

Driving accelerated growth in automotive business

The automotive industry faces constant change. According to the National Association of Automobile Manufacturers of South Africa (Naamsa), to achieve success, the automotive industry must deliver: internationally competitive products; fuel efficient, environmentally friendly vehicles; improved quality and choice; and high quality after sales service.



These elements all require optimised operations and innovative approaches. Businesses within this sector must keep up successfully, or risk falling behind permanently. “To achieve this, a unique perspective must be applied to accelerate business performance,” advises Mark Bannerman, business unit executive at EOH Infor Services.

Within this industry, businesses must launch new products faster with fewer recalls and lower warranty expenses. They must learn to collaborate better with customers and suppliers and drive innovation. The aftermarket order fill rates must be increased (without additional inventory), while increasing customer satisfaction and retention. Businesses must build and assemble custom vehicles in sequence with lower costs.

“Driving growth requires drawing more output from existing production assets, without investing more money. With constant and demanding market changes, the automotive industry must employ unprecedented flexibility in all aspects of operation,” adds Bannerman. “If this is accomplished, productivity and business efficiency will be taken into the fast lane. The question is; how?”

Driving transformation

Bannerman shares the top three insights he believes will drive this transformation.

The first insight involves establishing a firm grasp on the entire production process, from start to finish.

“Only a comprehensive, easy to understand and real-time view of your entire business will ensure that every aspect of your operation is running optimally. Conversely, the view will alert management when operations are failing, allowing for fast and efficient fine-tuning without slowing down,” says Bannerman. “Infor LN, for example, simultaneously supports all production processes, giving users unprecedented control over every aspect of their operations, from design to delivery and beyond.”

The second is to make productivity a priority.

“In the automotive industry, your overall business performance is inextricably linked to your productivity levels. Keeping pace with customer demand, delivery dates, stock levels and equipment requirements is a non-negotiable element to business success,” he adds. “Through the use of manufacturing best practices and highly efficient process flows, Infor ERP (Enterprise Resource Planning) effectively improves productivity.”

Bannerman concludes with his third insight, which is to manage assets effectively.

“Managing, monitoring and maintaining assets serve as vital components to overall success. Thanks to ever-advancing technology, Enterprise Asset Management (EAM) has quickly evolved over recent years. Software such as Infor EAM ensures companies work smarter, close margins and save on costs.”

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