



Integrated Business Sensing (iBsing) - Newsletter

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Special points of interest:

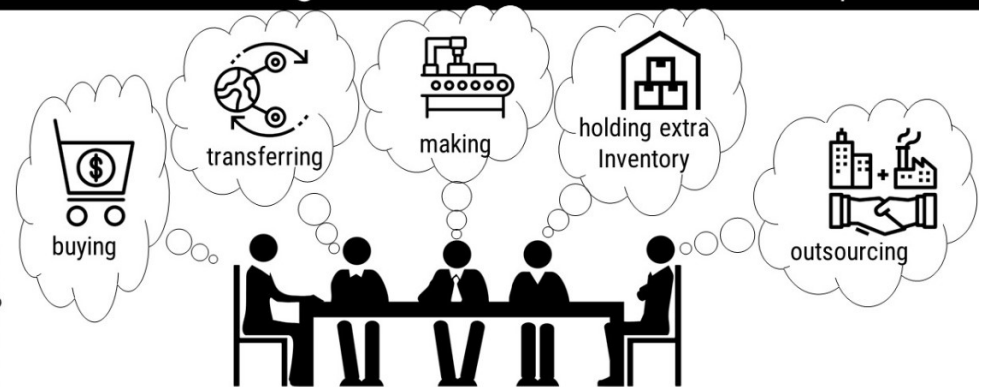
- Investments into IBP and S&OE have never been more critical!
- IBP Transformation needs to be driven by internal teams!
- iBsing is the Bridge between "Running & Transforming" the Business

Inside this issue:

How to manage material and energy shortages?	1
iBsing pioneers	2
iBsing methodology— internal teams in driving seat	3
iBsing methodology -an evolutionary approach	4
IBP and Transformation	4

How to manage material and energy shortages and stress-levels?

S&OP = the right choices in the resource plan



S&OE = managing deviations from the plan

Material shortages, transport issues, concerns about energy availability, high stress-levels and the great resignation.... Investments into the Integrated Business Planning (IBP) and Sales & Operations Execution (S&OE) processes **have been never more critical than today.**

How robust, effective, efficient, and fit for the future is your S&OE and IBP?

Do you have any plans to strengthen these processes to mitigate and prevent up-

coming value chain disruptions?

Maybe that's the right moment to scope an IBP transformation journey with **little investment and high benefit.**

Supply Chain will play a **business-critical role** to nurture team engagement and boost organisational performance with strong IBP and S&OE processes!

Happy to have an informal call!

iBSing pioneers

We are organising regular calls for IBP/ S&OP practitioners and we are providing thought leadership in all aspects of IBP including process, system, organisational and people aspects.

So far we had already 33 calls with different topics around IBP, S&OP, IBP, iBSing, E2E Planning, Leadership, Transformation, Organisational Development and other topics.

Overall > 200 S&OP / IBP practitioners from all industries are involved in the network and in average 10-15 people are joining the monthly calls.

Please let me know if you or somebody in your team wants to join as a regular participant or as a guest speaker.

Please find below a selection of the topics covered in the calls:

An innovation in 1964...

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... and outdated today?

The Tyrannosaurus Rex...

Name of Bias	Description
1. Strategic misperceptions	The tendency to deliberately and unconsciously distort or misstate information to strategic purposes. Also called false strategic flow or green flag.
2. Optimism bias	The tendency to be overly optimistic about the success of planned actions, including overestimation of the frequency and size of positive events and underestimation of the frequency and size of negative events.
3. Urgency bias	The tendency to see every project as more urgent than it actually is.
4. Planning fallacy	The tendency to make unrealistic estimates of cost, time, and resources, benefits and opportunities.
5. Overconfidence bias	The tendency to have excessive confidence in one's own assets or abilities.
6. Highlight bias	The tendency to see past events as being predictable for the future, thus creating a false sense of the future as the known-to-all-along effect.
7. Availability bias	The tendency to overestimate the likelihood of events with greater ease of retrieval (availability) in memory.
8. Bias over-fidelity	The tendency to ignore general base-rate information and focus on specific information pertaining to a certain case or small sample.
9. Anchoring	The tendency to rely too heavily, or "anchor," on one piece of information when making decisions, typically the first piece of information reported on the relevant subject.
10. Escalation of commitment	The tendency to justify increased investment in a decision, based on the sunk costs and investments, despite new evidence suggesting the decision may be wrong. Also known as the sunk-cost fallacy.

Talbot Source: P. V. Riegler, Bert, Top Ten Behavioral Biases in Project Management. An Overview (December 14, 2010). P. V. Riegler, Bert, 2010. "Top Ten Behavioral Biases in Project Management." In Governance, Project Management, Journal, vol. 3, no. 4, pp. 391-394. DOI: 10.1177/0970202110384561. Available at: https://www.researchgate.net/publication/319101414

...amongst all S&OP Biases

Conflicts are the most important IBP ingredient!

The aim of argument, or of discussion, should not be victory, but **progress**.

Joseph Joubert (French moralist and essayist)

Creativity comes from a conflict of ideas.

Donatella Versace (Italian fashion designer)

Peace is not the absence of conflict, it is the ability to handle conflict by peaceful means.

Ronald Reagan (US President)

Handled well, they bring progress, creativity, and peace!

How to detect organisational potential?

Organisation in Dysfunctional Mode
Disengaged because my current perception of the organisation is not aligned with my expectation

Organisation in Functional Mode
Fully engaged because my current personal expectation of the organisation is fulfilled

Leverage the human sensor network!

IBP in a Government Organisation

How to align different stakeholders?

Finance R&D Sales Operations

How to sell S&OP internally?

iBsing methodology—internal teams in driving seat!

Integrated Business Planning (IBP) is a brilliant process to nurture cross-functional team engagement and achieve outstanding organisational performance. From my experience a **major part of an IBP transformation must be driven by the internal teams**. However, there are some areas, where external consultancy can be of great support.

Principles for a successful IBP transformation:

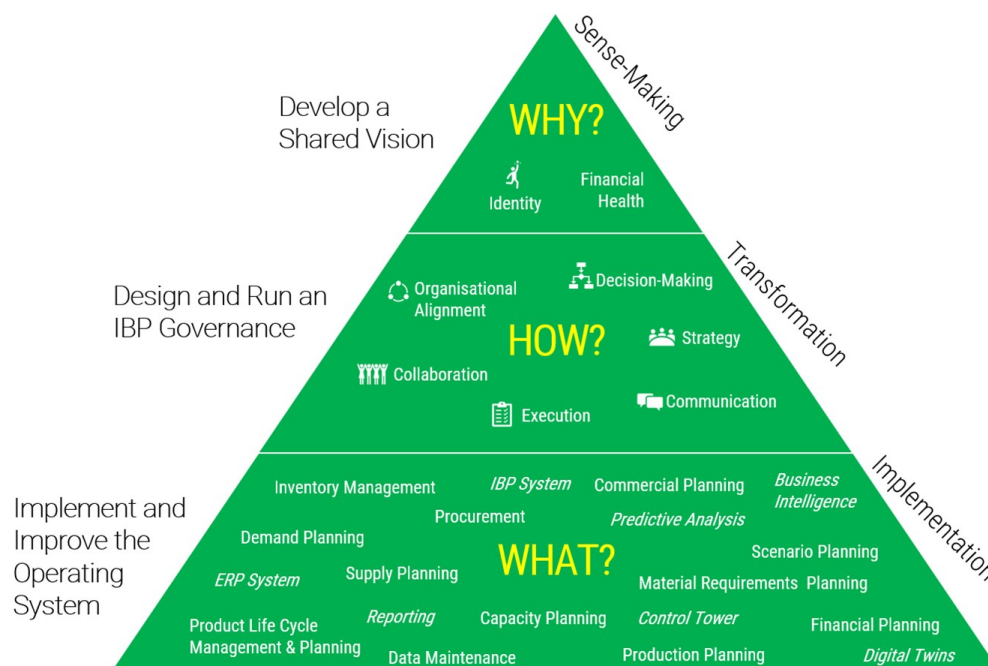
- ◇ Fully leverage the **internal experts in the organisation!**
- ◇ Make sure that you have an **internal IBP lead!**
- ◇ Build a strong **IBP governance** that will drive evolutionary improvement of process, system, and organisation
- ◇ All team members should get the oppor-

tunity to **try out things** and to benefit from the learnings

- ◇ Make sure that the process, system, and organisational **learnings remain in the organisation**.

External consultancy may be especially valuable to sharpen the **WHY** and the **HOW** of the process:

- ◇ **Sense-making** interviews with all functions to paint the picture of current condition versus IBP vision
- ◇ Act as a sounding board and **companion of the IBP lead** bringing in external experience
- ◇ **coaching the IBP team** along the IBP transformation journey
- ◇ setting up a **clear governance structure**



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#ibsing

iBsing methodology—an evolutionary approach!

iBsing consists of four cyclical steps:

1. Being clear on the vision
2. Understanding the current condition
3. Identifying the next target condition
4. Running an effective governance to overcome obstacles



IBP and Transformation

“TRANSFORMATION” was the topic in April’s CSCMP Networking Event in Zug, and I looked at the topic from an IBP perspective:

What does “Integrated Business Planning (IBP)” have to do with “Transforming the Business”!?

The people who are “Running the Business” on the ground and who are close to the customer or to the operations are best positioned for “Transforming the Business”.

Integrated Business Sensing (iBsing) is the bridge between “Running the Business” and “Transforming the Business”



- ⇒ encouraging behaviours that nourish **team engagement**
- ⇒ **dissolving tensions** related to dysfunctional organisational mode
- ⇒ closing the gap between **hard and soft factors** of IBP