of stability and disruption, outperforming industry averages on revenues and stock prices while achieving higher returns on assets, sales, and invested capital.

Rapid time-to-value

New programs and methodologies can provide concurrent planning, visibility and transparency in production environments – not proof of concepts – in 12 weeks or less. By right-sizing the start, companies can achieve benefits earlier, accelerate adoption and payback, and grow and streamline change management at their own pace.

Proven

The technology to power concurrent planning is available and validated by the market. Kinaxis is a Leader in the [2022 Gartner® Magic Quadrant™ for Supply Chain Planning Solutions](#) and positioned furthest on completeness of vision. Its RapidResponse® solution is trusted by a vast community of the top supply chain innovators, big and small, across the globe. We believe partnering with a recognized Leader reduces deployment risk.



This graphic was published by Gartner, Inc. as part of a larger research document and should be evaluated in the context of the entire document. The Gartner document is available [upon request from Kinaxis](#).

It's time to cast off the long-held myths about supply chain planning and digital transformation that have paralyzed your business and enter a new era. Read on as we debunk the top five most limiting assumptions and outline the supply chain planning model of the future.

Note:

Gartner, Magic Quadrant for Supply Chain Planning Solutions, A. Salley, T. Payne, P. Orup Lund, J. Suleski 16 May 2022

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SUPPLY CHAIN MYTH #1

**INCREASING
ACCURACY
IS MORE
IMPORTANT THAN
INCREASING
AGILITY**

REALITY

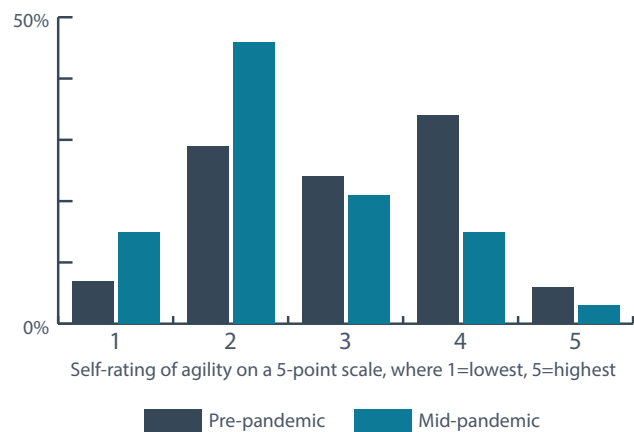
The right balance of accuracy and agility streamlines day-to-day efficiencies and enables supply chains to know sooner and act faster when change happens

What COVID-19 and other global disruptions have taught us is that accuracy can only take you so far – especially when the historical data you're using to create your models can't be trusted. You need to have the agility to pivot and respond quickly to what's happening in the real world.

During the COVID-19 pandemic, 61% of supply chain practitioners dramatically lowered the estimate of their supply chains' agility when surveyed on a five-point scale (1=lowest, 5=highest) by Supply Chain Insights.

However, "...companies rated themselves more agile in the pandemic if they were an innovator in analytics, [or] were more balanced in managing S&OP processes..."¹

How agile is your supply chain?



Source: Supply Chain Insights LLC, Pandemic Study (Sept-Oct, 2020)¹
Base: All Answering – (N=118)

For biopharmaceutical company Ipsen, COVID-19 proved the agility of a concurrent planning solution. During the peak of the pandemic, the company faced dual challenges: Demand spiked as much as 70% in some areas while capacity dropped due to shipping and manufacturing challenges. The company used Kinaxis RapidResponse to identify products with low inventory levels and high volatility. Because planners were able to recognize and prioritize these sought-after goods, Ipsen made it through the pandemic without a single stockout.²

See why agility trumps accuracy every time.



WEBINAR

[Deep dive: Navigating the supply chain through the pandemic](#)



ARTICLE

[Forbes: Does Perfect Customer Service Make Sense?](#)



WEBINAR

[Customer service revolution: Ipsen's digital supply chain transformation](#)

SUPPLY CHAIN MYTH #2

OPTIMIZING
EACH CHAIN LINK
INDEPENDENTLY
OPTIMIZES
THE WHOLE
CHAIN

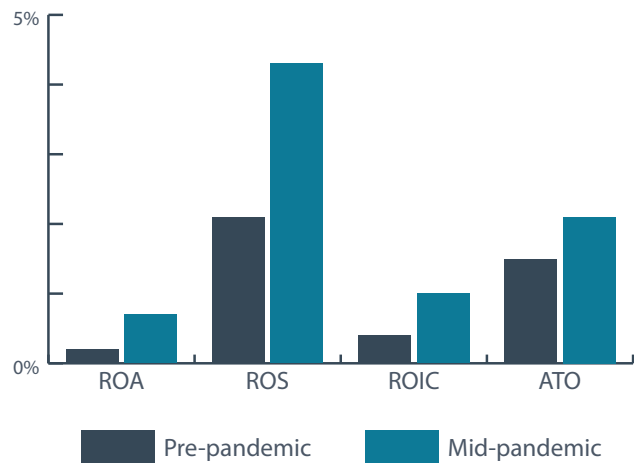
REALITY

A better technique (versus technology) that simultaneously optimizes end-to-end versus siloed metrics drives breakthrough results

Companies prioritizing end-to-end optimization see dramatic performance differences against their peers, not just at the supply chain level but across the entire business. Kinaxis customers saw significant percent differences in performance compared to industry averages. They outpaced peers on key metrics, like return on assets, return on sales, return on invested capital and asset turnover, according to an analysis of publicly held North American companies conducted by Professor Morgan Swink of Texas Christian University. During major disruptions, like the COVID-19 pandemic, that gap grew as much as 2.5x.³

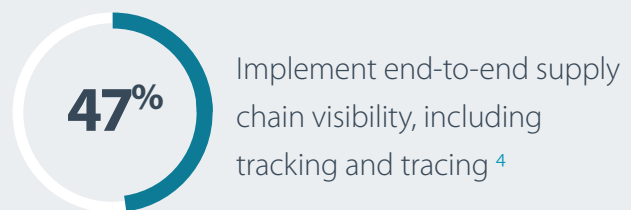
With companies like these setting the standard, it's no surprise that supply chain planners across the industry recognize the need for cross-functional optimization and agility. Surveys from Supply Chain Insights and IDC find operational efficiency and end-to-end capabilities top the list of practitioner priorities.

Performance advantage for Kinaxis customers vs industry averages



Source: *Speak your CFO's language – Managing risk and opportunity in supply chains*. M. Swink, Mar. 10 2021

What steps are supply chain professionals taking to prepare for future disruptions?



Ready to break down silos? Arm yourself with research that sways even the most doubtful skeptics.



WEBINAR

[Speak your CFO's language - Managing risk and opportunity in supply chains](#)



RESEARCH REPORT

[Supply Chain Insights: Navigating the supply chain through the pandemic](#)



EBOOK

[Resilient. Agile. Competitive: Supply chain transformation for lasting innovation](#)

**SUPPLY CHAIN
MYTH #3
END-TO-END
VISIBILITY
SOLVES
COLLABORATION
ACROSS AND BETWEEN
FUNCTIONS**

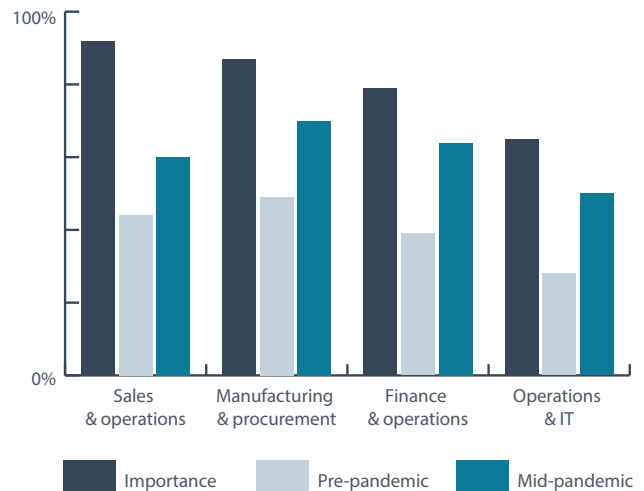
REALITY

Visibility provides only awareness while transparency adds understanding to make better decisions

Closing the gaps between functions requires both the visibility to see what's happening and the transparency to gain context into causes, so you can make faster, more confident decisions.

This alignment between functions has always been important, but the pandemic was a catalyst for closing gaps. Supply Chain Insights found that alignment between functions was perceived as important – as high as 92% for S&OP – but actual alignment was low. Then the pandemic happened, silos dropped and actual alignment increased. However, actual alignment achieved across functions was still lower than its perceived importance even during the pandemic.¹

How supply chains rated their alignment



Source: Supply Chain Insights LLC, Pandemic Study (Sept-Oct, 2020)¹
Base: All Answering – (N=118)

“Driving value from supply chain planning solutions requires alignment and governance. Using technology to improve decisions assumes that organizational alignment in making a decision and agreement on what constitutes the right decision.”¹

LORA CECERE

Founder, Supply Chain Insights

You can't fix problems you don't understand. Learn about the power of supply chain transparency.



BROCHURE

[5 best practices for supply chain response to disruption](#)



WEBINAR

[Weathering any storm: Building a resilient supply chain](#)



BLOG POST

[Overcoming the barriers of ineffective tools to drive S&OP success](#)

SUPPLY CHAIN MYTH #4

ARTIFICIAL
INTELLIGENCE
IS A SILVER
BULLET
TO ALL PROBLEMS

REALITY

AI & ML is important to learn from prior decisions and support automation but cannot replace human judgement, creativity and ingenuity

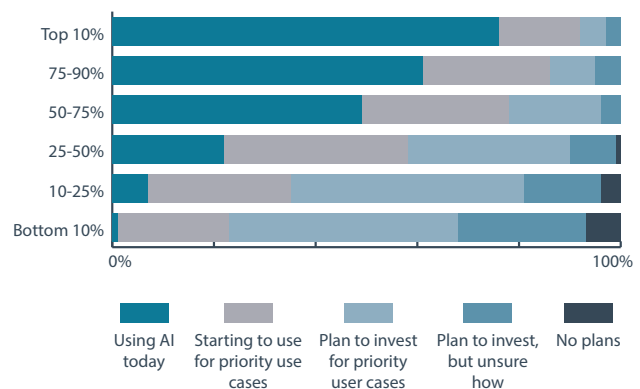
Hype around the wonders of artificial intelligence (AI) and how it can lead to lights out planning is everywhere. AI and machine learning (ML) do play an important role in helping companies learn from past decisions and automating routine tasks to free up planners' time.

But make no mistake. AI is not a replacement for people. It's a way to enhance their capabilities.

Seventy-six percent of companies at the top 10% of supply chain maturity say they use AI/ML solutions that reduce the time planners spend completing low-value, repetitive tasks.⁴

Use of AI/ML by supply chain process maturity

(% of Respondents)



Source: IDC White Paper, Sponsored by Kinaxis, Supply Chain Planning Drives Better Business Performance in the Modern Enterprise, Doc. #US46191520, May 2020

"An important emerging use case for AI and machine learning is the ability to augment people's capability to respond to data insights."⁴

SIMON ELLIS

Program Vice President, Supply Chain Strategies, IDC

Combine human intelligence with AI and concurrent planning to prepare for any future.



WHITEPAPER

[IDC: Supply chain planning drives better business performance in the modern enterprise](#)



WEBINAR

[The ethical challenges of AI adoption](#)



WEBINAR

[Architecting intelligent supply chains](#)

SUPPLY CHAIN MYTH #5

IMPROVEMENT
REQUIRES
A LARGE AND
DISRUPTIVE
DIGITAL
TRANSFORMATION
PROJECT

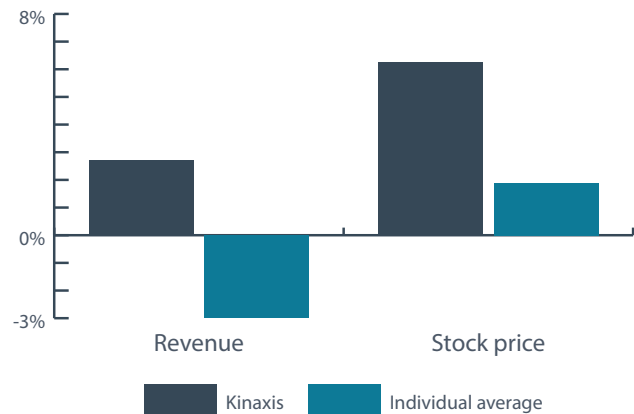
REALITY

Small changes can have massive impact in a short time period

You don't have to complete a full-scale digital transformation to realize significant benefits. Gradual adoption of concurrent techniques works too. If silos affect decision-making which, in turn, affects business outcomes, then even small improvements in visibility have ripple effects. On an average day, those impacts add up. During a disruption, they become significant.

Revenue and stock price, two of the most important metrics for every executive at a publicly held company, were better among Kinaxis customers than industry averages, according to a recent analysis by Texas Christian University professor Morgan Swink. During the pandemic, Kinaxis customers saw a 2% growth in revenue versus a 3% decline for others. Kinaxis customers also saw their stock price increase by 3x more than the industry average.³

Impact of the pandemic on revenue and stock price



Source: *Speak your CFO's language – Managing risk and opportunity in supply chains*.
M. Swink, Mar. 10 2021

“We no longer need to monitor the top line and pray for the margins to align the way we expected. We can monitor the margins in real time.”⁵

FRANÇOIS ALLAIN

Chief Operating Officer, Technicolor Connected Home

Change is hard. There's no question. But you don't need to handle it in an all or nothing fashion. Every organization and every person is capable of change – no matter your company's maturity level or how long you've been doing something a certain way. It just has to be done thoughtfully and with a focus on building transparency and trust first.

Scale transformation to meet your objectives. See what's possible.



WEBINAR

[Speak your CFO's language: Managing risk and opportunity in supply chains](#)



ARTICLE

[Forbes: Mastering agility across supply chain and finance with concurrent planning at Hologic and Technicolor](#)



WEBINAR

[Technicolor: Managing financial and supply plans](#)

Break free from the myths that have held you back from supply chain planning success

The time to reinvent supply chain planning is upon us. Break from the status quo with Kinaxis RapidResponse. Our extensive, cloud-based platform is the only one on the market capable of delivering true concurrent planning, so you can instantly and continuously balance your end-to-end supply chain. That way, you can embrace volatility, build resiliency and focus on what really matters.

Get more value, faster with our secure integration capabilities. Bring together all your internal and external supply chain data sources and connected algorithms, even if you have dozens of enterprise resource planning (ERP) instances across platforms, such as SAP or Oracle.

Start from anywhere and grow the way you want: S&OP/IBP, demand, supply, inventory. You decide. RapidResponse is easily scalable and delivers the capabilities you need to grow and succeed.

Focus on what really matters and leave the repetitive, low value-add activities to the machines. Our automated intelligence uses techniques like AutoML and robotic process automation to improve your supply chain's performance and keep it operating in top health.

If you can dream it, you can build it. Use Kinaxis to run one or more of our customer-proven planning applications. Or, build your own custom apps and embedded algorithms. We give you the flexibility to create the supply chain you want, either with or without code, using our developer capabilities.

Start reinventing your supply chain planning in 12 weeks or less with Kinaxis

Gain end-to-end concurrent visibility in 6 weeks or less with [Live Lens Insights](#) or start concurrent planning in 12 weeks with RapidStart. [Contact us](#) to find the right solution for your supply chain – no matter where you are on your transformation journey.

Resources

¹ [Supply Chain Insights, Navigating the Supply Chain Through the Pandemic: An Opportunity to Build Better](#), L. Cecere, Feb. 2021

² [Forbes, "Does perfect customer service make sense?"](#) S. Banker, Nov. 13, 2020

³ [Kinaxis, Speak your CFO's language – Managing risk and opportunity in supply chains](#), M. Swink, P. Van Hull, Mar. 10 2021

⁴ [IDC White Paper, Sponsored by Kinaxis, Supply Chain Planning Drives Better Business Performance in the Modern Enterprise](#), Doc. #US46191520, May 2020

⁵ [Forbes, "Mastering Agility Across Supply Chain And Finance with Concurrent Planning At Hologic and Technicolor,"](#) Jan 11, 2021



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