



CASE STUDY



CAPACITY PLANNING IN ANAPLAN FOR GLOBAL MANUFACTURING OPERATIONS

Founded in 2020 and headquartered in Pittsburgh, PA, Arconic is a leading provider of aluminum sheet, plate and extrusions, as well as innovative architectural products. They solve complex engineering challenges to help advance the automotive, aerospace, commercial transportation, industrial, building and construction markets.

Arconic employs over 13,400 people worldwide and has manufacturing plants in 10 countries. They recorded a revenue of \$5.675 billion in 2020.



INDUSTRY
Manufacturing



USE CASE
Capacity Planning, Demand Planning



TECHNOLOGY
Anaplan

CHALLENGES

Arconic has many large manufacturing plants in the USA and around the world. Prior to their deployment of Anaplan supply chain planning solutions, everything was managed locally by each plant, with non standardized spreadsheet processes. Because of this, Arconic found it very difficult to deploy best practices across their worldwide manufacturing network. It was also very difficult to roll up the planning information for the finance team to see a standard view of the company.

SOLUTION

Arconic partnered with Accelytics to create an efficient, centralized, and standardized demand and capacity planning process using Anaplan. With Anaplan's central data hub, forecasts from the various business units are uploaded and combined, so that the data can be easily accessed in one location. A statistical forecast is also generated by Anaplan, which helps the company with the consensus forecast by product, customer, and market.

Once the consensus forecast is finalized, it is fed into a capacity optimization model built in Anaplan. The model uses inputs from the various machines at the production plants to calculate run rates, splits, and uptime percentages. These values, along with the forecast, allow Arconic to come up with a forward-looking machine utilization view across their factories. Accelytics also built-in a robust scenario modelling functionality that allows production planners to create various engineered scenarios and instantly see the effect on forward utilization.

Once the production planners choose a scenario, they have the option to run it through the Anaplan optimizer process. This takes any future periods that have over utilized machines, and levels the production plan in a way that generates the most revenue per hour for all the machines in each factory, while also meeting minimum customer commitments. The output of this optimizer process gets sent to finance, and a raw materials planning model in Anaplan.

Using the optimized shipping plan from the prior step, metals planners at Arconic track all of the raw materials requirements looking forward 12 months into the future. This allows the company to buy, transfer, or produce the metals needed to support the plan.

RESULT

The new solution is already allowing senior management to standardize and deploy best practices across the organization. Also, because the forward utilization of production assets is optimized, the company is making more money as a result. The finance team has a more detailed, complete, and accurate production plan, which is rolled up into a single corporate view. With the success of the original pilot rollout of Anaplan, Arconic is planning to add the rest of their production plants worldwide onto the system.



Accelytics stands for "accelerated analytics." Our team specializes in business process optimization and technology enablement within the scope of supply chain, sales performance management, and financial planning and analysis.

Accelytics leverages its Accelerated Approach methodology to help clients establish industry focused sustainable processes, while using technology as a true enabler to the process.

Our experienced team delivers a broad range of services to help clients throughout their entire transnational journey. We provide solutions that include business process optimization, technology enablement and support services.

Accelytics is headquartered in Houston, TX with offices in Dallas, Denver, Minneapolis and New York. Learn more at www.accelytics.com.