

Epicor eBook

# Push Past These Common Manufacturing Challenges



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# Solving Common Manufacturing Challenges

Manufacturers have a tough job—even under ideal circumstances. There are so many complex steps required for a part to get into the hands of a customer. And when things go wrong, sometimes it can feel like you're fighting a never-ending series of fires.

If the everyday challenges aren't enough, demanding customers, supply chain disruptions, and shutdowns have forced manufacturers to adapt to change more rapidly than ever before. Instead of pushing against the same challenges, how can you break through and prosper?



*Perhaps one of the most important ways to keep good employees is to give them opportunities for growth.*

# Managing a Skilled Labor Shortage

The industry has been in what seems to be a chronic skilled labor shortage. Research from a Deloitte study estimates that manufacturing may have as many as 2.4 million jobs to fill by 2028 for the US alone<sup>1</sup>. This number is unlikely to be filled in one swoop. It may be time to face the reality of learning to do more with less, but things are far from hopeless when it comes to our workforce.

Though there is a shortage of skilled workers, they are out there—and having modern technology is one way to attract the best available to come work for your business. Radwell International routinely has a flurry of resumes from younger candidates for open positions and gives their IT department credit for the high interest. "Technology is very important to us," explains Mike Vostenak, Radwell's global senior director of human resources. "[Applicants] want to stay relevant," he says. "If they're working for a company that's not, then they'll typically move on." Since taking actions such as streamlining their online application process and adding short videos outlining what each role is about, Radwell has had a 30% uptick in job applications<sup>2</sup>.

Attracting job applicants is just one part of the equation. How does technology empower your existing staff and lead to less turnover? The events of 2020 changed the

workforce forever. These days, there's a greater emphasis on remote work capabilities than ever before. Employees need to be agile and flexible, relying on mobile devices and software to connect the entire organization.

When your ERP is hosted in the cloud, staff can work anywhere, anytime. Whether at home, in the field, or on the shop floor, employees have the peace of mind knowing they can get the information and tools they need even while navigating life's inevitable curveballs.

Perhaps one of the most important ways to keep good employees is to give them opportunities for growth. Thomas Stone, senior research analyst at The Institute for Corporate Productivity, stresses the importance of promoting internal talent. It serves to retain valuable employees and shows others that your company invests in its people. It's becoming more common for manufacturing companies to disburse funds to employees up front to use for training and development instead of traditional tuition reimbursement. This is another area where modern ERPs have an upper hand. With extensive training capabilities and support, the right solution will turn any green employee into a highly skilled asset faster than ever before.

<sup>1</sup> "2018 Skills Gap in Manufacturing Study". Deloitte Insights & Manufacturing Institute.

<sup>2</sup> Dorn, Kristi. "How Innovation and Growth Vibe Helps Distributor Find Labor Shortage Solutions." The Shop Floor. Epicor, January 23, 2020."

# Keep Your Shop Floor Equipment Running Smoothly

Your shop is busy on a normal day, but when a machine breaks down unexpectedly? At best, it's a major headache. At worst, it can put a screeching halt to your production.

Utilizing predictive maintenance with Industrial Internet of Things (IIoT) technology can avoid these stressful situations. Andrew Robling, Product Marketing Manager at Epicor®, explains, "By using sensors to connect to equipment and tooling, a manufacturer can get an understanding of when an asset is going to fail or break down before it happens." These sensors, like a vibration sensor or a fluid level sensor, attach to the asset to report back information. "When a sensor goes outside predetermined thresholds, the IIoT solution could set off an alarm or notify maintenance of a pending issue," he adds.

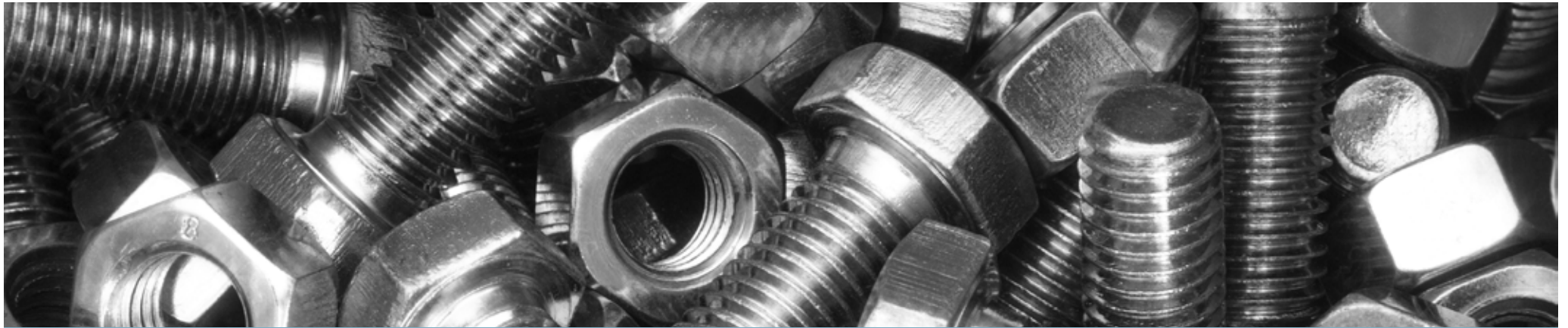
The key to an efficient shop floor is having actionable data. "Manufacturers are continually striving to streamline their business by increasing productivity, improving quality, and reducing downtime," Robling states. By using IIoT solutions, you can easily and securely connect to smart devices that gather data to streamline your business. "By simply monitoring how long the process takes and using that information to identify where there are bottlenecks, you can make changes to gain efficiencies," he explains.

IIoT allows for real-time insights. Sensors collect the specific parameters that are important to you, like cycle speed, downtime, and machine conditions. By acting on this information, you can avoid a machine breakdown.

## Top 5 Costs of a Breakdown

Equipment or tool breakdown can be very costly, but not just in terms of the breakdown itself.





*“As a manufacturer, there's a lot of information that comes back from machines on the shop floor, so now we can review that data to make better business decisions. Real-time information is critical for production planning purposes as we manage orders that come in throughout the day, and it's also important we have current, up-to-date information for our customers and vendors.”*

*Christian Boddaert, IT Manager | Axelgaard Manufacturing*





# Allow Your IT Department to Shine

You already have a ton to keep track of. IT challenges shouldn't have to take up more of your time. The good news is there are tools that allow your IT talent to be available for critical tech decisions instead of spending all their time upgrading software, pulling long data reports, and dealing with security breaches.

If you find your IT spends more time compiling and explaining data than you do making decisions off those numbers, it's time to investigate a different solution. Elizabeth Cain, product marketing manager at Epicor, shares how the right data system can make a big difference. "An IT department or consultant spends way too much time and money connecting ERP data to an off-the-shelf Business Intelligence solution. For the average end-user, deciphering what they compile might be no easier than looking at an Excel sheet with row after row of numbers and stats," she explains. By using a comprehensive ERP with visible and drill-down analytics capabilities with packaged content integrating all areas of the business, you suddenly have instant access to real-time, user-friendly data that gives the full picture into your business. And it's right there when you need it without taking up extensive IT resources.

The kind of hosting you choose for your solution is another way to optimize your IT department. Maintaining a large business intelligence system with an on-premises solution is not an easy task. Cloud hosting grants you access to more powerful processing and greater data—and that's a load off IT plus a cost savings on expensive servers.


Cloud offers the best when it comes to performance, scalability, and reliability. It also allows you to properly utilize the data your system collects, as Cain explains: "The term 'big data' implies it is supported with the necessary hardware infrastructure for powerful data processing and massive data storage providing instant query results from enterprise-wide data. Until recently this was out of reach of most small to midsize manufacturers but that has changed with the availability of these services in the cloud."

On-premises solutions require complicated, lengthy upgrades to stay up-to-date, while cloud upgrades automatically. Additionally, on-premises hosting for your legacy ERP actually opens up your company to some hidden risks. Software is commonly hosted on the same network as company email, but this makes it easy for hackers to access your customer data and private business information. Additionally, servers are expensive! Having them on your property could be a huge risk in the event of flooding, temperature control issues, or even possible theft. Hosting on the cloud is more secure, as well as a load off your mind.

Plus, cloud allows you access to the latest tech in your industry. Being on the forefront, instead of catching up, places you in the same tech ballpark as large organizations. Your talent can now do what they do best—employ creative solutions using modern technology. It's an edge that can put you in front of your competitors.

*Cloud offers the best when it comes to performance, scalability, and reliability.*





*“Our new visibility, through our robust reporting system, allows me to receive a weekly report that compares week-by-week performance. This has been of particular use during COVID-19 in assessing the impact of the crisis on our business. We are also working on customizable reports for receivables, supply-chain, sales, and others that were previously manual. With Epicor, we now have real-time, reliable data from which we can draw actionable business intelligence. That means faster decisions, cost savings, and shrewder strategy.”*

*Sameh Awad, Director | General International Group*



# We're Here to Help

These are just some of the challenges your businesses face on a daily basis. It's a tough economic climate for manufacturers, but you don't have to be alone in the grind. Partnering with a company that understands your needs will pave a smoother road for the future. Take this quick quiz to see where your business can benefit from a helping hand in the form of technology tailored specifically for manufacturers.

## What Industry 4.0 Technologies Can Best Help Your Business?

The area of my business with the most bandwidth issues is:

- A. IT
- B. Factory Foreman/Supervisors
- C. Forecasting and Finances
- D. All of the Above

When it comes to hardware and machinery, I'm most worried about:

- A. The servers that host our legacy ERP
- B. Sensitive production machinery
- C. Machine and labor performance
- D. All of the Above

Last year, \_\_\_\_\_ led to a stressful time at work.

- A. A security breach with our client and business data
- B. A critical piece of machinery breaking down
- C. Lower sales than predicted
- D. All of the Above

2020 made me aware of a need for:

- A. The ability for me and my employees to work remotely when necessary
- B. Being more proactive when it comes to equipment maintenance
- C. Additional visibility into my supply chain
- D. All of the Above

When it comes to streamlining my business, I'm most interested in:

- A. Being more agile with my technology
- B. Reducing downtime on the shop floor
- C. Evaluating long-term trends and forecasting
- D. All of the Above

In a perfect world, I would like to see my business:

- A. Challenge larger enterprise competitors
- B. Significantly shorten our production process
- C. Have full visibility from raw materials to finished, shipped products
- D. All of the Above

## Interpreting Your Results

# Mostly A's

## Cloud

It's time to move to the cloud! Say goodbye to your on-premises hosting, and hello to agility. Lower stress with more capabilities, there's a lot to love about cloud hosting. From your cell phone to your factory, everything stays up-to-date without any of the headaches.

# Mostly B's

## IIoT

It's the industrial internet of things, and it's going to help your shop floor perform better than ever before. Know the in's and out's of all of your machinery with a variety of sensors that provide invaluable data for maintenance and provide data down to the second that will expose every area for improvement.

# Mostly C's

## Analytics

Real-time data opens so many doors for your business. With a robust analytics platform, you can finally achieve end-to-end visibility. Quick, easily-accessible data will give you the ability for accurate forecasting, supply chain management, process optimizations and so much more.

# Mostly D's

## Comprehensive ERP

It might feel like there are a lot of problems to fix, but we see it more like an opportunity to flourish. You have multiple areas you want to work on, but that's okay. Epicor has solutions tailored to your specific needs to address these challenges head-on.

## Let's Talk Shop

Epicor for Manufacturing is built on deep expertise and curated to help you seize trends, optimize products and services, and adapt to changing market conditions. Whether you want to explore IIoT solutions or dive into real-time data, let's talk about what's best for your business.

Contact us at [info@epicor.com](mailto:info@epicor.com)

# EPICOR

We're here for the hard-working businesses that keep the world turning. They're the companies who make, deliver, and sell the things we all need. They trust Epicor to help them do business better. Their industries are our industries, and we understand them better than anyone. By working hand-in-hand with our customers, we get to know their business almost as well as they do. Our innovative solution sets are carefully curated to fit their needs, and built to respond flexibly to their fast-changing reality. We accelerate every customer's ambitions, whether to grow and transform, or simply become more productive and effective. That's what makes us the essential partners for the world's most essential businesses.

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