Steps to overcoming digital dread

As African manufacturers begin to upgrade their operations, mapping out an incremental approach is essential. Smart factories, digitisation, and the Internet of Things (IoT) are all hot topics in the manufacturing sector, generating considerable buzz - and some consternation. These disruptive technologies are exciting, yet the complexity can also be overwhelming.

“With a practical, incremental plan of action, including options with minimal disruption and low-risk, even those who have been reluctant to embrace next-generation technology can get started on the journey,” advises Adriaan Rossouw, a director at EOH Infor Services.

There are five steps to embracing the digitisation journey: easing in; determine the goals; addressing funding issues; prioritising actions; and delineating the size of the move.

1. Ease in

To ease in, it’s important to realise that equipment can be modernised, processes upgraded, and new technologies adopted gradually, all while controlling risk.

Adriaan Rossouw, a director at EOH Infor Services

“With a gradual approach, manufacturers can turn to edge applications, hybrid solutions, and a phased roll-out to build confidence and gain buy-in from the various teams,” adds Rossouw. “A gradual approach also provides time to establish data security and ensure compliance with modern regulations, like the EU’s General Database Protection Regulation (GDPR).”

2. Determine the goals

Now it’s time to determine the goals for the investment and tactics to get there. Most digital technologies, like IoT, are not out-of-the-box solutions you simply plug in.

“A customised approach is critical,” advises Rossouw. “Setting a very well-defined plan with measurable milestones will help eliminate project ambiguity. Focus on building a plan that is practical, doable, and cost-effective.”

Start with viable ‘phase one’ goals, such as: prevent unexpected downtime and keep shop floor assets running; better manage inventory levels with fewer stock-outs; and meet customer demand for highly personalised products. Avoid broad goals like ‘double profits’ or ‘increase sales’.

3. Addressing funding issues

Funding issues must be hashed out at the onset. If the business isn’t ready for a huge investment in IT solutions, start small with a subscription-based cloud deployment, eliminating the need for a large capital investment.

“This allows you to reap the benefits of cloud computing while protecting critical customer data and moving forward while easing stakeholder anxiety,” states Rossouw. “With no need for hardware and systems such as servers, security, and back-ups, the IT team can focus on other issues, rather than continually worrying about upgrades and back-ups.”

Another way to overcome funding issues is to use the savings generated from Phase One to fund Phase Two projects. From business intelligent tools for tracking real-time results, to CRM solutions; shop floor scheduling, planning and time-tracking; field service management, tracking warranties and service agreements; and inventory management to improve accuracy, massive savings potential is offered.

4. Prioritising actions

Building the business case to prioritise steps is important. There are some prerequisites that are must-have basics for modernising operations.

“These are the foundations for growth. Consider: end-to-end visibility; mobility; attractive, easy-to-use interfaces; self-service reporting, workbenches and dashboards; and non-modified software. Thankfully, all of these elements can be achieved with one modern Enterprise Resource Planning (ERP) solution,” says Rossouw.

5. Delineating the size of the move

The size of the move often guides the strategy. Moving to a servitisation model is a good example of this. Offering the product as a service or outcome-based solution - rather than selling the product - is gaining traction in some industries (especially ones where the traditional product is high-value, like cranes, tractors, and road building equipment).

“This often requires new strategic thinking and the integration of unfamiliar technologies,” states Rossouw.

Deciding whether to increase services and/or scale can be a difficult decision. This decision could be made easier by taking hold of the competitive landscape, to guide the level of adaptation required. However, prioritising the customer is a better approach.

“Analyse customer needs and provide solutions. With complete supply chain visibility and real time insights,

> organisations can not only have better control of their product, but also provide control to the customer, allowing them to track progress in real time," he adds.
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> "For customers seeking specialised customisation, companies can leverage existing data by applying smart analytics and AI to determine and predict customer needs on an individual basis."

This is an exciting time to be in manufacturing.
"The multitude of opportunities and technology options can also make it overwhelming - but, with a pragmatic view, manufacturers can transgress common barriers, set realistic goals and find funding to make innovative ideas come to fruition," concludes Rossouw.