Production Order Tracking in PLM
for **Retail, Footwear** & **Apparel Supply Chain**

A chain is only
as strong as its
weakest link
– Latin Proverb

Introduction

Today, customers are looking for fresh fashion, lower prices and higher quality every time they visit a retail store. As a result, Retailers and Brands find themselves competing with each other to reduce time-to-market and bring in new collections more often.

The fast paced fashion cycle so created has put tremendous pressure not only on the Product Development but also on the entire Supply Chain. To deal with this pressure, some retailers and brands are looking at product vendors to reduce their lead time, whereas, some others have opted for a more viable and sustainable means to manage this changing dynamics of fashion business. By choosing enterprise solutions like MAP, PLM and ERP, they now have a better control over their data and information to be able to make informed decisions.

Riding on the information technology platforms, Global Sourcing has emerged as one of the key mechanisms to lower costs and improve quality for meeting the customer expectations. However, it also has disadvantages in the form of increased monitoring costs, longer lead times and more complexity due to geographical distribution of supply chain.

Assessing the need for tracking a Product

Current industry practice involves using multiple spread sheet documents and emails to track the Work-in-progress or WIP. The formats of such tracking documents vary across different product categories, brands and individuals, thus lacking standardization and transparency.

Many retailers and brands also use multiple enterprise systems which are integrated for tracking various stages of product lifecycle. This integration is not always effective, due to different data structures and varying nomenclature because of which the information flow is still not seamless.

Over the years organizations have adopted PLM for managing the product data and for integrating business processes. However the full utilization of PLM is not achieved and organizations have ended up using it as a tool for storage and management of data. So far, PLM tools in the market have not addressed the visibility issues beyond order confirmation despite having workflows and calendar system in place.

The product order can be tracked efficiently only if all the stakeholders are linked to a single platform, the information is updated and seen in real-time, and the challenges are found and resolved before they become capable of hurting the business.

Following figure illustrates the list of challenges faced by fashion industry in tracking the orders.

No Real Time Data Visibility

- Information of any delay in processes becomes known too late to enable effective decision making.
- No or limited real time visibility to Buyer once POs are released to Supplier.
- No central repository to capture final inspection reports.
- Very little or no scope for re-planning of merchandise at store due to inevitable delays.

Use of Inefficient Outdated Tools

- Non-Standardised order tracking formats are followed across brands and business units.
- No system for tracking the product end-to-end, that is from product development to Ex-Factory.

Ineffective and Expensive Enterprise System Integration

- Ineffective Enterprise System integration due to which the Material, Samples and Product information is missing from the reports.
- Cumbersome reports generated from existing enterprise tools are difficult to sort and comprehend.

Figure1. List of challenges faced by the fashion industry in tracking the orders

The above issues can be resolved by a software solution which collates the information across supply chain. This solution should effectively report the information in a convenient format, enabling more transparency throughout the sourcing process until the order is shipped out of the factories.

Devising a Solution

In most organisations PLM is the tool where design, sampling and approval processes are tracked. It should be further extended to track production activities like Fabric in house, PP sample submission and approval, Cutting status, Sewing status, etc. This solution should have the option of tracking the status by Colorway, Product Type, User, Product Category and should allow quick access through an easy-to-use report.

"Production Order Tracking" is a solution which will address the above need. This will ease product tracking by status of Product, PO, Colour, Samples, Fabric, Trims, Testing, and Inspection for PLM users.

Following figure illustrates the benefits that retailers can achieve by using the Production Order Tracking solution.

Real time visibility of status to stakeholders ensures timely intervention leading to on time delivery	Facilitates identifying milestones in the production activity leading to **process improvements**
Ease of identification of activities which require an **organisational level focus**	**Better time management** for users as development and post development activities are tracked on a single tool
Ensures timely communication at the store level leading to **better merchandise planning**	**Centralized repository** to house all the final inspection reports

Figure 2. Benefits of Production Order Tracking tool

How the Production Order Tracking (POT) works

Production Order Tracking calendar with defined work flows is assigned to each Order Confirmation within a Season. Once a Product has been allocated to a supplier, the buyer releases an order to the supplier with the unit volumes and delivery dates through the PLM system. The supplier in turn initiates raw material ordering and updates the actual dates on the calendar work flow in the Production Order Tracking solution.

The 'Order Confirmation' created within PLM system is automatically sent to other enterprise system, to generate a Purchase Order. The subsequent activities such as Bulk material ordering, Cutting, Packaging approval, etc are tracked within the POT system. Deviation from the plan date can be viewed in the report and early notification via alerts can help provide business teams to make decisions.

Following figure illustrates how Production Order Tracking solution will work from a usage perspective.
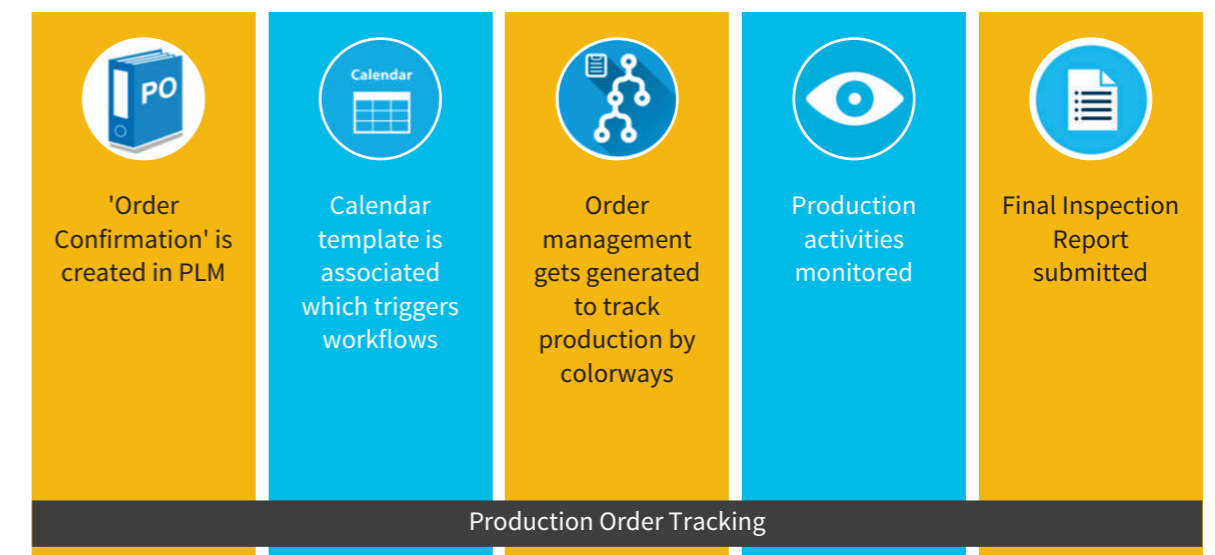
'Order Confirmation' is created in PLM	Calendar template is associated which triggers workflows	Order management gets generated to track production by colorways	Production activities monitored	Final Inspection Report submitted
		Production Order Tracking		

Figure 3. How Production Order Tracking works

A Future Ready PLM

'Production Order Tracking' solution will enable PLM users to address the visibility and tracking issues that often undermine a seamless supply chain. This solution, along with other PLM solutions like Mobility, Vendor Performance Management, Factory Compliance Management, Product Testing and Regulatory Compliance Management will aid Retailers and Brands to meet the challenges of an ever evolving global sourcing model.

About ITC Infotech

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