



Is Your Manufacturing Operation Healthy Enough for the Economic Recovery?

Find out if your shop floor can pass a “health check” –and some cost-saving tips you could be missing out on

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Introduction

You've probably already done a fair amount of cost cutting in order to keep your operations lean while the economy recovers. But are you sure you're ready to take advantage of the upswing in new clients, orders and shipments that may be just around the corner?

Look at it this way. If you're preparing to run a marathon, you'd do well to get a physical check-up to make sure all systems are running as they should be, and to identify any potential health risks that may cause serious problems when your body is put to the test. Wouldn't it make sense to give your manufacturing operations a fitness check too, now more than ever?

Read on for five supply chain check-ups to run on your business that could reveal opportunities for dramatic cost savings and a healthier, more agile operation.

1. Do you automate, streamline and synchronize inventory between warehouse operations and the shop floor?

Where is my inventory and how much do we actually have on-hand? These are common – and expensive – questions your business leaders likely ask every day. A real-time, inventory management system could help you automate the inventory process from raw materials receipt through finished goods shipment, providing instant tracking of inventory and enabling proactive and cost-saving decision-making concerning your inventory purchases, replenishment levels and safety stock requirements.

What could we gain?

- Real time visibility to your inventory (RAW, WIP, and FG) at the shop floor, managerial, and executive level
- Reduce safety stock requirements, which improves inventory accuracy and frees up working capital
- Ability to generate event notifications and react quickly to inventory and shop floor situations as they occur (be proactive versus reactive)
- Increase inventory turns in the warehouse and on the shop floor by carrying less on-hand and WIP inventory
- One, real-time view into the shop floor and/or warehouse

2. Do you have a way to automate processes and functionality that your ERP cannot support without significant customization or modifications?

An ERP system may be the backbone of your company. While ERP systems encompass a wide range of functions and manage the day-to-day activities within your organization, there is often execution-level functionality missing. A best-of-breed supply chain execution system, seamlessly integrated with your ERP, can automate your current ERP functions as well as fill gaps in ERP functionality.

What could we gain?

- Save much of the expense required to modify your ERP
- Easily enable business process changes with an adaptable best-of-breed solution
- Your supply chain execution system will remain compatible with future ERP upgrades
- Capabilities like real-time granular lot and serial tracking, parent/child genealogy, returns, labor, scrap and more



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3. Could your employees use some help increasing productivity and data accuracy?

Without a doubt, ERP systems are designed with more “planning” than “execution” in mind. Many times, the data necessary to make an ERP system function properly in a dynamic manufacturing or distribution environment can be difficult for your employees to get into the system in a timely manner. A best-of-breed supply chain execution system is built on the premise of enabling real-time visibility to supply chain execution transactions. Data collection systems empower your team to deploy real-time transactions via wireless data collection devices, touch screens and other point-of-work tools. This enables you to capture information as it happens and communicate to the ERP in real-time.

What could we gain?

- Eliminate the time and errors associated with manual data entry
- Optimized and directed workflow prompting for the end user—directed picking, receiving, issues, production tasks and more
- Update your ERP in real-time
- RF/wireless real-time transactions take the data entry point directly to the work performed
- Support for all Auto ID technologies, including barcodes, RFID, magnetic stripe, biometric and more

4. Do you have access to real-time Web visibility reports, dashboards, alerts and alarms?

Real-time information is the key to making proactive business decisions. Having up-to-the-second information can prevent your company from making defective products and wasting labor and can improve customer satisfaction. A supply chain execution system delivers real-time, Web-based visibility into all the information collected within the application, as well as provides information stored in any other external applications hosted within your organization.

What could we gain?

- Key operational data available in real-time
- Ability to easily create new reports as your business and process change
- Real-time visibility to order status, product availability and inventory
- Executive dashboards for visibility to mission-critical data
- Real-time alert/alarm event management

5. Does your supply chain technology support quick adaptation to change?

If your operation has the tools to be able to quickly and cost effectively adapt to changing business requirements, you have a good chance of staying on-top of your market. A supply chain execution system with configuration tools allows you to modify and/or create new transactional/ functional workflows, Web reports, and visibility dashboards to enable the software application to mold to your business processes, instead of changing your business to fit the software. This architecture allows you the flexibility your company needs to be successful today and on into the future.

What could we gain?

- Ability to change and create new transactions/functions as your business changes
- Easy upgrades (no re-application of code, no lengthy consulting engagement)

Conclusion

Do your manufacturing operations pass the health check? Now is an ideal time to scrutinize operational efficiency and best practices in order to reap substantial benefits as the bull market returns.