

Scott Luton ([00:14:16](#)):

Hey, good morning, good afternoon, good evening, wherever you may be. Scott Luton and Supply chain Hall of Famer, Jake Barr with you here on Supply Chain. Now welcome to today's webinar. Hey Jake, how you doing today?

Jake Barr ([00:14:27](#)):

It is springtime, Scott. And what a better way to start it off by talking about AI and supply chain planning. Maybe we can predict where the Braves will finish this year.

Scott Luton ([00:14:38](#)):

Of course, Jake's talking about my beloved Atlanta Braves trying to divide to get back into the relevant section of Major League baseball. We'll see. But folks, as Jake mentioned, and as many of you already know, supply chain planning is one of our favorite topics to discuss here at Supply chain now, and we've got another great terrific conversation teed up on planning here today. Now, I don't have to tell y'all, we don't have to tell you that in today's rapidly evolving, highly disruptive supply chain planning landscape, staying ahead and optimizing success absolutely demands more than incremental tweaks. In terms of how business is done, oftentimes it requires re-imagining various aspects of your strategy and operations. And in recent years in this golden age of supply chain tech, it's been imperative to find powerful new ways to embed AI into almost every planning decision. We can't let spreadsheets dictate our supply chain prowess. So stay tuned today as we offer up some forward-looking perspective, some current state perspective on how many supply chain leaders are embracing the moment and empowering their people. Jake, to your point, should be a great show.

Jake Barr ([00:15:47](#)):

Absolutely. Let's roll it.

Scott Luton ([00:15:50](#)):

Let's roll. So folks, stay tuned. Great webinar with lots of actionable and valuable insights and expertise by the truckload coming up. A few quick program notes, folks that have joined us. You know what, I'm about to share all of our new guests. Hey, we're going to make this real easy if you've got to step out and save the world right in your supply chain ecosystems, don't worry, we got your back. The on-demand recording of today's session will be made available to you. If you've got questions or if you've got comments, hey, share them throughout. Use that chat function in the webinar platform. We'd love to hear from you. And then lastly, if you enjoy this webinar, be sure to find and subscribe to Supply chain now wherever you get your podcast. Okay, so as Jake said, no further ado who's got time for ADO these days. I want to welcome in our wonderful guest here, starting with Dr. Laura Tzo, product manager, S-A-P-I-B-P ai, and Todd Stanger, repeat guests, one of our faves director supply chain product marketing at SAP. Together they bring a complimentary wealth of expertise and industry leadership to the table. So get ready for a great conversation. Let's welcome in. Laura and Todd.

([00:17:03](#)):

Hey. Hey Laura, welcome in. How you doing?

Dr. Laura Tozzo ([00:17:07](#)):

Hi Scott. Doing great. Looking forward to the webinar.

Scott Luton ([00:17:10](#)):

We are too. We are too. And Todd, welcome back. How you doing?

Tod Stenger ([00:17:14](#)):

I'm doing well.

Scott Luton ([00:17:16](#)):

Terrific. Great to see. We've all had busy weeks. We manage to capture an hour of your time here today and we're going to get right to it. But first, Jake, y'all know we love to put our finger on the human pulse of things and that's where I want to start with a little fun and warmup question, Laura, because you've had quite the trip of a lifetime we hear as you explore the Grand Canyon, I think a few months back. So Laura, tell us about that great trip.

Dr. Laura Tozzo ([00:17:44](#)):

Well indeed it was a trip that was squeezed in between working trips honestly, but it was definitely worth it. I got the chance to travel to the Grand Canyon for just a weekend actually after a work event in New York. I met my sister there who lives in the US so we had a couple of days hiking and it was wonderful, was great weather was not many people there actually in October. It was very nice. I highly recommend

Scott Luton ([00:18:14](#)):

Outstanding. I can already see the picture and I've heard so many folks talk about how life-changing of experience that is. So you'll have to share pictures later, but great to have you Laura and Todd. We really enjoyed your perspective about six months ago or so. Now. We all love spending time with our families and I think you had a very special gathering there in Denver where you call home. Tell us more about that.

Tod Stenger ([00:18:42](#)):

As we get older, it's harder and harder to get the entire family together and we managed to get all of my nieces and nephews and my sisters and my parents all in one place at one time over the holidays, which is a lot harder when you've got one of my nieces is in Spain and we've got people in California and all over the place. So it was really nice to try to actually get everyone together for one time. And we have a bit of an age discrepancy given how my sisters and I have done things. We have nieces and nephews from 31 years old to two years old. So it was quite a gathering.

Scott Luton ([00:19:22](#)):

I bet the food and the fellowship equally were just incredible off the chart. So I appreciate you sharing that, Todd. Now Jake, I'll tell you between the Grand Canyon and time, I guess with your sister or sibling or if you get the whole family like Todd did, those are special times, huh?

Jake Barr ([00:19:38](#)):

They both win. But Laura, I'm envisioning Laura at the bottom of the Grand Canyon trying to get Claude to work on her device with reception. But I feel Todd's pain because there's one of nine children whose

father was one of 13 who each had a minimum of 10. Trying to get collective gaggle together is like an impossible task. And the age range we have is like 35

Scott Luton ([00:20:06](#)):

Years. Oh my gosh. Well, there's so much we could talk about in both of those wonderful experiences, but we got a lot of supply chain perspective and expertise to share here today. Jake, Laura and Todd. So we're going to get busy. I want to definitely welcome in. I see Alan Jacque from Beautiful Canada. Hello Rodney Dangerfield of Global Supply Chain and of course Tricia and Amanda holding down the fort force with production. Appreciate all that y'all do. And by the way, Amanda says the Grand Canyons on her bucket list, we'll see. So let's level set here today. So Laura, it is your first time with us. Welcome in. If you would tell us briefly about your role at SAP.

Dr. Laura Tozzo ([00:20:44](#)):

Well, I'm in problem management, which means I take care of the development of things. I'm in the SAP integrated Business planning, so our solution for supply chain planning in SAP and specifically for me, I've been leading the overall the AI activities, so the development of all these AI features that we are now releasing and we are planning for the future. That's my daily work.

Scott Luton ([00:21:09](#)):

Outstanding man. So she really was there at Grand Canyon with Claude, Jake doing some experimentation. So Todd, again, great to have you back, enjoyed your perspective last time. Let's remind folks about your role at SAP, especially from a global supply chain perspective.

Tod Stenger ([00:21:26](#)):

So as you noted, I'm in product marketing at SAP. I think that we've not really had a product marketing function, which is kind of entertaining until a couple of years ago. And so we were called solution management, which was a lot of understanding the market and rolling in requirements and feeding them to Laura and the product team. I think from a product marketing perspective we're kind of doing the same thing. A lot of that and also just how we're messaging to the market, what we're actually doing in supply chain, and I focus mostly on demand planning and AI topics for that.

Scott Luton ([00:22:01](#)):

Outstanding. And Jake, as we were talking pre-show, getting the story right of the innovative things that SAP is doing is so critically important. And Jake as a veteran, as the John Wayne, the global supply chain, you've been through lots and lots of different technological approaches. Your quick thoughts.

Jake Barr ([00:22:21](#)):

Yeah, I date back from implementing SAP initially in the late eighties as a first wave co-developed seven modules with the team. I can walk through the halls of Waldorf without hitting any furniture with a blindfold on, but deep amount of respect. You're talking a massive organization focused on trying to innovate and trying to cobble together and actually make logical sense from a development standpoint of in some cases conflicting requirements that come across from vertical, multiple vertical leaders.

Scott Luton ([00:22:59](#)):

So folks, raise your hand if you want to see Jake do that blindfolded. We will feature that on a future webinar. I can do that. And secondly, before I move forward, I want to welcome in Paul from New Hampshire. I bet you're getting a lot of snow. Hope you're safe and sound up there. Bud is from Massachusetts back with us, hopefully same for you. Safe and sound. Kevin Kowalski from beautiful Argentina. He's excited to hear about the AI initiatives from Laura and Todd and SAP. Well hey, you're in the right place, Kevin, great to have you here. Okay, so Jake and Laura and Todd, we continue the conversation. I want to let level set with one more thing here. One of our esteemed co-host here at Supply Chain. Now Corin Bursa recently wrote about Gartner Research, which came out I think last year, that shows supply chain decisions are becoming 1% more complex. They have to happen 52% more frequently and the decisions have to be made 57% faster. And I bet we could probably easily double all of that, right Jake? That's right. But to meet all of those demands and more here, even in the golden age of supply chain tech, I would argue that AI enabled planning really isn't optional anymore. Laura, your thoughts there?

Dr. Laura Tozzo ([00:24:11](#)):

I totally agree. I would say that companies, I mean SAP at the front, but also all our customers, we need to start thinking in different ways. So not only about how we do some processes in the old ways, but really how can AI help us in rethinking those processes. And so I do think that there's going to be a lot of work that's been going to be needed to change the mindset from the planning of the past to the planning of the future.

Scott Luton ([00:24:42](#)):

Yes, well said. Almost poetic now, Todd, same thing. It really isn't optional, huh?

Tod Stenger ([00:24:48](#)):

No, I don't think it is. And I think from multiple aspects, I think that there's the actual planning and then there's just simply from a very fundamental perspective, how people interact with systems in general is changing. And I think that that's something that we have to adapt to. And then it follows on too is what tools are they using within the system and how are they getting information, synthesizing it and making decisions.

Scott Luton ([00:25:18](#)):

Yes, Jake, it's not a perfect analogy, but when the will, there's a famous comic out there, I think that comes to my mind when the will came out, you still had plenty of folks that took a little extra time to adapt the will and it may not be a perfect analogy, but there is some truth there. Your thoughts, Jake?

Jake Barr ([00:25:35](#)):

Yeah, Scott, look, I've been around from the first planning tools, but the fundamental piece is you have to understand what got us to where we are today isn't sufficient to get us to where we need to go. And the level of problem solve that we're trying to do across not just single instance disruptions, but multi-variable disruptions. There's a production disruption, a materials disruption, a transportation disruption, right? A change in order flow or distribution methods, all those. So what we're really having to do in talking about here is actually shape decisions faster. And so we've got to be able to distill down the consequences out of all those information flows of information and create a viable workable plan.

Scott Luton ([00:26:27](#)):

I like it. I like it. And that is not optional. It's no longer A plus B equals C.

Jake Barr ([00:26:35](#)):

It's not optional if you don't want to hang going out of business side.

Scott Luton ([00:26:38](#)):

Right? That's not my first choice. Alright, so Laura, I want to circle back with you because Jake is really kind of pointing to all three of y'all really pointed to this space that is evolving some days by the minute, right? So I'm want to ask you Laura, what are a few of the AI and emerging innovations that continue to transform supply chain planning for the good Laura?

Dr. Laura Tozzo ([00:27:02](#)):

Well, I think the biggest transformational power for supply chain is going to be agents. And unless people have been living under the rock, they've heard the term already, but the truth is we've been talking about autonomous supply chain planning for years, maybe decades, I don't know, I'm too young to remember the decade, but for sure for years. And I feel like right now we are finding at that point where the technology is going to enable us to make this a reality and that's going to be really transformative of how we do things in the future.

Scott Luton ([00:27:37](#)):

Jake, really quick for a good Todd. To Laura's point, we have been talking about that autonomous planning for years and it's been in various stages of theoretical to some operational law points in between. Your quick comment there, Jake.

Jake Barr ([00:27:50](#)):

Yeah, and I, look, I helped coin that I think a few of the folks on our audience, including Jock will remember this, but the fundamental piece that we're talking about isn't really necessarily autonomous. It's the ability to drive decisions faster using the insights that you get, much of which can be done in an autonomous way, but our environment in the business challenges and the disruptions change so frequently, it's not going to be something we can just completely hand to the machine to actually do because the machine as LAR knows, has to learn and it has to have conditions and understanding of that, the context of the situations and the data. So yes, we're heading more and more to that, but that's actually a good thing because it allows it to free up our people to do the value added activity of understanding the nuance of what option to trigger to solve a problem.

Scott Luton ([00:28:53](#)):

That's right. That's my favorite part. That last part of your response there Jake. So Todd, we'll get you to weigh in here when it comes to what we asked Laura, some of the AI and emerging innovations that are continuing to transform how we plan in supply chains.

Tod Stenger ([00:29:09](#)):

Yeah, I'm with Jake is that this idea of agents is really, we can't work in a mode where I have to go. The worst case is I got to go get a phone call from someone that says it's a problem and then I have to start

investigating and understanding what's going on and then more investigation for what options I might have. And so I think that that idea of the agent bringing information to the planner is a massive difference. And even honestly, even if it's not an agent, we're starting with the idea of, I talk a little bit about how do you interact with the system and if you can, instead of going in and creating some sort of what if and then manually changing a whole bunch of master data because you want to know what if and then running a planning process and then evaluating it, that if we can automate some of those steps and then get to the decision that Jake was talking about that says, okay, now I know what the options are, that it's all been queued up for me and I can make that decision. And frankly to involve information that the system either we didn't tell the system about or that we don't want a decision we don't want the system to make because there are financial ramifications or HR ramifications or something that that's okay, the system come up with numbers and then we'll take that decision

Scott Luton ([00:30:51](#)):

Jake. And part of Todd's response there, what made me think about is we all have a good idea in the moment. Maybe we're driving in traffic and you got time to think and you got a great idea, but then you jump back into the fire and you don't have time to vet it out and then that great idea just gets shelved like so many others. So

Jake Barr ([00:31:10](#)):

What I heard your situation, you actually have the great idea, you grab your phone, you start playing with your phone while you're driving to try and deal with the idea. What Todd has really laid out is, Hey, wait a minute, I just had 10 extra set of hands show up to help me go do the heavy lifting and the dirty work behind the scenes to figure out both my options, the variations of it, and then bring all that back to me where I didn't have to go do the exploration and the heavy lift and I can actually add my insight on top and then make the decision out and my hands are on the wheel.

Scott Luton ([00:31:50](#)):

Yes, Jake, you said it better than I could. That's exactly what I heard in Todd's response. And for anyone that just heard that last exchange when Todd and Jake and Laura, those sound and those paint a picture of better, easier, more successful days and it gives, it frees up and really unleashes the unique human superpowers. So Jake, Todd, and Laura, outstanding folks, we're already getting some great questions. Thank you Thain and Eek pin. Thanks so much for the questions. I'm going to try to carve out time at the end to pose a couple and if we can't get to 'em, we're going to make sure we get all the comments and questions of Laura, Todd and Jake and hopefully facilitate some post-webinar conversations. Okay, Todd, I want to circle back to you here. So fresh strategies, when you think of some fresh strategies that will strengthen planning, resilience, and success, we've got to have both in this volatile ever disrupted environment. What comes to mind Todd?

Tod Stenger ([00:32:51](#)):

Well, I think resilience is always hard. We've been talking about resilience for a long time and I think that Laura made a comment last week that I really liked that was the system doesn't really fix resilience, but when you're looking as a supply chain leader, if you're navigating on certain markets, a, you need to make informed end-to-end plans and decisions and start looking across the value chain and then whether that's mid to long term as well as short term even operational execution horizons. And so this idea, and I don't know how fresh it really is these days, but it's not just about planning within the four

walls of your company but looking at upstream and downstream impacts of disruptions. And sometimes you're still using the same algorithmic solves that you were doing before for within your four walls, but taking into account those upstream and downstreams and getting earlier notification of events or risks to your supply chain that you have to really think broader to be more resilient. And then the other thing is you do have to have a robust planning platform to allow whoever your supply chain leaders are and your planners to make data-driven decisions to act swiftly. We've talked a bunch about that and really stay ahead in these dynamic markets.

Scott Luton ([00:34:16](#)):

Yes, staying ahead and increasing that competitive advantage, Jake respond. What we heard there from Todd,

Jake Barr ([00:34:24](#)):

It's music to my ears because quite frankly, look, the default for planning for decades was what happens within my four walls.

([00:34:34](#)):

It's not good enough. 80% plus of the data and the disruptions of the implications of whether your plan is going to succeed or fail is outside the enterprise that you specifically own. It's your partners, it's your material suppliers, your component suppliers, your kitting and assembly centers that you don't own that are performing critical tasks for you. It's your distribution flows, it's all of those things. And so as they both highlighted, look, the agents are a mechanism for you to expand your ecosystem reach to understand implications of things that you couldn't even begin to touch in the past.

Scott Luton ([00:35:17](#)):

Something that Todd mentioned there reminded me of one of my stops in the manufacturing world. One of my least favorite things when I was in manufacturing is we had to reprice like a thousand parts. We tied the pricing to the metals markets and then we had to get on the same page with our customer, all that good stuff that would've been a button today and would've saved me no lie, weeks of time of doing my least favorite mathematical work. Laura and Todd, I missed y'all man. Where were y'all earlier in my journey, but nevertheless, evolution, that's how it goes. Laura, when it comes to practical ways at boosting efficiency and streamlining end-to-end processes, including some of these pricing nightmares that some of us have had, what would you offer? What comes to mind that you'd offer up to our audience?

Dr. Laura Tozzo ([00:36:08](#)):

I think as boring as it might sound, we are talking about AI, but there are some things that people need to do before they get to the AI stage. So one very boring topic is data, which I mean we should not forget about. Even the best agents will not be able to operate and come up with good suggestions if your data is not in order. So I would start there, get the data in order and then as we come along to what Todd was saying about bringing everything together in one platform. There are already right now a lot of tools that you can use. And I mean in S-A-P-A-V-P for example, you can do the end-to-end planning, but you can also connect to other solutions from SAP or outside of SAP that bring in the data and it's important to start and evaluate really what's the best way to get the end-to-end process done and start using it using the existing algorithms.

(00:37:10):

Even the again, boring ones that we already know, like the typical machine learning for demand forecasting. We have customers that have reached 90% automation already in the demand with the tools we have already today and others that are still struggling to get their demand data into a platform. So there is steps that can already be taken right now to automate many pieces of the supply chain. And I would argue you should start with what's already there and evaluate where you can improve your supply chain. And then a second piece of that is start thinking already now about the processes, right? In future agents will work better if they have concrete clear processes to follow, right? If you want the agents to do something in a certain way, you should be clear what's the way you want things done. And that's sometimes often not the case at companies, right? Everybody does the thing in a different way. The knowledge is just there and not really on a document or somewhere else on a PowerPoint to be found. So that's going to be important for the future.

Scott Luton (00:38:21):

Laura, the whole response could be a podcast series. You touched on so much good stuff, Jake. Clarity is always underrated, always to one of our last points there, and I loved of course the data we started the front end incredibly important to make sure that's in position where we can use it and use it at velocity. But one of the things she also mentioned starting with where we are, starting with what we already have, there can be lots and lots of gains unlocked there, but what'd you hear there from Laura? Jake?

Jake Barr (00:38:52):

Well, I mean two things I want to echo. First is I am a huge believer in the data element and there are actually agent-based techniques for you to discover how clean or not clean and how standard or where the gaps are that you can apply to just doing your data harmonization, data cleansing effort today that would significantly increase, for example, the base performance of what you're even doing in your SAP planning platform or whatever platform you're using. So that's one. So amen to that. The second is I definitely want to hit the drum on echoing what Laura just shared on the process side. Look, you don't get the white hair from just showing up. You get it from going through the wars and doing the processes and the exceptions and what you build from that is muscle memory around in these types of situations based on these set of instances or disruptions, right? These are the tactics that I want to apply to going through and solving. I call 'em basic, I'll use the term I call 'em recipes. So you actually can literally script out, as Laura said, the process of based on finding this and this, I want you to do that. And that becomes the foundation point for a crawl stage for implementing even agents in a simplistic way.

Scott Luton (00:40:23):

Yeah, excellent stuff. Jake and Laura and Todd will give you a chance and one call out that I think is a theme here. Todd was mentioning upstream and downstream earlier. And Laura mentioned ecosystem, which one of my favorite words in her response. However you gain improvement turning to a true ecosystem of solutions and that's of course is one of the big strengths that Laura and Todd and SAP team does offer. But Todd, before I move to Laura and talk about some real world examples, do you want to comment on anything we heard there from Laura or Jake Todd?

Tod Stenger (00:40:58):

No, I mean I think that they covered the big ones. I would make one comment when Jake mentioned that there are agents that can help you clean up your master data as a shameless plug for SAP integrated

business planning is that we built some machine learning rule generation for master data cleanup that we've had for several years now. I think that machine learning gets a bit of a bad rap when everyone says AI these days, they're thinking the gen AI and Claude and all of that. And there's certainly tools that you can utilize that are more traditional machine learning type methodologies. And so again, shameless plug that we've had that in the system for several years and I would agree with Jake that whenever anyone says where to start, I'm like you should start with making sure your data's clean because otherwise you're in big trouble.

Scott Luton ([00:41:53](#)):

That's right. And Keith in the comments, Keith, great to have you here today. Echoes that theme, spikes the football on it. Keith says clean data is very important. Gigo standard,

Jake Barr ([00:42:04](#)):

Standard. Notice we didn't say perfect data, Scott,

Scott Luton ([00:42:08](#)):

Right? Hey, I was listening, I've taking notes. You did not say perfect data, clean data. And to finish that thought, Keith says, garbage in, garbage out. Standard statement by data gurus. Good stuff Keith. Great to have you here. Alright, so Jake, Laura and Todd. Let's get some real world examples. We've actually already mentioned a few here, but I want to double down on this. Laura, share some real world examples where supply chain leaders have really grasped this opportunity at hand and are ahead of the class maybe Laura, your thoughts?

Dr. Laura Tozzo ([00:42:41](#)):

Well, I mean we have actually plenty of what we call innovation stories out there, which are public to see on our official SAP website. But two that I wanted to mention just because they are possibly very well known names are, for example, BSH and Microsoft. They recently published some innovation stories telling their journey of moving very complex processes. They have end to end into IVP and most of the gains indeed comes from moving all the data into one place, harmonizing the data and making sure that the silos are broken in a sense, and then the data flows seamlessly from one place to another. And then of course we have also using things like demand sensing for demand forecasting, which of course also increases demand, forecast accuracy and therefore reduces also stockouts for inventory for example. So we do have plenty of innovation stories. I heard of course everybody to just have a look. I think we have also very nice some nice videos out there that show these examples. And as I was mentioning before, we also have examples of customers who are already automating up to 90% of their demand planning completely with IPP

Scott Luton ([00:44:07](#)):

And Laura and Todd. I bet my hunch is if anyone wants to talk shop and talk through any of those use cases and innovation examples as you called it, I bet y'all would welcome that Laura and Todd, is that right? Of course. Of course. All about the dialogue. Jake, one of the things she mentioned, a couple of great things there I want to get your take on. My pen is running out, folks that never happens. I'm taking all these notes from Laura and Todd and Jake and my pen is waving the white flag, but Jake, one of the things you can touch on there

Jake Barr ([00:44:35](#)):

Or we need ntroduce him to AI based note take.

Scott Luton ([00:44:40](#)):

I promise y'all I don't have 17 spreadsheets open, I promise. But silos, right? Integrated data is really, really important in addition to not perfect but clean data, Jake, comment on that or anything else there. We heard from some of those innovation

Jake Barr ([00:44:56](#)):

That is the foundation of the future because unfortunately what we have to understand is that data isn't just an attribute, it has characteristics to it, it has financial characteristics to it, it has physical characteristics to it, it has connections to other pieces of data that give it context and use. And so working that foundation layer isn't just think about it as I'm going to make sure that the attribute I have and X database is clean. It's actually rethinking how you have, I'll call it a semantic layer for how you retrieve data and when you use it and how you use it to power both the processes and the decision making.

Scott Luton ([00:45:40](#)):

So Todd, we're going to talk about one of my favorite topics with end planning and that's the role of the human planner in just a second and how that might evolve. But is there anything else you want to add on Laura and Jake's comments there around how folks are already using it today and at speed? Any additional comments there Todd?

Tod Stenger ([00:46:02](#)):

No, I mean I think the big thing that Laura talked about, and I kind of mentioned this too, is the people that are using the tools that have been available for a while now and like machine learning for forecasting and making sure they're bringing more data to their forecasting process using tools to clean up their master data. I think those are some major pieces that people are doing. We always have a lot of customers that have done things that aren't necessarily directly within our products that they're using some other things. And then I have an interesting sort of vignette that I just heard today, which was not that I'm going to take a little step back. This is not something that a customer is doing, but I toured a plant today, a manufacturing plant, and they talked about they run a lot of SAP and they said that they still have, I think that Jake will and Scott you'll appreciate this, is that they have a very short window, two day window in the very near term where if they've got a part shortage, they have a process to deal with this.

([00:47:07](#)):

And I would say that's kind of an s and OEE type process and it's all spreadsheets. And we were talking with them and we said, where do you see the opportunity for AI and potentially some agents in it? And one of the things they said is that, man, if we could automate that collection of data for the spreadsheets that we use in that very near term process, that would be huge. And so it really struck me as not necessarily something they're doing yet, but it really highlights the pieces that people could be doing to today from a broader SAP perspective. We certainly have agent building tools that we are delivering and we have customers that are using other platforms and everything, but just that idea that if you take a company that's using a lot of products and software and they still have this little gap in the middle of

their process and it is a big deal, it happens to be sort of automotive industry and it's a production line that's moving and if you've got a shortage the next two days you're risking money, you're risking stopping an assembly line. And so it was really a good story. So I thought that would be a good thing to maybe just bring up somewhere in here.

Scott Luton ([00:48:25](#)):

So Todd, I want to piggyback on that. I was reading a week or two ago about an automotive manufacturer. I'm not going to mention not sure if they're an SAP customer or not, but one of their big initiatives they made last year is they replaced 70 something massive spreadsheets that their ecosystem used, especially for forecasting, replace it all with the integrated platform. And that allowed them to move their forecasting from a 17 week window to a 52 week window. Massive, massive visibility and coordination gains in an industry where to what the point you just made, you stop the assembly line, you're going to regret that all kinds of chargebacks costs, you name it, Jake, comment on what we heard there from Todd or the example I just shared.

Jake Barr ([00:49:15](#)):

Yeah, Todd. I mean Todd, look, he gave you a textbook case of real world of every day, which is no matter how good you get your processes tuned, you either need to now run them faster or generate more information out of 'em for a separate business process. So it's always information at the sea of processes where they come together, where you end up having typically the leakage or the issues. So they have identified something right there on the shop floor, wait a minute, we need to be able to diagnose this and do. And it's not because the other processes aren't completely broken, it's that they literally leave a gap that you need to address to actually go fuel it to run faster, right?

Scott Luton ([00:50:07](#)):

That's right. Gaps are only good for football running lanes, Jake, I believe. Right?

Jake Barr ([00:50:13](#)):

Or if the waves can hit something out to the outfield

Scott Luton ([00:50:16](#)):

Man, it gives me a hard time about my Atlanta Braves. Alright, so Todd, Laura and Jake, and by the way, OSH, great to have you here. As always Osh says data is like fish good when fresh stinks went old. I love that. Okay, true. So let's talk, what's that Todd, were you about to say something? That's true. That's true. It's very

Dr. Laura Tozzo ([00:50:37](#)):

True. That's why we are realtime integration in IBP.

Scott Luton ([00:50:41](#)):

That is right Laura. That is right. Okay, so let's talk about the human planner. They're so such an incredible critical part, a talented part of global supply chain. So Todd, break out your crystal ball, I bet yours is working better than mine and mine's been in the shop for years. So how do you see the role of the human planner continuing to evolve over the next, we'll call it two to three years?

Tod Stenger ([00:51:09](#)):

I prepared this great answer. And then I think Jake pretty much answered this question earlier, but really I think the biggest thing is that the tasks that planners are doing are going to change. And if you look at what they do today and what a lot of planners do today, I kind of say there's sort of two, I guess three tasks they're doing. One is they're finding problems and investigating them that takes time. They're maybe manually adjusting plans, they might be working with a spreadsheet with additional data. And then the other one I think they talk about is how do I explain what was going on? I'm talking to upper management or the sales people in sales, I'm telling 'em why we don't have some product. So there's a lot of this investigation and that they can do, and Jake mentioned this is that a lot of the, if you automate a lot of that and say, look, I'm not going out to run four different scenarios and try to manage all the master data for that and adapt it and then see what the results are, compare them, understand what the root causes are of the problem and then make a decision and then be able to explain it.

([00:52:22](#)):

Or even better, I'm using some advanced algorithms and I have to figure out why they left a part to stock out at some point in the future. I need that explanation. So if we take all that time out of their day, they're quickly evaluating scenarios and adjusting models and dealing with the disruptions. There are two things I think that you find right. One is that we talked a lot about they're going to higher value decisions, but they can also broaden their perspective. We talked earlier about trying to get outside of the four walls and doing planning and if you look at a planner today, their scope is oftentimes just scheduling in a plant or just distribution planning or just demand planning. And we're seeing a lot, I think a lot of customers that are trying to figure out how do I maybe broaden the planner's role. Sometimes you hear about things like a value stream planner or I look at it as a little more even simplistic is that a scheduler could also start working with what's going on with the suppliers and understanding that and maybe making sure that they are tying in their scheduling with what the capabilities of your suppliers are and what they've committed to. And so again, that's all the ability of broadening that scope and the viewpoint and now hopefully they'll have time to do that instead of creating scenarios and running things and investigating.

Scott Luton ([00:53:56](#)):

Todd, excellent point, and Jake, I'm going to get your take, but really quick broadening perspective, that's where they become more valuable both for themselves and to the organization. Everybody wins. I love that Jake, did Todd nail that short-term future vision of human planners?

Jake Barr ([00:54:14](#)):

Hey, you saw me clapping, right? I was giving him kudos. One you got to remember our world today for most companies is there's a triangle and a planter quote spends 80% of their time down at the bottom of the triangle buried in the muck of trying to create a baseline plan, not evaluate it, not make decisions about it, just finding enough time in the day for he or she to actually pull all the bowl of spaghetti wires together to figure out, hey, this might be a plan that we could execute. So this is a big shape shifting opportunity. This is where you actually can take that brainpower and that capability, that insight and turn it loose on as he was sharing. Look, I've never had the opportunity or the time to actually run implications of what about if my principle one or two suppliers run at 70% reliability versus 80%? What's the implications of that? How do I think about their viability in our ecosystem? Wait, we're talking heresy here. These are things that planters never have time to do because they're so down in that triangle of just trying to deal with the daily muck. So let's get our heads out of the sand and say, hey, there's a

better way. We actually need to empower them with capability that reshapes how we think about that work and how to use their skillset to actually add value on top.

Scott Luton ([00:55:57](#)):

Yes, and Jake, there's lots of different, that could also be a whole conversation, but that also would appeal, I believe to folks coming into industry and we need all the help.

Jake Barr ([00:56:08](#)):

Forget you think, you think the new age wants to come in and deal with Todd's broken Excel spreadsheets. Really seriously,

Tod Stenger ([00:56:21](#)):

No

Scott Luton ([00:56:22](#)):

Doubt.

Tod Stenger ([00:56:24](#)):

I've been telling this story for a while is that I look at the way we interact with systems too, and this is a very simplistic example, but my son who's now 15, when he was I think 12, we gave him an iPhone. I don't know what we were thinking, but we did. And he wanted to set something up and I said, well here, let me help you. And I got his phone and I cooked on settings and then I knew where I was going. I went to settings, I went to the menu path and I found the thing and I opened up the next settings window and did that. And I tried to show him that and he let me get about one step into that and he says, just stop. He flips the search types in whatever setting he wants. It takes him right there, pops it up and he knows hit what button to hit and everything. So that paradigm, it really struck me and I think that we're seeing a lot of that today with Gen AI that says how do you interact with the system? And like Jake said, the new guy that's coming up, they don't want to deal with the spreadsheet, they don't also want to learn the old, especially old school SAP screens and transaction codes and everything. They just want to at the very least just tell me where to go to do what I want to do. That's

Scott Luton ([00:57:38](#)):

Right. Constructive dissatisfaction is what one big organization has referred to some version of that and hey, they shouldn't. And we should give the people what they want, especially when it will greatly improve how our supply chains perform and make life easier for our people, which is my favorite part of the story. Laura, really quick, I'm about to ask Todd how folks can tap into SAP and work with the platform, the ecosystem and the organization. But Laura, really quick, we were just talking about the future, the short-term future to longer term future. Do you see similar visions? Does all that appeal to you? What are your thoughts, Laura?

Dr. Laura Tozzo ([00:58:19](#)):

I mean absolutely. I think all the things in the end that we are saying planner will evolve to be more of an analyst of the supply chain rather than someone that just puts numbers in Excel as we were saying. So someone's going to take more decisions, looking more broadly about the thing. Totally agree with what

they said and I mean now the question was about maybe the next future, but if you look even further ahead, who knows what the future UI is going to be like? Maybe it's just going to be a chat that creates a planner specific UI and then everything we know as we know it today is going to be different. So who is to say how it's going to change again in five years from now? I think that's a very dynamic field. I

Scott Luton ([00:59:07](#)):

Completely agree, especially at the ever increasing velocity of innovation change, disruption really the craft of global supply chain. But Todd, all this begs the question because I want to challenge our folks out there that if their definition of automation and innovation is the latest macro within their spreadsheet, they got to talk to you, Todd, is my hunch there. So if you would, how can folks begin to work with SAP Todd?

Tod Stenger ([00:59:39](#)):

Well, I think there's a lot of ways. I mean first and foremost, we've got a couple links. I think we're going to send out a couple resources. One is just some ways to get more information around SAP supply chain management for people that are already an SAP customer in any other area. You certainly have contacts with SAP that they can reach out to and we can start a conversation and SAP will get all the right people involved. I think the other link that we sent out, which I think is very interesting is that we have what we call discovery center, which has all of our AI features for the entire SAP catalog and you can go to that and then sort by product or business area and understand all the different use cases we have. And again, these range the gamut from traditional machine learning and demand planning to the newest agentic AI use cases. And then that also lets people tie into whatever SAP products they currently have and it also helps them understand maybe what products they might be interested in as well.

Scott Luton ([01:00:52](#)):

And

Tod Stenger ([01:00:52](#)):

Tom a screenshot.

Scott Luton ([01:00:53](#)):

That's right. Todd, I'm sharing because I was diving in here and experimenting a bit. Folks, what Todd's talking about, you can check out more than 350 AI agents and features all part of this SAP business AI ecosystem, jump in experiment a bit. You're going to find a link to that on the webinar platform and I think he also mentioned this, if you want to learn more about how SAP can optimize your supply chain planning performance plus request a demo, you can check out the link to the landing page and a whole bunch more information right there on a webinar platform. In addition, folks, we talked earlier, it's important to keep the dialogue going, right? If you got questions, if you want to kick the tires, if you want to agree or disagree with anything that our panel said, reach out to them. They welcome the opportunity to talk shop.

([01:01:44](#)):

You're going to find Laura and Todd's content information right there on the webinar platform. Jake, we're going to get your patented key takeaway in just a minute, but I got a couple questions from q and a. We got several from the audience here. I'm going to start with this question that OSH says maybe we

should pose to those on our teams. SEBA says a good question to ask is how much time do you spend doing the job you were hired to do, doing it work, including collecting data and then justifying to others what need to be made. Pose those questions and see what responses you get. That's a good point there, Ash. Okay, I want to start this question and then I'm going to circle back to some of those we got from our audience, but I've got a burning question and Laura, I'm going to pose this to you. Do planners out there have to be data scientists or even be familiar with things like prompt engineering to really lean into this what we've been talking about here today. Laura, how would you respond to that?

Dr. Laura Tozzo ([01:02:49](#)):

I would say definitely not. I think that's one of the main advantages of generative AI that has lowered the barrier to use AI. And many of the use cases we have out there also for IBP, they are a one click button thing. So in the backend the miracles happen. The prompt engineering was done by some data sciences, but that was done by SAP. You can just go and enjoy the feature, get the explanation on why a certain forecast is this way or the inventory suggestion is that way and you don't really need to have any technical expertise for that

Scott Luton ([01:03:27](#)):

Man that has music to my ears. Todd, do you want to add anything to that?

Tod Stenger ([01:03:31](#)):

Well, I will note that a lot of times we use our JUUL for SAP as a chat type interface and I still think that it holds true. I think that as Laura notes, that we've done a lot of things in the backend for enabling skills for JUUL, where we've kind of prebuilt prompts. I think the other thing is that from an SAP perspective, we have a whole process for document grounding, which is basically to put your company's information on a site and have the model then use that. So when you ask a question using terminology that's specific to a company that gets back that you actually get a good answer if you ask Claude or chat GPT a question that is in your own language for your business. And at SP we got a lot of that, a lot of TLAs and everything that you get good information back.

([01:04:30](#)):

And so if you think about a lot of what you might have to do, although it's not necessarily data scientist prompt engineering, but again, going back to if you ask just a generic LLM for something, you have to be very specific and you have to add a lot of pieces of information to tell it what you're really looking for because it doesn't understand you, your role, your business. And so we have some processes to help with that and I think that that's pretty big, but there's still probably a little bit of that understanding how to interact with generative ai. If you're asking a question that you got to give a little thought to that and it's not data scientist work, but it's a little bit of thought to, if you ask just any big random question, you may not get a good answer.

Jake Barr ([01:05:19](#)):

That's right,

Scott Luton ([01:05:20](#)):

Jake.

Jake Barr ([01:05:22](#)):

I love what Todd threw on top of what Laura offered up my simplistic description. You know me, Scott, I keep it real. They created a base sandbox where you can put your data and actually use these pre-generated prompts, which is really a great headstart to give the ability for you to learn from your own data. Imagine that I actually get to learn in context with these prompts with my own data and then look at it and validate that it's what it should be, right? Yes. That is the best of both worlds. I didn't have to be a prompt engineer, I didn't have to be a data scientist, but I can look at my own stuff and validate that it's telling me the right things.

Scott Luton ([01:06:10](#)):

Love that. As Todd was sharing his response there, one thought that hit my brain is that information that is good but slow is still better than information that is fast but wrong. Would you agree with that Jake? Still, we got to have

Jake Barr ([01:06:26](#)):

Both. Wait, when we're talking about people that typically don't even have a clue of how to start to put the information together and now we're saying we're going to give 'em back all of that crank through in milliseconds for them to be able to look at and make a decision on, wait a minute, I may have actually outstripped their ability of the rest of my surrounding processes to keep up. So this is a great opportunity for you. It gives you the opportunity not only to do the planning routines in a more accelerated way, but it actually allows you to go back and push back on the commercial organization, the leadership structure around how frequently we review and make certain kinds of calls. Before I couldn't make the call, it took me days or weeks to put the information together. Now I can bring it together in a matter of a couple of minutes, right? And now I have the ability, so do I run in and every time I need to bark because I see a disruption? Disruption, well maybe not. Maybe I need to reorganize our decision making structure where we get together once or twice a day to review those things.

Scott Luton ([01:07:36](#)):

Outstanding. Alright, Sunitha says, as the data deluge starts accumulating master data management, it's back in vogue. We're cool again, Sunni, I love that comment and great to have you here. Appreciate all the comments. I wish we got some great questions coming that came in that probably deserve more thorough answers and conversations. So we're going to make sure we get all those over to Laura and Todd and Jake. But I do want to wrap on this one question and we've talked a lot about where we are today, the current state and talked a lot about the future state and I'm a very big optimistic person, but we also talked about how planners can really put the fate in their hands and continue to invest themselves, develop more skills and become more valuable both to their career and to the organization. That's where I want to circle back to Damon's question here, and he poses this first to Dr. Lar. I like that Dr. Lar, you're going to need a podcast with that. But Thaman says, Hey, what skills do supply chain management planning professionals need to develop for the future to stay relevant? Laura, if you had one to pick out, especially based on your technical and technological prowess, what would that be, Laura?

Dr. Laura Tozzo ([01:08:50](#)):

Well, I would say critical thinking because we've just said gen AI lowers the barrier and everything, which is on one side a great thing on the other side, I've seen this happening actually, that people distrust

results coming from machine learning for demand or from a mathematical optimizer for supply, but they immediately trust the answer that's given to them by HGPT because it's in natural language. And so it's mind blowing to me because I feel like, well, it's very different thing, generative ai, there's still, I mean we are getting more reliable and everything, but still there is a probabilistic component to it. And so I believe that especially heading into these generative AI energetic world, the one thing one should think is critical. Thinking about what the machine is telling you, mitigations suggestions, they will for sure improve, make it faster to reach decisions, but you still have to have the back foot, I think in your mind of, let me check, let me make sure this suggestion actually makes sense.

Scott Luton ([01:10:03](#)):

Yes, I do. Well said. And I like chat GPTA whole heck of a lot better than c plus plus back in my day. Oh my gosh. So Todd, that's what drove me out of computer science folks. Todd, really quick, your quick response to tha Amen's answer about one thing that planning professionals can do to invest in themselves.

Tod Stenger ([01:10:23](#)):

Well, I think going along with those themes of broadening perspectives is that I think for a long time people would be a supply planner or a demand planner and they'd kind of specialize. And not to say that it wasn't something in the past that it was good to understand all the different areas of it, the inventory and any kind of supplier processes you have. But the broader you can make yourself and understand all those different pieces. It aligns better with the way that we think that things are going to go, where the planner is going to be a little bit broader and understand the implications of all of these pieces across the end to end supply chain. I like

Scott Luton ([01:11:02](#)):

It. I like it. Alright, really quick. Sun says, go ahead Jake. My bad. Back

Jake Barr ([01:11:08](#)):

In the truck planning skills, all demand is not good. All supply is not good, right? All ability to respond in a resilient way is not good. So we're going to take what Laura and Todd said package together, but I still have to have a business manager brain set as a planner moving forward on whether we want to act on it or not.

Scott Luton ([01:11:36](#)):

Well, I like how you, very nicely and done Jake. It's good to back up the truck as we have said a thousand times or two. Alright, so really quick I'm going to get Jake's pat and key takeaway then we're going to wrap here. Sunitha really appreciate your feedback. They say agreed, great session and having seen SAP's data disciplinarian approach and the demos on AI agents and Segovia recently winning combo Sunni, that's high praise. Appreciate that. Thanks for being here all everybody, thanks for being here. Nobody couldn't hit everybody's comments, but again, we'll pass those along. Jake, you got the toughest question of the whole day. You're patented. One key takeaway from this great discussion with Laura and Todd.

Jake Barr ([01:12:17](#)):

If you're sitting in an environment today where your planners are attempting to do the same thing they've done for years and manage the level of sheer chaos that we're in, you're losing battle. You're losing the battle. So you have to understand the world in which the way you do planning has got to step change. It is as simple as that. Otherwise, respectfully, you're hanging the going out of business.

Scott Luton ([01:12:49](#)):

It is a leadership imperative, folks, and maybe that doesn't even do it justice. Well said there. Jake Barr. Well, big thanks. I wish we had another hour talking about our favorite topic here today. Re-imagining supply chain planning, leveraging AI and a whole bunch more as well as a forward looking leadership approach. I want to thank Dr. Laura Tazo with SAP. Laura. Thank you so much my friend.

Dr. Laura Tozzo ([01:13:11](#)):

Thank you for having me.

Scott Luton ([01:13:13](#)):

You bet. We'll have you back soon. Enjoy the rest of your world travels. Todd Stanger, always a pleasure. Great to have you here today and I look forward to getting that invite to the next Denver Good Eats and good fellowship party. Todd,

Tod Stenger ([01:13:30](#)):

Thanks for having me.

Scott Luton ([01:13:31](#)):

You bet. Great to have you Jake Barr. Always a pleasure collaborating with John Wayne global supply chain. Thanks for being here, Jake.

Jake Barr ([01:13:37](#)):

Thank you. And Dr. Laura has a much better re than Dr. Scott.

Scott Luton ([01:13:42](#)):

That's true. The latter is impossible, but Dr. Laura, I like that too. Todd, Jake, great to have y'all. Folks, make sure you connect with our panel here today. Continue the conversations, right? That's how we're going to unlock the art of the possible, which is getting better and better by the day. But you got homework, you got lots of homework. You got to take one thing that Laura or Todd or Jake shared and do something with it, right? Deeds not words. That's how we're going to continue to transform global supply chain, especially for our hard work and talented human planners. With all that said, hey, check out the resources, connect with our panel, and most importantly, perhaps on behalf of our entire team here at Supply Chain now, Scott Luton challenge. You do good, give forward, be the change that's needed, and we'll see you next time. Right back here on Supply Chain now. Thanks everybody.