

WebSphere® software



**Enabling a globally integrated supply chain with business process management**

Effectively managing supply and demand has become an increasingly complex task for organizations in the global marketplace. Companies need to be able to make accurate forecasts, establish appropriate benchmarks, adjust cost structures, and reconfigure and adjust processes based on gaps in supply and demand in order to optimize costs and maximize profits. Due to the high investment costs required to compete around the world, many companies are entering into creative partnerships and joint ventures to design, build, distribute and service products. To differentiate their organizations in the marketplace, companies are pushing the envelope on product and business process innovation.

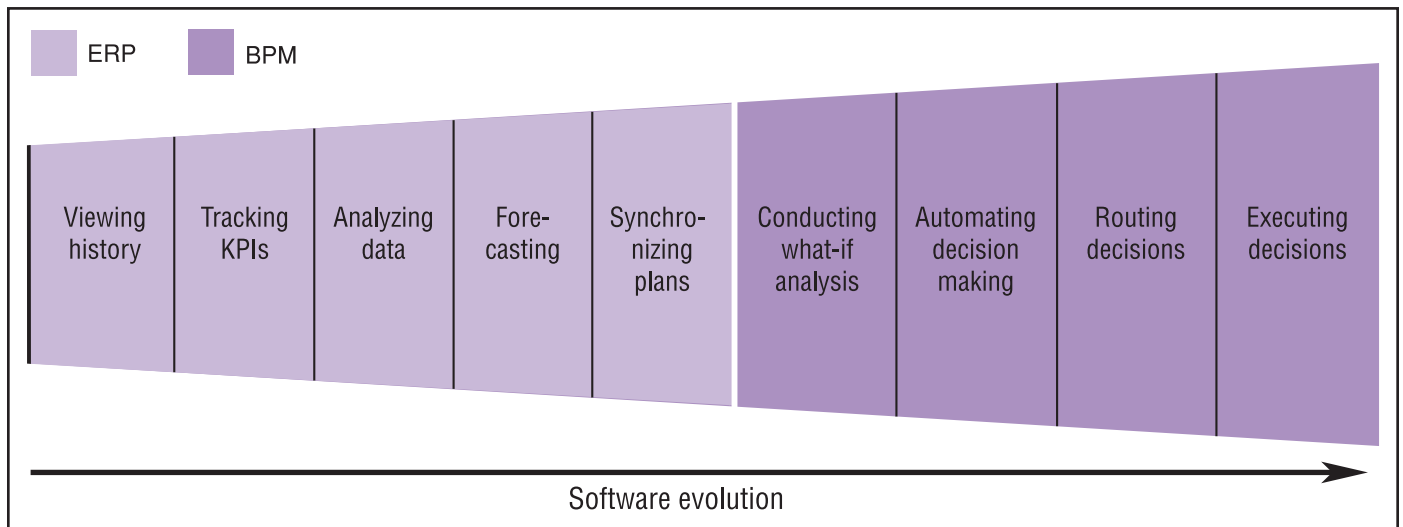
The variety and velocity of new product introductions are straining the value chain from product design to service after sale. Supply chains have to be flexible and resilient. Enterprise business process management and governance are critical for success.

As businesses manage their global supply chains, they seek consistency, with better quality outcomes, time-to-market improvements, and revenue and profit growth. Organizations across the globe are turning to IBM for thought leadership regarding supply chain management. IBM offers business process management (BPM) solutions that enable you to visualize complex operational scenarios and understand where process changes should be made.

**Going beyond enterprise resource planning systems**

Because managing the supply chain involves forecasting and planning supply operations, many organizations rely on enterprise resource planning (ERP) systems to store and analyze data inputs, develop forecasts, determine safety stock levels, and facilitate production planning and scheduling. However, supply chain managers are finding that ERP systems don't provide the required insights and flexibility to address all of their supply chain planning needs. Managers need to be able to rely on a system that can provide more visibility into processes and enable collaboration among all key stakeholders.

**The evolution from ERP systems to BPM solutions**





BPM solutions from IBM complement and improve the performance and value of ERP systems. Core processes and sub-processes can be extracted and extended from ERP systems and deployed in a way that allows for smart automation and dynamic change. There are also alert features for escalating issues to stakeholders for quicker resolution of problems and addressing new opportunity areas, for instance, when forecasting inputs are not submitted on time.

IBM BPM solutions can provide analysis of your organization's current state and identify gaps in terms of supply and demand. They enable managers to conduct "what-if analysis" to determine whether your company should change some factor in its operations. For example, it may consider the benefits of sourcing from a different manufacturer, changing the quality of a given product, or exploring a new logistics channel.

### **Integrating dynamic process flows and exception handling**

Especially in global business, changes can occur without notice, and reacting to them can be difficult because of siloed systems and process. Laws or safety regulations may change; or there may be unexpected changes in forecast data, availability of parts, completion schedules, costs or shipping.

IBM BPM solutions can help respond to this dynamic environment by integrating dynamic processes and managing exceptions. Users can input rules for repeatable and changeable variables to determine how the organization will operate under given circumstances.

Process automation is purposely designed to span disjointed IT systems, information and human tasks and orchestrate them into an optimized process flow. Process automation:

- Is model-driven versus hard-coded, so that it is easier, less costly and faster to deploy changes.
- Includes human workflow management capabilities to streamline manual tasks, making them repeatable and consistent while improving productivity and reducing errors.
- Includes broad process integration capabilities to connect a processes end-to-end across multiple silos, for example, automating distributed order management across multiple product lines.

Process automation also leverages reusable process components so that they can be quickly recombined into new processes. The value this automation can bring to an organization is tremendous.

### **Optimizing processes with IBM BPM solutions**

IBM BPM can help you optimize your business by tracking and analyzing processes and continually improving them. For instance, exception processes that were put into place can be changed to accommodate new situations. Supply chain managers can use BPM to explore new what-if scenarios on an ongoing basis.

Managers can also use IBM BPM to identify common processes that may be repeatable for all what-if scenarios, and they can automate common steps. In doing so, supply chain managers can increase visibility into processes, track how often certain changes occur in their environments, and greatly improve forecast precision.

Your company's ability to compete in the global supply chain management environment is contingent on its ability to sense and respond to change. IBM BPM solutions can help drive agility, supplier collaboration, and demand-driven replenishment. Through an agile supply chain, companies can move rapidly into emerging markets while taking advantage of global sources of supply, production, distribution and talent.



IBM has extensive SCM expertise and a set of integration and analytical tools to help clients quickly deploy solutions that cut costs and reduce complexity within their supply chains. Explore IBM BPM and IBM's robust BPM services offerings, and let IBM help you succeed.

#### For more information

To learn more about how IBM BPM solutions can help your organization manage your supply chain more effectively, contact your IBM representative or IBM Business Partner, or visit [ibm.com/software/innovate](http://ibm.com/software/innovate)



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