

# Supply Chain Transformation Solution for Steel Manufacturers

Energy and Resources



As the global steel industry grapples with huge losses amid overproduction and slumping demand, efficient asset utilization has emerged as a major focus area. Companies across the sector are seeking to revamp their supply chains for optimal inventory management, with a view to reducing operating costs, and increasing margins. An overhaul of the end-to-end sourcing lifecycle, spanning procurement-to-logistics, has become imperative for organizations to be able to bring production schedules in sync with dynamic demand forecasts. This necessitates that manufacturers synergize disparate enterprise functions for enhanced business agility.

Tata Consultancy Services' (TCS') Supply Chain Transformation offering helps steel companies manage their assets effectively, by streamlining production processes. The solution integrates firms' demand management, planning and scheduling functions with Enterprise Resource Planning (ERP) and Manufacturing Execution Systems (MES). The resulting integrated supply chain management setup empowers steel makers to make accurate demand forecasts, and optimize inventory levels, thus significantly lowering operating costs.

## Overview

Existing supply chains of most steel manufacturers are currently characterized by manually-intensive business processes, that are prone to errors and redundancies. The IT platforms underpinning these supply chain operations are typically based on older, fragmented systems that hinder visibility into core workflows. This lack of transparency leads to inconsistencies in reporting, thereby driving a 'disconnect' between different business units that are presented with disparate views of the same process. As a result, manufacturers struggle to effectively plan production, and optimize inventory levels, for rationalizing associated carrying costs.

TCS' Supply Chain Transformation solution promotes tight integration of steel makers' ERP assets with MES, and optimizes manufacturing processes for accurate demand forecasting and effective production scheduling. The various components of our comprehensive solution cover key phases of the industry supply chain, including forecast-to-stock, order-to-cash, procure-to-pay, accounting, analytics, and advanced planning and scheduling. These preconfigured modules are based on a flexible IT architecture that allows manufacturers to quickly adapt their sourcing and production planning according to evolving demand. The solution generates actionable insights around crucial aspects of the supply chain for business users, helping them spot process-related bottlenecks, eliminate redundancies, and optimize production.

## Benefits

With TCS' Supply Chain Transformation solution, you can reap the following benefits:



**Superior demand forecasting:** Predict demand with higher accuracy, leading to superior production planning and inventory optimization.



**Reduced TCO:** Slash carrying costs by harnessing superior demand forecasting to maintain an optimal level of inventory; revamp business processes across core functions to drive cost savings.



**Increased business agility:** Deliver customer orders in a timely manner through robust production planning; reduce overall lead time for new orders, improve due-date performance, and accommodate smaller lot sizes as per clients' needs.



**Streamlined operations:** Maximize throughput with integrated business processes across your sales, production, maintenance, procurement, logistics and finance functions; use data analytics and rules-based decision management to respond to dynamic shop floor scenarios.



## The TCS Advantage

By partnering with TCS, you can leverage the following differentiators:

**Increased agility:** TCS' overall solution methodology and approach is to provide a cost effective model to deploy architectures that bring in agility and flexibility to adapt quicker to the changing market and customer demands thus staying competitive.

**Real-time decision making:** TCS enables a holistic and collaborative analysis of real-time data where all key stakeholders have a common view of an ongoing activity across the chain. This is an integral part of both monitoring and measuring plant performance and is seen as mission critical to achieving high levels of efficiency across the supply chain.

**Domain expertise:** TCS has acquired extensive domain knowledge owing to our experience gathered over multiple engagements with steel manufacturers worldwide. We have developed an understanding of both the steel supply chain, as well as the multi-stage manufacturing lifecycle.

**Rapid deployment:** Our proprietary methodology enables faster implementation of end-to-end supply chain solutions that are not covered under standard ERP platforms. These pre-configured modules provide firms with a cost effective, robust and flexible framework for streamlining their production processes.

## Awards & Recognition

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### About Tata Consultancy Services Ltd (TCS)

Tata Consultancy Services is an IT services, consulting and business solutions organization that delivers real results to global business, ensuring a level of certainty no other firm can match. TCS offers a consulting-led, integrated portfolio of IT and IT-enabled infrastructure, engineering and assurance services. This is delivered through its unique Global Network Delivery Model™, recognized as the benchmark of excellence in software development. A part of the Tata Group, India's largest industrial conglomerate, TCS has a global footprint and is listed on the National Stock Exchange and Bombay Stock Exchange in India.

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