

3 ways ERP helps manufacturers do more with less

By [Anton Oosthuizen](#), issued by [QuickEasy Software](#)

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[Enterprise Resource Planning \(ERP\)](#) software has a long and rich history in the manufacturing sector. A far cry from the niched, rigid manufacturing software of the 80's, today's cloud-based, highly flexible integrated solution is able to meet the evolving requirements of most manufacturing operations at speed.



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Subsequently, ERP has become the backbone of most manufacturing concerns, giving manufacturers instant, real-time visibility into their entire business - from shop floor to top floor. It boosts productivity and efficiency, easily adapts to new manufacturing methods and evolving business strategies, and automates and stores business transactions and data in one central place.

ERP solutions, or [business operating systems \(BOS\)](#) allow manufacturers to streamline complex business operations and remain agile enough to quickly respond to changes in customer demands and dynamic markets. BOS give manufacturers the ability to:

- Lower costs and streamline processes while increasing revenue and profits.
- Eliminate unnecessary downtime and increase supply-chain visibility.
- Optimise lean manufacturing efforts through smarter decision-making, reduced waste and increased customer satisfaction.

Doing more, with less (lean manufacturing)

Lean manufacturing, also known as the '[Just-In-Time \(JIT\) manufacturing approach](#)', is associated with an intrinsically thin, highly flexible supply chain strategy. JIT integrates seamlessly with modern BOS as they both represent the same business goals:

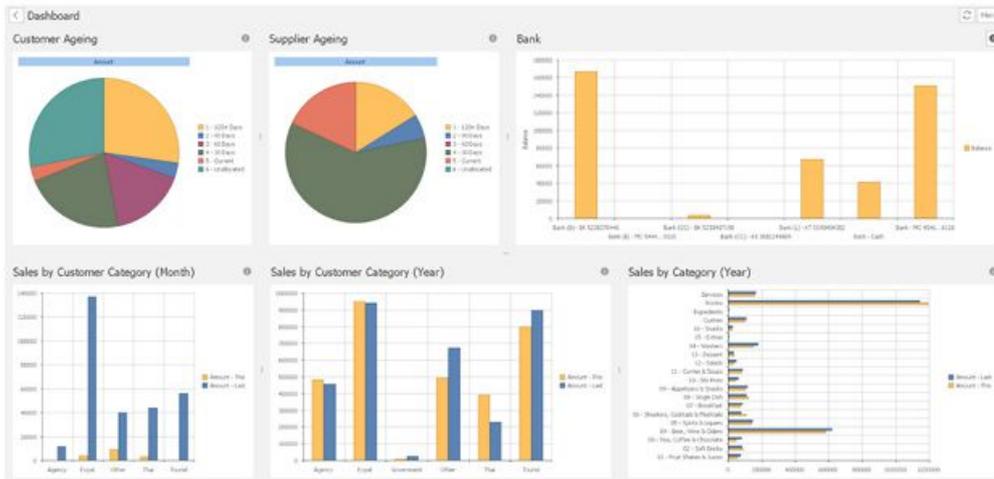
- Eliminate waste
- Remove bloated inventory levels
- Improve speed of production
- Act on market-demand
- Produce satisfied customers
- Maintain quality control
- Trust the workforce
- Quickly embrace change
- Trust suppliers
- Strive for continuous improvement

ERP and lean manufacturing today

Part of lean manufacturing's approach is a commitment to continuous improvement. This is an organisation-wide challenge that requires changes in mindsets and workflow. Methodologies such as JIT and [total productive maintenance \(TPM\)](#) - a proactive approach to asset maintenance with the goal to increase equipment availability and avoid breakdowns - test how truly committed a business is to achieving manufacturing perfection.

Another key factor in lean manufacturing is in eliminating waste. BOS and JIT share these goals, and serve to provide a direct value point that either drives revenue growth or reduces cost throughout the manufacturing chain. This can be found on the production floor, in the office, as well as in the supply chain. Too few manufacturers use BOS to identify and

optimise their operations and support their lean manufacturing objectives.



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1. Streamlined resource allocation

Staff-heavy back office teams are vital to most manufacturing organisations, performing tasks such as estimating, invoicing, allocating receipts and payments, and pulling monthly management reports. However, in the absence of any modern BOS deployment these teams are typically left to use spreadsheets or single-purpose applications that do not integrate or communicate with other systems.

With employees spending hours on mundane, time-consuming, error-prone, manual data processing, the business is exposed to risk and allocates a large portion of their budget to back office salaries.

BOS supports lean manufacturing's goal of reducing waste and improving profits by:

- Automating the bulk of back office tasks
- Allowing valuable back office resources to be allocated to more profit-producing roles
- Eliminating human error and intervention
- Speeding up admin
- Increasing management visibility and control
- Increasing customer satisfaction

BOS also gives insight into staff and equipment productivity, and can highlight a bottleneck or an idle station in real-time. This empowers shop floor managers to allocate their resources accordingly to speed up production, eliminate downtime and delays, and optimise machine and staff use.

2. Accurate forecasting

Lean supply chains are customer-centric and BOS has modules to manage customers and suppliers with ease. The customer relationship module (CRM) tracks consumer transactions and preferences, and over time can predict order trends by season, by client, by sales rep, and more. This ensures manufacturers have the right amount of stock on hand at the right time to run a lean operation.

3. Unified, real-time business intelligence

BOS integrates business data and transactions from all departments and entities, providing real-time reporting and business intelligence to decision-makers. BOS allows management to track every aspect of the manufacturing concern: finances, inventory, routes and work centres all in one place, facilitating the management and control of any changes within a product, based on its lifecycle phase.

This quick, easy access to business intelligence ensures accurate, agile, rapid decision-making that keeps the business on track in an ever-changing marketplace.

In conclusion

Manufacturing ERP has come a long way from its limited, inflexible origins. [Cloud-based BOS](#) provides real-time, always-on, from anywhere access to the entire business's operations, enabling manufacturers to be more agile and responsive, and making it easier to incorporate best practice and better compliance. With nearly [70% of manufacturers](#) crediting the Internet of Things (such as cloud-based technology) with increased profitability, cloud-based BOS is the way forward for future-minded manufacturers.

Choose a [technology partner](#) who has experience deploying BOS for companies in your industry with in-depth knowledge of business processes, best-practice, as well as software customisation. If your manufacturing business manufactures to order or to stock, uses discrete or process methods, engineers to order or builds large project-based assets, [BOS's](#) astonishingly flexible solution - on-premise or in the cloud - ensures your complex operation is streamlined for optimal planning, processing, tracking and visibility into your business, allowing you to do more, with less.

About Anton Oosthuizen

Anton is the Commercial Director of QuickEasy BOS, a South African ERP company that develops and supports business operating systems for organisations in every industry. His passion is to see local manufacturing concerns streamline operations, reduce waste, and improve efficiencies through providing astonishingly flexible BOS solutions, with local, professional support.

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