

Budget Planning

INTELLIGENT SERVICE PARTS SPEND OPTIMIZATION

Service organizations often face pressure to reduce inventory spending while preserving service performance. Finance and Operations leaders may set procurement budgets by commodity, region, distribution center, or globally, leaving planners to determine where stocking levels can be reduced with the least operational risk.

Without a structured approach, budget decisions can become manual, difficult to trace, and disconnected from their potential service-level impact.

Budget Planning, a BaxterProphet module designed for Service Supply Chain leaders, finance teams, and planners, automatically reduces target stock levels across parts and locations to achieve defined inventory budget goals while minimizing the impact on service performance.

BaxterProphet first establishes the baseline recommended purchases needed to support the desired service plan. Budget Planning then compares those recommendations with the defined procurement budget and uses advanced cost-optimization logic to identify the lowest-risk reductions. It adjusts Field Min and Safety Stock levels across selected parts and locations to bring projected spend within budget while minimizing the impact on service performance.

KEY FEATURES

- **Automated Budget Enforcement:** Reduces Field Min and Safety Stock levels to enforce spend limits.
- **Intelligent Optimization:** Creates ranked, cost-optimized, lowest-risk reductions using BaxterProphet's Total Cost Optimization logic.
- **Dual Operating Modes:** Preview Mode for planning, Active Mode for committed adjustments.
- **Multi-Scope Support:** Apply budgets across commodities, geographies, or distribution centers.
- **Visibility:** Adjustments shown as "Budget Adjustments" to target stock levels and safety stock in BaxterProphet screens.
- **Comprehensive Reporting:** Exportable summary and detail views by part/location with spend and service impact.

KEY BENEFITS

- **Financial Control:** Keeps inventory spend within set budget limits across multiple planning periods.
- **Automated Efficiency:** Reduces the need for manual triage, saving time and minimizing errors.
- **Optimized Stocking:** Balances budget constraints while minimizing service level disruptions.
- **Adaptability to Disruptions:** Rapidly adjusts to changing budgets in volatile or uncertain economies.

PROVEN RESULTS



Reduce purchases based on budget objectives while maintaining high service levels



Eliminate hours of manual spreadsheet triage while gaining visibility into the downstream impact of budget decisions on expedite costs and SLA misses



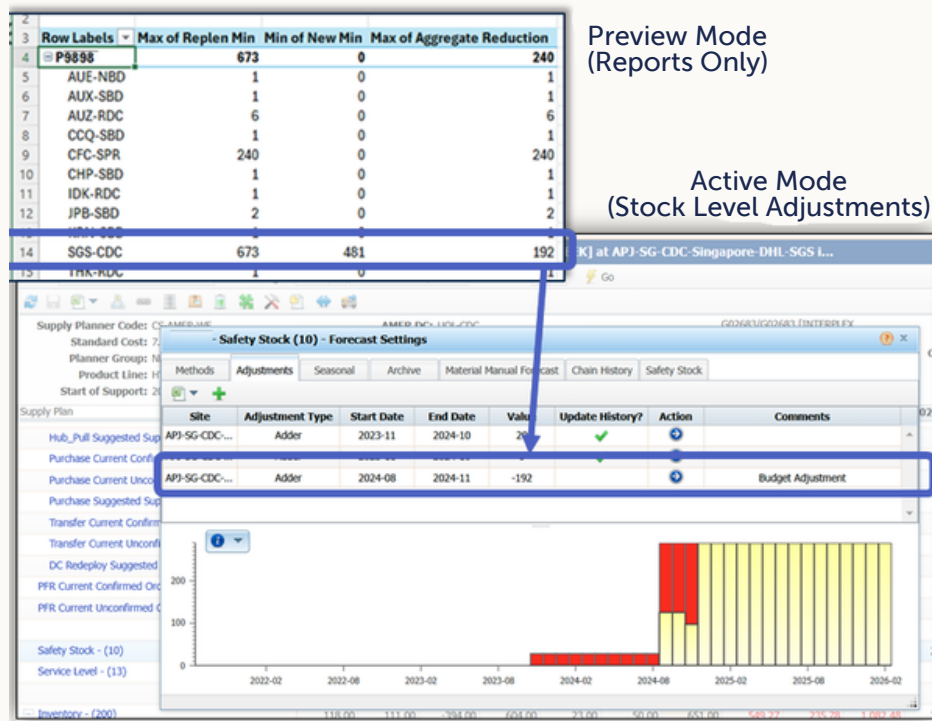
Automatically reduce inventory spend in one planning cycle with results fully visible across operations and finance.

Budgets can be configured by distribution center, region, or globally, with the option to target specific commodity categories and protect critical stocking locations. In Preview Mode, users can model and review the proposed reductions before making changes. In Active Mode, Budget Planning automatically applies the approved stocking target adjustments.

Together, these capabilities provide a controlled, transparent process for aligning inventory decisions with financial goals while preserving service commitments.

Budget Planning enables service organizations to enforce spending limits with transparency, traceability, and built-in service safeguards. Lowest-risk adjustments are applied automatically, helping teams keep inventory spending within budget while minimizing service disruption.

Built-in automation and reporting give Finance and Service Supply Chain leaders a shared, data-backed view of proposed tradeoffs, making it easier to align on where reductions should occur and why. This supports more proactive budget discussions, stronger internal stakeholder alignment, and smarter inventory management that balances spend control with service performance.



ABOUT BAXTER PLANNING

Baxter Planning is a global leader in Service Supply Chain software, delivering a Service Experience Advantage to the world's most innovative enterprises for over 30 years. The end-to-end BaxterPredict platform empowers organizations to optimize service parts planning and service order execution, driving superior customer experiences, fostering long-term loyalty, and fueling business growth.

By combining purpose-built technology, award-winning AI, decades of practitioner expertise, and a commitment to true partnership, Baxter Planning consistently delivers industry-leading outcomes for its clients.

The company is headquartered in Austin, Texas, United States, with offices around the globe.

For more information, visit www.baxterplanning.com.