



Symphony's Next Generation of S&OP

Symphony Metreo announces general availability of financial sales and operations planning application

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Summary

Symphony Metreo has released FS&OP Manager, a finance, sales and operations planning software package built on its SymphonyRPM performance management platform. Normally sold through OEM partners, SymphonyRPM also has been sold directly to companies such as Polaroid that use it to support sales and operations planning (S&OP). With FS&OP Manager, Symphony Metreo has packaged these capabilities and sells them directly to customers that don't want to go through configuration of the platform for S&OP. The new release should appeal to companies looking to improve their operational planning and to assure that they meet financial performance goals. Ventana Research believes that this application will have an impact on the operational planning market.

Assessment

Symphony Metreo is no stranger to S&OP or performance management. More than 100 companies currently use the company's SymphonyRPM platform. SymphonyRPM is similar to other operational planning and business intelligence (BI) analytic tools in that it provides dimensional analytics, including drilling, pivoting and filtering. However, it goes further than many competitors, enabling users to create phased forecasts to test alternative inputs or new scenarios against top-level metrics that can yield an understanding of outcomes and impacts. The platform itself consists of several integrated components, including a rules-based, multidimensional online analytical processing (OLAP) tool and personalized scorecards, dashboards and templates. SymphonyRPM also includes predictive analytics, workflow, collaboration and model-sharing, security, multitier processing, standard application programming interfaces (APIs) and automatic load balancing. Because these features make SymphonyRPM a suitable tool for top-down integrated business planning, it's no wonder that Symphony Metreo has now put them into a sales and operations planning package. Customers such as Linksys, a division of Cisco Systems, recently have deployed it to reduce the impact of demand volatility on the supply chain, decrease inventory and maintain a high level of customer service – a combination that is no small feat to achieve.

FS&OP Manager contains ease-of-use features that allow for rapid deployment and configuration with minimal or no IT support and no need to change current business processes. Users can configure their own personal home pages, folders, dashboards, alerts and templates for reports and scenarios.

The application's unique performance management capabilities can create and connect top-down, general ledger-based financial performance plans and scorecards to transaction-based managerial plans. That has been one of the biggest obstacles to integrated performance management, and this feature can close the loop between financial and operational performance management. FS&OP Manager should enable companies to automate this process as well as many of the end-to-end business processes of S&OP, including analysis, decision review and approval and execution. Users can submit completed scenario analyses as a decision for review and approval routing. Managers and other business owners can review, compare and prioritize specific decisions to ensure the right decisions are implemented in the right sequence. The software can track decision status and maintains an audit trail on each decision as approvals are completed. Users can also review previous decisions, see the assumptions that were made, understand the impact of the decision and use past decisions to guide and to improve current ones.

Market Impact

Operational planning and analytic tools dedicated to the S&OP process continue to attract the interest of manufacturers and distributors. A recent study by Ventana Research shows that software dedicated to sales and operations planning makes a difference; 76 percent of survey respondents told us that such software is an important element of their S&OP process. Yet many expressed dissatisfaction with current technologies. As companies seek newer S&OP technology, they can look to only a handful of software vendors, including Cognos, i2 Technologies and Interlace Systems, to provide broad functionality that supports cross-functional business planning, BI analytics, workflow, enterprise information integration and executive S&OP. With its packaged S&OP capabilities, Symphony Metreo is positioning itself to compete with these vendors, but the company will need to differentiate itself against the large field of supply chain management vendors – such as Adexa, Logility, Oracle and SAP – that have S&OP offerings and years of domain expertise in manufacturing. The challenge for Symphony Metreo will be to move beyond its established customers and persuade users in supply chain operations to adopt its planning application.

Recommendation

The capabilities of commercial S&OP applications vary greatly. Most vendors provide core capabilities to review production, sales and inventory, but many products lack more advanced features that connect top-down planning with bottom-up execution. Ventana Research believes that executives considering technology upgrades to support S&OP should consider features such as the ability to balance forward-looking supply and demand at any level of the product hierarchy, combined with interactive what-if scenario workflows, approvals and decision write-back to operational systems. These features are found in Symphony Metreo FS&OP Manager. The result is a process-oriented, integrated business planning environment that can help a company move from being a reactive organization to a proactive, more responsive one.

About Ventana Research

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Ventana Research Corporate Headquarters

1900 S. Norfolk Street, Suite 280
San Mateo, CA 94403

info@ventanaresearch.com
(650) 931-0880

www.ventanaresearch.com

Ventana Research Europe

2nd floor, Berkeley Square House
Berkeley Square, W1J 6BD London

europe@ventanaresearch.com
Phone: +44 (0) 20 7887 6012