Consumer Products Process Architecture (CoPPA)

CoPPA 1.0 Launch Webcast

June 2015
Welcome – Today’s presenters will be

Kristina Rogers
Global Sector Leader | Consumer Products
CoPPA Partner Sponsor

Ken Hammond
CSLE Leader | Global Markets - EY Knowledge
CoPPA Partner sponsor

Lisa J Riss
Benchmarking | Global Markets - EY Knowledge
CoPPA Benchmarking Lead

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Global Advisory Sector Resident | Consumer Products
CoPPA Engagement Manager

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Business Process Management | Global Markets - EY Knowledge
CoPPA Build Lead

Sumeet Tandon
Business Process Management | Global Markets - EY Knowledge
CoPPA Project Manager

Harishma Mittal
Benchmarking | Global Markets - EY Knowledge
CoPPA Benchmarking Member
What we will cover today

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## Introduction: objectives, deliverables and intended benefits

### Project context and objective

- Our clients are increasingly looking for EY to demonstrate a deep understanding of the critical processes underpinning their operating model.
- EY currently lacks a robust, global set of Consumer Products business process models and sector specific benchmarks hence is lagging behind the competition who have more mature and highly extensive process content—and are using more sophisticated process modelling technologies to enhance delivery.
- To address this question, EY Knowledge and Consumer Products sector agreed to jointly sponsor the global business process models & benchmarking initiative.

### Project deliverables

A comprehensive process repository for EY Consumer Products practitioners across all service lines. This deliverable will include:

1. Consumer Products business process models built using ARIS platform
2. Associated risks & controls at various process levels (as available)
3. Associated KPIs and benchmarking data (as available)
4. Relevant go-to-market materials that can be easily leveraged for client conversations and pursuits
5. ‘How to’ guides for client teams

### Business value

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<th>Supports pursuits</th>
<th>Speeds project delivery</th>
<th>Supports thought leadership</th>
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<td>Enhance sales proposals—drives meaningful sales discussions with clients; and clients perceive this knowledge as indicator of expertise</td>
<td>Accelerate the definition of target state process models, and redesign effort by starting with a blueprint of leading-practice processes</td>
<td>Assist positioning EY as the industry leader in performance improvement through the addition of differentiated business process capabilities</td>
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High level overview of what CoPPA 1.0 contains

**Process Framework**
Defines industry-leading process architecture and enabling process flows down to activity-level granularity

- Level 1: 16
- Level 2: 90
- Level 3: 450+
- Flowcharts: 100+

**KPIs and benchmarks**
Defines the typical KPIs and industry recognized benchmarks used to measure performance across the entire Consumer Products value chain

- 1000+

**Risks and controls**
Details the operational risks that commonly exist within specific processes and controls required to help mitigate or prevent them.

- CoPPA 1.0 has risks & controls only for support processes like Manage Finance Operations and Manage Human Resource Operations

- 250+

**End-to-end scenarios**
Identifies sub-processes and associated activities and their logical flow required to accomplish the goals of an end-to-end (E2E) process flow

- Concept-to-market
- Forecast-to-fulfil
- Procure-to-pay
- Order-to-cash
- Record-to-report
- Hire-to-retire
- Integrated Business Planning

**Maturity models**
Contains performance maturity models of key Consumer Products processes on a scale ranging from basic to leading practice

**Part of CoPPA 2.0 Launch**
—First Half of FY16
CoPPA includes 16 discrete process areas and it is designed with four levels of decomposition – to 'drill-down' through the hierarchy to get more detail about each process.

1. Scenarios are part of phase 2 release.
### Management processes

#### 1.0 Develop Purpose, Vision and Strategy
- Define business purpose and long-term vision
- Develop business strategy
- Manage enterprise portfolio

#### 2.0 Manage Governance, Risk and Compliance
- Manage corporate governance
- Manage business resiliency and continuity
- Manage enterprise risk/enterprise framework
- Manage internal controls
- Manage legal and regulatory compliance
- Manage internal audit

#### 3.0 Manage Finances
- Manage treasury operations
- Manage taxes
- Manage mergers and acquisitions

#### 4.0 Manage Knowledge, Improvement and Change
- Create and manage organizational performance strategy
- Benchmark performance
- Develop enterprise-wide knowledge management (KM) capability
- Manage change

#### 5.0 Manage Public Relations and Communication
- Build investor relationships
- Manage relations with board of directors
- Manage ethical issues
- Manage government and industry relationships
- Manage corporate social responsibility
- Manage public relations

### Core Business Processes

#### 6.0 Research, Design and Develop Products
- Manage portfolio
- Manage idea, concept and prototype
- Develop and formulate product/package
- Manage product and packaging commercialization

#### 7.0 Sourcing and Procurement
- Manage categories
- Manage strategic sourcing
- Manage contracts
- Manage commodity risk
- Manage operational procurement
- Manage supplier relationship and performance
- Manage report procurement performance

#### 8.0 Manufacturing
- Define manufacturing strategy
- Plan and schedule production
- Execute manufacturing
- Manage quality and safety
- Manage manufacturing performance
- Manage manufacturing performance

#### 9.0 Logistics and Warehousing
- Manage logistics strategy and network design
- Manage logistics operations
- Manage transportation
- Manage inventory
- Manage warehousing and storage
- Cost-to-serve analysis

#### 10.0 Marketing
- Understand consumers
- Develop marketing plans
- Develop marketing strategy
- Manage consumer relationship
- Manage brands

#### 11.0 Sales
- Develop customer sales strategy
- Manage sales planning
- Manage sales execution
- Manage sales operations
- Manage sales order
- Monitor and control sales

#### 12.0 Customer and Consumer Service
- Develop customer/consumer service strategy
- Plan customer/consumer service operations
- Deliver and manage customer/consumer service
- Measure and evaluate customer/consumer satisfaction

#### 13.0 Manage Human Resource Operations
- Develop & manage HR planning, policies, & strategies
- Recruit employees
- Evaluate and manage employee performance

#### 14.0 Manage Finance Operations
- Perform planning/budgeting/forecasting
- Perform revenue accounting
- Perform general accounting and reporting
- Perform cost accounting
- Evaluate and support financial performance management
- Manage fixed asset accounting
- Process payroll
- Process accounts payable and expense reimbursements

#### 15.0 Manage Information Technology
- Manage IT strategy and governance
- Manage enterprise architecture
- Design and deliver infrastructure solutions
- Manage infrastructure and operations
- Manage and improve IT

#### 16.0 Acquire, Construct and Manage Property
- Design and construct/acquire non-productive assets
- Maintain non-productive assets
- Manage private/dedicated fleet
- Dispose of workspace and assets

### Business support processes

#### 13.0 Manage Human Resource Operations
- Develop & manage HR planning, policies, & strategies
- Recruit employees
- Evaluate and manage employee performance

#### 14.0 Manage Finance Operations
- Perform planning/budgeting/forecasting
- Perform revenue accounting
- Perform general accounting and reporting
- Perform cost accounting
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- Manage fixed asset accounting
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### Legend
- Process level 1
- Process level 2

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Note: This document is best viewed when printed in A3.
Over 470 APQC metrics mapped to CoPPA process framework have benchmark values available.

EY has over 900 measures for Consumer Products Industry across critical functions from organizations of varying sizes across different sub-industries, with multiple measurement categories in their benchmarking repository.

EY’s robust benchmarking data repository can be readily leveraged to support pursuits, engagements and the development of thought leadership:

- We have process benchmarking data from over 1900 consumer product entities which provide comparisons by sub-sector, revenue, region, number of FTEs and business function.
- CoPPA has benchmark values available for process areas such as Finance, HR, Sourcing and procurement, Manufacturing, Logistics and warehousing, Sales and Marketing, and Customer Service.
Poll question

What do you think can be the uses of CoPPA framework?

a) It will help enhance my proposals to clients
b) It will help accelerate delivery of my engagements
c) It will help me position EY as a leader in knowledge and understanding of client’s business operating model
d) All of the above
e) I’m not sure how to use it
How can CoPPA benefit you

CoPPA will be an important differentiator in EY’s ability to pursue, win and deliver profitable engagements to Consumer Products clients requiring process expertise:

► Differentiate us in the marketplace due to the depth of content and add-on knowledge elements like associated risks & controls, KPIs and benchmarks tied to processes

► Accelerate delivery of projects by providing teams with a blueprint of processes for the sector and eliminating the need to reinvent the wheel for each opportunity

► Provide a global unified repository of content with consistent taxonomy and definitions

► Enrich our proposals by illustrating how our off-the-shelf process models can accelerate delivery
To access CoPPA, Click on “Processes” Tab. Clicking on “Processes” will direct you to EY Process Frameworks Homepage.
Click on the assignment symbol next to CoPPA to access the framework.
Click on any assignment symbol to drill down to the next level of detail (Level 2)
Click on any assignment symbol to drill-down to the next level of detail (Level 3)
Key Level 3 process will have: 1) an associated flowchart, describing the detailed activities; and 2) context diagram, linking KPIs, org units, risks and controls.
Accessing CoPPA (6/26)

CoPPA - Flowchart and process context diagram view

Process context diagram

Flowchart

Links associated KPIs (measures), process objectives, org units, risks and controls

Describes the detailed activities using EPC (event-driven process chain) notation
Click on the assignment symbol for any risk to view the controls to mitigate the risk.
3a

Downloading reports (8/26)

EY Process Depot

13.0 Manage Human Resource Operations

- Develop and manage HR planning, policies, and strategies
- Recruit employees (Process context diagram)
- Recruit employees (Process map)
- Add link to browser favorites
- Copy link
- Evaluate...
- Details

Run

Evaluation name:
- EY Indicators report
- EY Process report
- Analyze classification
- EY Risk & Control report

Start | Cancel
Downloaded reports (9/26)
EY Process Depot

13.0 Manage Human Resource Operations

Develop and manage HR planning, policies, and strategies
Recruit employees
Develop employees

Evaluation was successful.

Evaluation was completed successfully.
Evaluation name: EY Indicators report
Evaluation was performed on: Recruit employees (Object)
You can open the evaluation via 'Evaluations' or directly from here.

Display result  Display result later
Sample reports (10/26)

EY Process Depot

**EY Process report** — Gives a summary of the processes and all other associated information such as KPIs and risk and controls in MS Word format.

**EY Risks & Controls report**—Gives a list of all the risks and controls associated to the process in MS Excel format.

**EY Indicators report** — Gives a list of all the indicators associated to the process in MS Excel format.
EY's global framework for Consumer Products Process Assurance (CoPPA)

Management Processes

1.0 Develop Purpose, Vision and Strategy
2.0 Manage Governance, Risk and Compliance
5.0 Manage Public Relations and Communications

Core Processes

6.0 Research, Design and Develop Products
7.0 Sourcing and Procurement
What it looks like (12/26)

EY Process Depot

CoPPA – other models & reports

Process Decomposition

Level 1: Major Process

Level 2: Business Process

Level 3: Sub-Process

Level 4: Activity

Sample model types

Process Context Diagram

Risk Diagram

Business Control Diagram

Sample on-demand reporting

EY Process report

EY Risks & controls report

EY Indicators report
CoPPA benchmarks can be found in EY Benchmark Tool: https://benchmarking.ey.net

Click on the EY Benchmark tool icon to view benchmark values of the available KPIS/Metrics
To access CoPPA, click on “Analysis” Tab. Clicking on “Analysis” will direct you to the page with all the visualizations for service lines, sectors and benchmark studies.
Accessing CoPPA (15/26)

EY Benchmark tool

Data on Demand - A collection of visualizations that allow you to explore how process performance metrics are impacted by different factors
- Priority metrics - includes the most requested metrics that can be viewed by combinations of industry, revenue and geographic areas
- Geographic, Revenue, System Usage and Operating Model attributes - explore impacts of changing key attributes on critical process metrics
- Cost Savings - quantify potential cost savings based upon nearest comparative group quantities
- Data Demographics & Peer Group - view EY Benchmark database demographics across all metrics

Advisory - A collection of visualizations aligned to Advisory service offerings

TAS - A collection of visualizations aligned to TAS OTS based upon process performance metrics

Benchmark Studies - Location for unique benchmarking analysis based upon focused collection efforts regarding specific topics (Inter-company profit)

Quick Links
- Take Data Analysis and Interpretation Course
- Watch Introduction to Spotfire Consumer Essentials
- Access EY Benchmark Quick Reference Guide

1. Select the folder representing the type of visualization you want to view (hover over the name of the visualization to view its description)
2. Select the visualization you want to explore from the list of visualizations within the folder
3. Select the parameters (Geography, Sector, and/or Revenue) from the peer group panel to include in your analysis
4. Click on the “Load Peer Group” button to populate the visualization with data
5. Minimize the peer group panel to explore the visualization
Selecting a Peer Group (16/26)

Please select the peer group criteria for based on the Geographic location and Business entity revenue range. Once you have made the selection click on “Load Peer Group”
Selecting a Peer Group (17/26)

EY Benchmark tool

CoPPA – Peer group selection

Country:

Type to search in list:

- (All) 49 values
- Argentina
- Austria
- Belgium
- Brazil
- Bulgaria
- Canada

SIC Description:

Standard Industrial Classification description used to identify businesses based on the activities in which the business is primarily engaged.

Type to search in list:

- (All) 210 values
  - Air and gas compressors
  - Animal and marine fats and oils
  - Automotive and apparel trucks
  - Bags: plastics, laminated & coated
  - Bags: uncoated paper & more
  - Beer and ale
Please click on the “How To Use” tab for the process flowcharts and additional instructions for directions on how to navigate and leverage the tool.
Please click on the “Go To APQC Framework” link to view the metrics mapped by the APQC process framework, and click on “Go To CoPPA Framework” link to view the metrics by the CoPPA framework.
Click on the Level 1 (Major process) for which you want to select metrics for in Chart 2. On clicking, the Level 2 processes aligned to the selected Level 1s will be displayed categorized by Metric Categories in Chart 3.
Click on a metric category to focus on a category and view the Level 2s under the category better.

Click on the Level 2 for which you are looking for metrics. On clicking on a Level 2, all the metrics with samples for the selected peer group are displayed in Chart 4 - “Metric Description”.
Click on the “Sample size” of the metric you would like to view the benchmarks for.
View Benchmark values (23/26)

EY Benchmark tool

5) Quartile Values

Total cost to perform the process invoice custom...
Please select the chart you want to export and Click on the icon and then “Export” to export charts or tables. Only tables can be exported in the MS Excel format.
Sample Reports (25/26)

EY Benchmark tool

PDF Format

MS PowerPoint Format

Visual Image Format

MS Excel Format – only Tables
What it looks like (26/26)

EY Benchmarking Tool

Peer group Selection
- Criteria: Revenue
- Revenue Range
  - Business Entity Revenue
  - Selection of revenue ranges

Criteria: Area
- Location
  - Select Area
  - Country and sub-sector

Criteria: Country and Sub-sector
- Select country and sub-sector

Metric Selection
- Level 1: Major Process
  - Process Level 1
  - Metrics for major processes

Level 2: Business Process and Metric Category
- Process Level 2
- Metrics for business processes

Metric List
- Output of benchmarking metric and data

Quartiles with box plot
- Visualization of metric data

Sample on-demand reporting
- Tabular report in excel
- PDF
- PowerPoint presentation
- Visual Image
Poll question

Areas where the clients have been asking for benchmarks? Tick the option where you have seen the most demand for benchmarks

a) Sourcing and procurement
b) Logistics and warehousing
c) Manufacturing
d) Sales
e) Marketing
f) Customer service
g) All of the above
h) I’m not sure
What content is available to support you

**CoPPA Things you need to know**
Provides a detailed description of CoPPA, what it is, why we developed CoPPA, its features and benefits, etc.

**CoPPA placemat & framework**
Provides the placement (poster size) with level 1 process areas and detailed framework (levels 1-3).

**CoPPA user guide**
Provides additional step-by-step detail on how to find CoPPA and navigate in EY Process Depot.

**Pursuit slides**
Provides sample slides to be used to insert into proposals; describes our unified standards and terminology.

**CoPPA CHS page**
A dedicated CHS page to house all related materials – including links and who to contact for more information and support.

The CoPPA CHS page is available by clicking on the following link: [CoPPA CHS page](#)
CoPPA 2.0 – what’s coming

We kicked off CoPPA in Q3 FY 15 and thanks to the support and contribution received from SMRs from all over the world, we have been able to launch CoPPA 1.0 in Q4 FY 15.

The crowdsourcing continues as we harvest knowledge and materials from global resources across service lines!

- Build out of end-to-end scenarios with level 3 process maps along and level 4 flowcharts
  - Concept-to-market
  - Forecast-to-fulfil
  - Procure-to-pay
  - Order-to-cash
  - Record-to-report
  - Hire-to-retire
  - Integrated Business Planning
- Risks and controls for priority level 2 processes identified during the design session
- Harvest and upload maturity models related to core processes
- Build benchmarking data to plug the gaps for high priority process areas in Supply chain and Commercial transformation
How can you contribute to the CoPPA journey?

We are looking for volunteers to help us get to CoPPA 2.0. There are many ways to contribute:

► Share relevant content from your hard drives and laptops with us – we sanitise all materials received for confidentiality and copyright purposes

► Volunteer to be a Subject Matter Resource for certain areas - that would entail either reviewing content we send to you and/or participating in one or two face-to-face workshops

► Leverage CoPPA in your proposals and share your success stories with us

► Spread the word, and tell your colleagues and clients about CoPPA

Please reach out to Marie Schwob or Stuti Sethi to know more about how to get involved in CoPPA 2.0

..and by the way, CoPPA is a globally-funded project. We have a code set up to recognise time spent on the project; this code does not have revenue associated with it but does give you utilisation.
Poll question

What specific content/expertise do you have that can help us close our existing gaps? Tick the option which is most relevant

a) Supply chain processes (Research, Design and Develop Products; Sourcing and Procurement; Manufacturing; Logistics and Warehousing)
b) Commercial transformation processes (Sales, Marketing, Customer Service)
c) Risk and controls
d) Maturity Models
e) KPIs and Benchmarks
CoPPA sponsors and key contributors to-date

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<tr>
<td>Kristina Rogers — Global Consumer Products Sector Leader</td>
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<td>Richard Taylor — Global Consumer Products Advisory leader</td>
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<td>Ken Hammond — Global Markets, EY Knowledge CSLE Leader</td>
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<td>Thomas Harms</td>
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<td>Mike Sills</td>
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<td>Patricia F Novosel</td>
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<td>Ross Lacey</td>
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<tr>
<td>Austin Wildmore (UKI)</td>
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<td>Andrew Caveney/ Elizabeth Burgess (UKI)</td>
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<td>Ross Lacey (UKI)</td>
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<td>Ken Dickman (Americas)</td>
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<td>Karishma Gupta</td>
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<tr>
<td>Stephen Perry</td>
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<td>Emmanuelle Roman</td>
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<tr>
<th>Subject matter resources</th>
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<tbody>
<tr>
<td>Phil Davies (EMEIA)</td>
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<td>Andrew Suh (Oceania)</td>
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<td>Nicolene Harrison (Oceania)</td>
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Accessing CoPPA and related material

► CoPPA can be found on the EY Process depot: https://processdepot.ey.net
► Associated go-to-market material can be accessed from the CoPPA page in the Consumer Products CHS CoPPA CHS
► CoPPA benchmarks can be accessed via EY Benchmark Tool: https://benchmarking.ey.net
thank you
for attending