



The 4 Pillars of a Future-ready **Manufacturing Business**





Recovery and growth starts here

2020 was a watershed moment for the world, and a wake-up call for the manufacturing industry. COVID-19 disrupted every element of business as we know it – from operations, supply chain and production, to demand patterns, people and infrastructure.

2021 is a year for recovery and growth. As Scott Davis wrote in a **recent Wall Street Journal article**, “as we look out to 2021 and beyond, there is more reason for hope in manufacturing and beyond than at any time since the 1990s.”

Like a phoenix from the flames, manufacturers have an opportunity to learn from the coronavirus pandemic. To strategically rethink the way you operate, in order to come back stronger and more efficient. Future-ready.

How? Aptean has looked at the challenges and opportunities manufacturers face. And we believe there are four key pillars you need to thrive in a post-COVID world:

Perceive



Perform



Profit



Progress

What do these pillars mean? We'll explain in this whitepaper, with guidance on what your organization can do right now to embrace them.

We'll also address the critical role of Enterprise Resource Planning (ERP) technology in becoming future-ready – delivering long-term scalability, agility and profitability for your business.

1. Perceive: make smart, strategic choices, underpinned by data

Already, manufacturing is showing green shoots of recovery as the COVID-19 vaccine is rolled out and the world starts to rebuild. The Institute for Supply Management predicts that U.S. manufacturers will increase net revenue by 6.9 percent this year, with 15 out of 18 key sectors set to experience growth.

In order to lead this recovery however, manufacturers need to make smart, strategic choices. And smart choices are easiest to make when every decision is underpinned by data.

How does data drive improvement? By giving your organization the ability to take immediate action, based on up-to-the minute information.



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Deloitte

COVID-19 underlined the value of manufacturers seeing exactly what’s happening in your organization, and reacting to this insight. As **Deloitte** notes, *“the events of 2020 may be a warning to develop better systems for navigating disruptions... visibility is likely to become the most critical capability for manufacturers in the coming months.”*

Future-ready manufacturers can draw information in real-time from any part of the business, because you have complete visibility of your entire operation.

If you’re not quite there yet, your first step for 2021 should be putting ERP technology in place to extract 360-degree knowledge. Even if this is the only thing you do this year, it will add incredible value.

Already extracting insights in real-time? Then you’re ready to start looking ahead...



1. Perceive, part 2: predictive analytics

Globally, we're entering Industry 4.0. The ongoing automation of traditional manufacturing practices, through smart technology and big data.

Until now, big data has primarily been used by manufacturers to make business decisions that drive efficiency and profit. Process optimization. But this is just the start point.

For manufacturers with real-time, 360-degree data visibility already in place, there is an exciting opportunity to move beyond optimization and use ERP to power predictive analytics.

As Reid Paquin of **IDC** *observes*, “*manufacturing companies have a renewed focus on transforming from efficiency-oriented operations to resilient organizations driven by a tighter connection to their markets and customers. The key component to this shift will be maximizing the value of ever-increasing data.*”


Predictive analytics will enable manufacturers to anticipate demand, streamline processes, reduce maintenance issues and increase factory uptime. It's perception 4.0: the point where you can see what's about to happen in your business.

2. Perform: reorganize, reskill and reinforce people power

Data insight is invaluable to future-ready manufacturing, but numbers alone won't push your business forward. That information needs to be put into the hands of the right people, who can use it to enable change.

2020 provided a powerful reminder of how much we value people, personally and professionally. We saw employees in all industries fighting back from adversity. In 2021, we need to show people how much we appreciate them – and for manufacturers, that means elevating your employee experience, to attract and retain the best talent.

There's no escaping the fact that COVID-19 has led to redundancies. However, this hasn't made people less important. If anything, it's increased their value; your organization has an opportunity to reorganize, reskill and reinforce key roles.



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Ethan Karp, Forbes

As Ethan Karp observes for **Forbes**, *“COVID...will provide an opportunity to rebuild our economy from the ground up, with a focus not on domestic product, stock prices or even employment rates, but on people.”*

ERP software plays a critical role in enabling your business to put people first.



2. Perform, part 2: digitally empowering every employee

Future-ready manufacturers know that people and machinery aren't mutually exclusive.

In fact, the best employee experiences occur when technology streamlines and automates monotonous, repetitive but essential processes, so humans can focus on higher value tasks.

Many manufacturing organizations are already using ERP to empower people, but recognize there's still work to do.

From a user experience perspective, 71% of executives acknowledge that their employees are more digitally mature than they are, according to **Accenture**. 2021's workforce lives their personal life online – why should their professional life be any different?

From an operational perspective, emerging technologies are driving the pursuit of efficiency to the next level. People power should never be held back by mechanics or operations.

Just as predictive analytics is powering perception 4.0, innovations like robotic process automation (RPA) and blockchain technology for the supply chain are enabling performance 4.0: the point where software enables people to work smarter.

Efficiency isn't the only element needed to optimize employee performance. 2020 also taught us a valuable lesson about agility.

It's not just HOW people work that matters; it's WHERE they work from . As **Accenture** notes, *"technology... played a critical role in enabling businesses to respond quickly to the COVID-19 crisis early on. Cloud software, platforms, and infrastructure helped companies strengthen resilience in key areas of the business, enabled online collaborative working environments, and fostered customer engagement in the new virtual paradigm."*

In this new, remote world, your people need to connect and work from anywhere, at any time – accessing critical data to collaborate with colleagues, suppliers, OEMs and customers. This means having a strong cloud strategy in place.



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Accenture

Cloud isn't tomorrow's forecast; it's today's necessity. According to **PwC**, 59% of manufacturing COOs are now prioritizing cloud migration in order to enhance their performance in the post-COVID market.

Future-ready manufacturers are investing in cloud ERP software, and implementing it in a way that empowers your workforce.



3. Profit: rapidly responding to an unreliable market

Profit is pivotal – that’s nothing new. But the manufacturing model is now more complex than ever, and small inefficiencies can make big dents on your bottom line.

COVID-19 highlighted the unpredictability of the modern market. Revenue streams that were once dependable dried up overnight. Reliable supply chains failed to deliver.

How do you maximize margins in a disrupted world? By building a lean, efficient operation, which can quickly respond to change.

Future-ready manufacturers are looking holistically at operational systems and processes, putting ERP technology in place that can integrate and enhance them.

In order to keep pace, your business should focus on using centralized software to structure decisions, prioritize change and dynamically manage production – all of which increases capacity and maximizes profitability.

3. Profit, part 2: building a smart factory

Many manufacturers are already automating processes to increase efficiency, which is a great first step. But it's how these processes work together that will make the biggest difference to profitability.

If you set one operational goal for 2021, it should be integrating your business systems to prioritize change. In other words, building the foundations of a connected, smart factory.

As **Gartner** shares, *“smart factories must be orchestrated and synchronized with other supply chain functions (planning, logistics and customer fulfilment) to eliminate compromising perfect order performance.”* Done right, smart factories are a cohesive way to enhance people's power and value.

For some manufacturers, the focus this year will be on finding the right ERP technology to create a holistic business back-end. However, others will be ready to set stretch targets.



“Smart factories must be orchestrated and synchronized with other supply chain functions (planning, logistics and customer fulfilment) to eliminate compromising perfect order performance.”

Gartner

51% of manufacturing COOs want to accelerate digital transformation through innovation and R&D, according to **PwC**. We've talked about decentralizing the supply chain and introducing robotic automation, but there are other emerging technologies that will enable manufacturers to run smarter, reduce downtime and remain agile.

One of the most significant developments is digital twinning; replicating systems to measure performance and predict potential problems. In fact, the digital twin market is set to **grow by 30%** between 2020 and 2026.

Ultimately, it doesn't matter where you are on the automation journey. What matters is taking a strategic approach. It's profit 4.0: the point at which a smart, integrated operation automatically maximizes every margin.

4. Progress: thinking outside the box

Given everything that has happened to manufacturers in the past year, you'd be forgiven for thinking that 2021 should be a time for quiet recovery. But our industry must fight back stronger than ever.

As PwC notes, *“to succeed in uncertain times, industrial manufacturing leaders...need to focus on building new capabilities, doubling down on innovation to drive growth, and enabling a workforce that's fit for the future.”*

Becoming future-ready means looking at what hasn't worked or could work better, and taking a new approach. Thinking and acting outside the box.

What does this look like in practice? For many manufacturers it means investing in new ERP software that will increase your speed and agility, and get the most out of the people who keep your business moving.



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PwC

Remember that this year is a celebration of people. And the smartest manufacturing organizations will be run by people who understand that success is not based on being able to predict where the economic landscape is heading. It's progress 4.0: the point where you can react to unpredictable market changes quickly and effectively.

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4. Progress, part 2: embracing uncertainty

Rather than fearing change, future-ready manufacturers should seek new opportunities to adapt and innovate. In the words of Gartner, *“to ensure success, CIOs must go beyond the hype of new technologies and develop future-ready strategies to manage change and capitalize on opportunities.”*

While some manufacturers can focus on doing what you currently do better in 2021, others may need to pivot your proposition in order to drive new business opportunities. We saw many businesses do this effectively during the pandemic, moving into the production of personal protective equipment (PPE), medical equipment and hand sanitizer when existing demand channels tailed off.

Wherever your manufacturing company sits on the evolution versus revolution scale, the challenge is to invest in technologies that maximize flexibility.

Your overall aim is to drive continual, scalable growth well beyond 2021 – and this is best achieved by working with a tech partner who can implement new software in a way that keeps adding value.



Cheat Sheet: The 4 Pillars of a Future-ready Manufacturing Business

Perceive.	Perform.	Profit.	Progress.
Underpin every decisions with data	Attract skilled, talented people	Optimize every person & process	Think – then act – outside the box
Draw information in real-time from any part of the business	Use technology to maximize their performance	Dynamically manage production to increase capacity	Seek new opportunities to adapt and innovate
Deliver insights to every person to prioritize change	Enable people to connect/collaborate from anywhere	Enhance people's power and value with technology	Invest in tech that enables continual, scalable growth

Aptean: your partner for future-ready manufacturing

Feeling inspired and ready to innovate? Your first step is to find the right ERP solution to underpin agile, scalable, profit-optimized growth.

Aptean ERP gets manufacturers future-ready. Our cloud-based software is already used by companies to:

- › Gain complete visibility across the business to capture and use critical data
- › Deliver relevant, real-time, 360-degree insights through a central dashboard
- › Create automatic workflows for low-value, repetitive tasks – so skilled people can focus on higher level responsibilities
- › Enhance demand planning, scheduling and maintenance to optimize production
- › Analyze process efficiency and cost to build to increase profit margins

Connect everyone in the business around common goals of increasing **perception**, improving **performance**, maximizing **profit** and making innovative **progress**.

Wherever the market moves, let's get your business ready for what's next, now.



Aptean: building specific solutions for your business

In the world of enterprise resource planning software, we are the experts.

At Aptean, we know our clients' industries inside and out. And every day, we put this deep knowledge to work by creating hyper-niche ERP software solutions that enhance your operational efficiency—and drive better results for your business.

As by-your-side partners, we provide the critical support you need, every step of the way. That's why companies like yours rely on us to help them streamline, save and scale.



Are You Ready to Learn More?

We'd love to show you how to get ready for what's next, now.

Contact us at info@aptean.com or visit www.aptean.com.



About Aptean

Aptean is one of the world's leading providers of industry-specific software. Our enterprise resource planning and supply chain solutions are uniquely designed to meet the needs of specialized manufacturers and distributors, while our compliance solutions serve specific markets such as finance and life sciences. With both cloud and on-premise deployment options, Aptean's products, services and unmatched expertise help businesses of all sizes, across many industries, to scale and succeed.

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