An Integrated Business Planning (IBP) approach enables companies to align its business with a holistic lens toward accurate and reliable long-term strategic planning. IBP provides a structure to integrate Finance, Operations Product Lifecycle Management (PLM), Sales and Marketing, and translate business drivers into desired outcomes through a Plan – Execute – Compare – Adjust framework (PECA) that aligns strategy, design, and execution. Further, IBP helps strengthen customer relationships by providing better visibility to customer needs and improving customer service with on-time delivery and lower cost of service.

**KPMG** offers a variety of services for IBP that help businesses establish leading capabilities in supply chain visibility, process integration, and collaboration to meet today’s business planning needs. These include:

- **Enabling Supply Chain Visibility** – providing real-time data availability across transactional and planning platforms for greater decision-making
- **Enabling Process Integration & Collaboration** – integrating multi-function planning processes and providing a collaboration platform for both internal teams and external partners
- **Reporting and Analytics** – optimizing the supply chain through advanced analytics and risk management
- **Governance** – managing and controlling a wide range of operating models, coordinating and balancing decision-making globally vs. locally
- **Reference Architecture** – shifting from a siloed function, data and systems to managing business with analytics
- **Change Management** – enabling change management of people, process, and technology as you progress through the IBP maturity model

1, 2 Figures are based on client experiences

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**End-to-End, Cross-Enterprise Supply Chain Visibility**

IBP is capable of providing visibility across the entire supply chain network. A complete view of current activity and future plans from inbound supply and outbound fulfillment activity across supply chain network.

<table>
<thead>
<tr>
<th>Supply &amp; Inventory Visibility</th>
<th>Financial Visibility</th>
<th>Demand Visibility</th>
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<td>• Real-time inventory across the globe</td>
<td>• Profits and margins</td>
<td>• Customers</td>
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<td>• Supply-demand disconnects</td>
<td>• Pricing</td>
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<td>• Collaborative planning (multitiers)</td>
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<td>• Production capability</td>
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<td>• Product lifecycle; New Product Introduction (NPI): End of Lifecycle (EOL)</td>
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<tr>
<td>• Transportation and logistics</td>
<td>• Asset management</td>
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**IBP Principles**

**IBP principle #1:**

An IBP strategy must harmonize financial and operational processes to customer demand.

- Maximize revenue while minimizing operating expense.
- Improve customer service.

**IBP principle #2:**

An IBP strategy must enable an organization to optimally collaborate and address critical, cross-functional business decisions across a product’s lifecycle.

- Collaborate with global and local operation to address market needs demand shifts.

**IBP principle #3:**

An IBP strategy must create cross-functional alignment and integration of planning and execution processes to ensure optimal business performance.

- Align operational planning and execution to strategic corporate objectives.
- Leverage greater utilization of information for scenario management analytics and reporting.

**IBP principle #4:**

Continuously strive for holistic performance improvement through effective change management strategies utilizing IBP processes, governance, and roles & responsibilities.

- Use IBP model as a tool, process, and governance to move toward supply chain and operations excellence.

**5 Questions to ask**

1. How can I avoid being constantly surprised for not meeting customer demand?
2. How do I increase revenue of my business while cutting supply chain costs?
3. How do I reduce my inventory cost while improving customer service?
4. How do I make my operations more transparent and efficient?
5. How do I plan for risks in the face of opportunities while meeting my organization’s financial goals and increase shareholder’s value?

**The KPMG difference**

Our competencies bridge the disciplines of finance, technology, and operations to offer broad business perspective with deep functional and process skills to understand and address your challenges. As a Big Four accounting and auditing firm, we have a century of experience in accounting, tax, regulatory issues, transaction services, forensics, compliance, and financial risk.

With KPMG member firms in 155 countries, we have global breadth and local-market knowledge of business conditions, and legal and regulatory requirements to help you work toward your organization’s long-term goals.

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