



smartERP blog

THE BIG DILEMMA OF MANUFACTURERS

Software can vastly improve a company's life,
but...



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THE PROBLEM

We all know that technology will determine our future. A company's success not only depends on the employees, the strategy, the marketing and the operations, but on how and to what extent it uses the achievements of technology.

It seems only logical that because manufacturing companies are saturated with engineers and highly trained workers, they would have no problem in this area.

Reality paints a different picture!

While installing an accounting, document management, wholesale or project management module takes a few weeks or months (however difficult), doing the same with manufacturing software could dawdle for years, or even worse it never gets used.

Digital transformation is a challenge for every company, **but 3 problems make it especially difficult for manufacturers.**



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Products and manufacturing recipes



The task

The manufacturing recipes have to be stored in the system, as they are essential for its work.

The problem

This means an immense amount of work. ... Myriads of details, many levels of embedded operations, materials, parts and semi-finished products.

To get this right raises countless questions.

To make things worse, we need our best-trained staff to do it, who are already probably overwhelmed by work.



The task

Work has to be scheduled and delegated through the system - it can't help otherwise.

The problem

Up until now it was probably spoken about, or put on boards or spreadsheets by the shift or production manager. Continuously adapting to the ever-changing situation, reacting with ad hoc decisions.

This is not sustainable in the long term, it causes dependency or waste to the company, stopping growth.

Although the system helps with calculations, and in other ways, it also constrains. In the past it was enough just to tell a worker what to do, now it has to be followed through the system.



The task

Use of materials and completion of work has to be recorded meticulously, or controlling calculations will not be possible.

The problem

This is extra work and requires attention, and it is leaving a trail. It allows insight for management, which might be worrisome for staff in some cases.

You can't be sure that the workers will understand immediately - it affects their future negatively in the long term if the company can't improve its efficiency. This leads to silent (or voiced) resistance, which has demolished many a digital transformation.



The solution

The following four rules could vastly improve our chances of success.

(1) Determine the most important strategic products. Standardise and simplify with confidence where necessary. **Less can be more sometimes.**

(2) Free up your best minds so they can focus on determining how the company should operate in the future. **Haste should not become a template for the future.**

(3) Staff will have to be guided through the transformation carefully, step-by-step. **To provide ample time and resources multiply what you have in mind by two, and then multiply by two again.**

(4) The future will always hold surprises - and digital transformation is a new area. **Flexibility is of paramount importance.**

