Driver Based Planning
SAP IBP Webinar Series 2020

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Driver-Based Planning
Capture and Manage important Business Drivers

Planning of important business drivers that influence organization’s supply chain plans

Captures important business events with their qualitative and quantitative information in a structured way

Include or exclude drivers in the planning process by a single click and enable transparency among stakeholders

High flexibility to model different kind of drivers and how to incorporate them in the planning process. E.g.

- Maintain risks & opportunities on brand/市场/month level
- Maintain promotions on product/customer/week level
- Include demand decrease/increase caused by risks & opportunities only if probability is higher than 75%
- Include individual assumptions only after manual “activation” step

Examples for Drivers:

- Risks & Opportunities
- Assumptions: Market, Competitor or Growth assumptions
- Events & Promotions
Driver-Based Planning

Driver-Based Planning captures business events with their qualitative and quantitative information to drive supply chain plans. Examples of Business Drivers include:

Risks and Opportunities are granular events with impact on business. Risks are Business Downsides or Vulnerabilities; Opportunities are Upsides or Chances.

Assumption is a baseline driver for capturing the business activity e.g. Market Assumptions, Competitor Assumption, Growth Assumption, etc.
Driver-Based Planning for Risks and Opportunities Management

- Risks are downsides / vulnerabilities and Opportunities are upsides / chances that need to be considered in the planning process.
- R&Os can be defined at multiple planning hierarchy levels
- Capture Risks and Opportunities and add to plan R&O that are budgeted and highly probable

<table>
<thead>
<tr>
<th>Event Type</th>
<th>Event Name</th>
<th>Assumption Category</th>
<th>Time</th>
<th>Hierarchy Level</th>
<th>Impact Revenue</th>
<th>Probability</th>
<th>Budgeted</th>
<th>Status</th>
<th>Include in Planning</th>
</tr>
</thead>
<tbody>
<tr>
<td>Risk</td>
<td>Decline of shelf business for Brand X across all US stores</td>
<td>Market Share</td>
<td>Jan 20 – May 20</td>
<td>Brand X</td>
<td>-20mi</td>
<td>80%</td>
<td>Yes</td>
<td>Approved for Evaluation</td>
<td>Y</td>
</tr>
<tr>
<td>Opportunity</td>
<td>Small scale competition in ASIA to handle demand for Y lineup, surge in Demand 18%</td>
<td>Competition</td>
<td>Apr 20-Dec20</td>
<td>Category Y / Market X</td>
<td>50mi</td>
<td>20%</td>
<td>No</td>
<td>Early Phase</td>
<td></td>
</tr>
</tbody>
</table>
Driver-Based Planning for Risks and Opportunities Management

- Include in plan the Business Drivers that meet the organizational criteria i.e. Budgeted, Highly Probable and with right granularity
Driver-Based Planning

Manage creation and maintenance and analysis of Business Drivers e.g. Assumptions, Risks and Opportunities, Events, etc.

Flexible modeling of Driver Types as Master Data Types.
Demo
## Driver-Based Planning - Summary Views

- Summary View shows each Driver in single row aggregated across Time Range and Combinations
- Create and maintain individual Drivers
- Include Drivers into Plan
- Maintain Driver Impact Key Figure and Driver Attribute values in the grid

### 01 Demand Risks and Opps

<table>
<thead>
<tr>
<th>Risk/Opp ID</th>
<th>Risk/Opp Type</th>
<th>Assumption Category ID</th>
<th>Planning Cycle</th>
<th>Priority ID</th>
<th>Budgeted Y/N</th>
<th>Include in Plan</th>
<th>Product Family</th>
<th>Cust Region</th>
<th>Period Range</th>
<th>Revenue/Yr</th>
</tr>
</thead>
<tbody>
<tr>
<td>Opp 101</td>
<td>Growth Opportunity by 10M for Headphone...</td>
<td>Market</td>
<td>Feb 2020 Plan</td>
<td>High</td>
<td>N</td>
<td>0</td>
<td>FAMILY 100-HEADPHONES</td>
<td>APU</td>
<td>MAR 2020-JUN 2020</td>
<td>8,000.00</td>
</tr>
<tr>
<td>Opp 102</td>
<td>New Product Launch</td>
<td>Opportunity</td>
<td>Feb 2020 Plan</td>
<td>High</td>
<td>Y</td>
<td>1</td>
<td>FAMILY 100-HEADPHONES</td>
<td>AMERICAS, EMEA</td>
<td>APR 2020-JUN 2020</td>
<td>9,000.00</td>
</tr>
<tr>
<td>Opp 103</td>
<td>Opp 103 New Product Launch</td>
<td>Competition</td>
<td>Feb 2020 Plan</td>
<td>High</td>
<td>Y</td>
<td>1</td>
<td>FAMILY 100-HEADPHONES</td>
<td>EMEA</td>
<td>MAR 2020-JUN 2020</td>
<td>8,000.00</td>
</tr>
<tr>
<td>Opp 104</td>
<td>Opp 104 New Product Launch</td>
<td>Opportunity</td>
<td>Mar 2020 Plan</td>
<td>Medium</td>
<td>N</td>
<td>0</td>
<td>FAMILY 100-HEADPHONES, FAMILY 300-MONITOR</td>
<td>AMERICAS, EMEA</td>
<td>MAR 2020-JUN 2020</td>
<td>10,000.00</td>
</tr>
<tr>
<td>Risk 101</td>
<td>Risk</td>
<td>Competition</td>
<td>Mar 2020 Plan</td>
<td>Medium</td>
<td>N</td>
<td>0</td>
<td>FAMILY 100-HEADPHONES, FAMILY 200-HOME THEATER</td>
<td>AMERICAS, EMEA</td>
<td>MAR 2020-JUN 2020</td>
<td>-12,000.00</td>
</tr>
<tr>
<td>Risk 102</td>
<td>Declining Shelf Business for Brand C7, Pric...</td>
<td>Risk</td>
<td>Feb 2020 Plan</td>
<td>High</td>
<td>Y</td>
<td>1</td>
<td>FAMILY 100-HEADPHONES</td>
<td>AMERICAS</td>
<td>MAR 2020-APR 2020</td>
<td>-15,000.00</td>
</tr>
</tbody>
</table>

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Driver-Based Planning - Detail View

- Driver Details – View and edit Drivers in planning grid for each time period and planning combination. e.g. Opp 102 is across 3 combinations and 3 time periods

- Distribute values by time periods and planning combinations.
Maintain Driver

- Create a Business Driver in one go.
  - Enables combined creation of master data, planning combinations and key figure value disaggregation for time range for a Business Driver.

- Create Drivers at multiple planning hierarchy levels

- Create a Driver for multiple attribute value combinations across a time range

- Replace, Copy and Delete functions on Driver

Example: Opp 102 is a Business Opportunity of increasing Market Share for Product Family HEADPHONES for all Customer Region from Mar to Aug 2019 with impact of 10,000 units.
Driver-Based Planning – Add to Plan

Review Drivers e.g. risks and opportunities and decide which drivers to be included in the plan

View Impact of Drivers at a lower planning level.

e.g. Risk/Opp defined at Product Family / Cust Region level is distributed to Product / Customer level
Review Impact of selected Drivers to the final plan

e.g. Review the **Consensus Demand Plan Qty with Risk/Opp** and compare with **Consensus Demand Plan Qty** and **AOP Qty**.
The selected Risks and Opps when included in the Consensus Plan closes the gap with the Financial Targets
Driver Based Planning - Embedded Charts for Driver Analysis

To help planners better understand the potential impact of the drivers and analyze which Drivers to include in plan.

- Associate one or more Analytics Charts and/or Alert Charts to a Driver Planning View
- For example, Top 5 Opportunities, Consensus with Risks and Opps, Risks above Threshold Alert
- Charts are filtered based on Planning View filters
- Navigate to Analytical Charts or Monitor Custom Alerts App
- Table/Chart view, Zoom In/Out. Full Screen and Chart Caching
Driver Based Planning - Mass Edit of Driver Attributes in Summary View

For example, Include Budgeted and High Prio Opportunities to the Plan; Carry forward to next cycle

- Mass edit one or more Driver Attributes directly in the data grid
- Asynchronous save of changed Driver Attributes
- UI shows pending Driver updates and automatically refreshes when updates are completed
- Drag and drop attribute values; Drop-down lists for selection directly in the grid.
Driver Based Planning - Other Enhancements

Version Support

• Create Drivers for versions other than the base version

• Only one version can be selected when creating a Driver Planning View

Permissions Support

• Attribute Permissions – Only attributes for which the user has permissions are displayed.

• Key Figures editability based on permissions and key figure configuration.
Driver Based Planning – Other Enhancements

Key Figures Used in Driver-Based Planning

Key figures with aggregation modes such as \textit{Avg}, \textit{Max}, \textit{Min}. are allowed in Driver Planning Views. In this context, it is now also possible to use the disaggregation mode \textbf{Copy Value} for key figures such as \textbf{Price}, \textbf{Ratio}, or \textbf{Count}.

Also, proportional disaggregation is now supported for key figures used in driver-based planning.

Maximum Number of Planning Objects for a Driver

To help prevent performance issues, we’ve limited the number of planning objects that can be generated during driver creation to 1000.
Driver-Based Planning – Additional Information

Modeling:

- Sample model content for managing Risks and Opportunities is delivered in **SAPIBP1**
- **Best Practice Content** for modeling business process with Driver Based Planning

Authorizations

1. Assign SAP_IBP_BC_DBP_PC business catalog to view Driver-Based Planning Fiori Tile
2. Two Authorizations control Driver Planning Views and Driver maintenance
   - DPBVIEWS to create and maintain driver planning views
   - DPBOBJ to create and maintain drivers

Performance

- Driver-Based Planning performs several operations: Master Data Maintenance, Planning Combinations, Time Series creation and Key Figure values disaggregation. The performance may be affected by the number of combinations created for a Driver.
How to get started

Key User/Admin

- Defines Flexible Model for Drivers
- Creates Roles with authorizations to view/edit drivers
- Create and share Driver Planning Views and related analytics/alerts with Business Users

Business Users

- Create and Maintain Drivers
- Analyze Drivers
- Include relevant Drivers to plan
Future Topics: Flexible Planning Levels for Risks and Opportunities

- Store Key Figure values at multiple hierarchical levels  
  e.g. Risk 1 is at Product Family level; Risk 2 at Product Customer level  
- Data does not get disaggregated to detailed level  
- Improved Usability and Performance when managing Drivers

Risk and Opportunity definition

<table>
<thead>
<tr>
<th>Risk</th>
<th>Customer Region</th>
<th>Product Family</th>
<th>Risk Volume Agg</th>
</tr>
</thead>
<tbody>
<tr>
<td>Risk 1</td>
<td>Americas</td>
<td></td>
<td>-10000</td>
</tr>
<tr>
<td>Risk 2</td>
<td>Americas</td>
<td>FAMILY 100 HEADPHONES</td>
<td>-5000</td>
</tr>
<tr>
<td>Risk 3</td>
<td>Americas</td>
<td>FAMILY 200 - HOME THEATRE</td>
<td>-1000</td>
</tr>
<tr>
<td>Opp 1</td>
<td>EMEA</td>
<td>FAMILY 300 - MUSIC DOCKS</td>
<td>8000</td>
</tr>
</tbody>
</table>

This is the current state of planning and may be changed by SAP at any time.
Future Topics

Planning Notes at Driver Master Data Type Level

Mass Creation and Import/Export of Drivers

Scenario planning on Drivers

Cascading Filters for Driver Attribute values selection

Integration with Ariba Supplier Risks and Value Drivers from SAP Analytics Cloud

Audit Log and Approval Workflow of Driver changes
Thank you.

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