

## **Leading SCM Boutiques – Part 2, Supply Chain Planning Vendors**

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ARC is spending time investigating the capabilities of Supply Chain Management (SCM) Consulting Boutiques. This is the second in a series of articles. Whereas Part 1 was focused on Supply Chain Execution (SCE), this article is focused on Procurement and Supply Chain Planning (SCP).

In doing this research, I was struck by how many more Boutique consulting houses there are focused on Supply Chain Execution than there are for Supply Chain Planning. As just one example, I've only come across 3 Boutiques in North America or Europe who garner over half of their business from SCP implementations. Those suppliers include **Plan4Demand** of North America (special expertise in **Manugistics/JDA**, but growing business around **Logility** and **SAP** SCM implementations), **Roce Partners** based in Scandanavia (**i2** and **SAP**), and **Metachain (Oracle)**. All of these firms have 20 or more employees.

In particular, there is a real shortage of APO consultants. It is not unusual for former users of APO to claim they have enough understanding of the system to be able to implement it. Some firms find that by the time they hire, train, and season an APO consultant, they lose another. Plan4Demand has an interesting method of hiring and retaining APO consultants.

Within Supply Chain Planning one niche is doing Network Design, Multiechelon Inventory Optimization, and Transportation route design. This involves the use of high end tools, like **ILOG's** Logic Tools, or **i2's** or **Infor's** Network Design tools. ARC is a big proponent of these tools, high level talk about "Lean Supply Chains" is fine, but good decision making depends upon a firm quantitative analysis. These tools really require expert users. Further manufacturers that have acquired these tools to do strategic planning often find that they can't retain users. Firms may acquire these tools, train a team of 4 or 5 people to use the tools, and then after 3 years all the users have moved to other jobs in the company (or outside of it). Doing analytical planning can be seen as a dead end job. Meanwhile these users have demonstrated an ability to develop scenarios for quantitative decision making that makes them valuable in other portions of the company. Firms that have strong capabilities in this area are **Chainalytics** based in the US and European-based **Mobius** and **S&V Management**.

Finally, some Boutiques are focused on broader Supply Chain Processes. Supply Chain Visions is focused on developing (or educating firms so that they can develop) appropriate Supply Chain metrics for themselves or their key partners.

Another central process in SCP is the Sales & Operations Planning (S&OP) process. Here Ollie Wight is the best known Boutique. I've run into companies all over the world who have told me they used **Ollie Wight** to help them develop or improve their S&OP process. Another boutique becoming increasing well know for S&OP consulting is **Tom Wallace**.