



sage

# *Reclaim control over your manufacturing processes*

*Deliver greater customer satisfaction and higher-quality products*

# An easier way to efficiently manage your business

Discrete manufacturers are facing quite the conundrum these days. It goes like this:

## **Customers for life:**

Keep your customers happy, which means delivering high-quality, intricately engineered products.

## **Profitability:**

Keep costs as low as possible—which creates a natural conflict with the need to procure the type of high-quality parts needed to produce innovative, customer-satisfying products.

## **Globalization:**

Extend your reach around the globe, which introduces difficult bottom-line challenges that impact your supply chain, control over your inventory, the need to comply with a variety of complex regulations, visibility across your extended enterprise, and, most noticeably, ability to get to market in a timely manner.

In theory, the solution is simple: Run your business as efficiently as possible.

Now you can turn theory into action. Today's enterprise management solutions enable you to overcome the most pressing issues in your industry by streamlining all facets of your business operations and tightening control over how your products are manufactured.

## Top challenges facing discrete manufacturers:

- Inefficiencies undermining profits and growth potential.
- Tailoring their solution for their unique, global organization.
- Inefficient access to insights and real-time data.
- Layers of loosely integrated tools and solutions.
- Lack of agility in reacting to complex business challenges and the pace of change in manufacturing.
- Advanced data management and adaptability from top to bottom.



# Achieve greater business insight and visibility

If you're like most discrete manufacturers, then you appreciate that the best methods to maintain your competitive advantage are by:

- Ensuring customer satisfaction with high-quality products.
- Reducing the total cost of quality.
- Complying with regulatory requirements.
- Managing risk in operations.

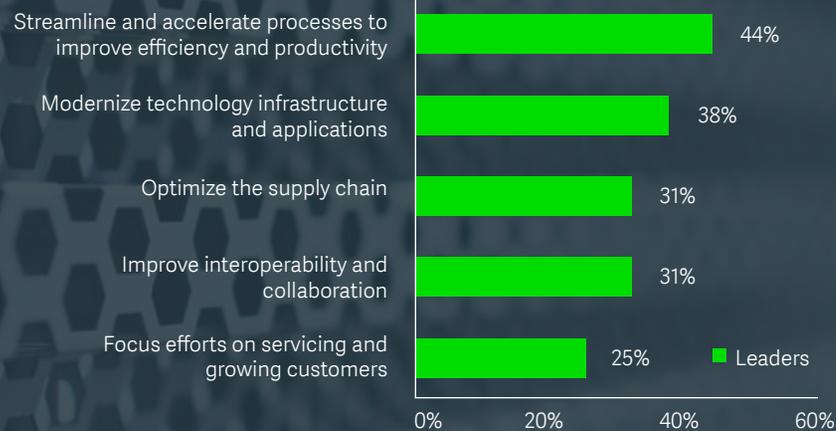
But if you're still depending on your existing enterprise resource planning (ERP) system, there's a good chance your ability to consistently produce high-quality products has become impaired. That's because legacy software—burdened by loosely integrated tools that hinder rather than promote access to insights and real-time data—has become too inefficient, complex, and slow to handle today's industry challenges.

Modern enterprise management solutions have changed all that, delivering greater insight by streamlining and automating financial forecasting, customer data management, business intelligence, and warehouse management.

The results are appreciable. As Aberdeen Group reports, discrete manufacturing leaders "are 44% more likely to have real-time visibility into the status of all processes," and they "understand that improving quality comes directly from systematic monitoring and analysis of their processes."

*"As organizations grow, they are faced with more complex operations and decisions, are exposed to more competitors, and incur increased costs that must be minimized. Top performers select functional, collaborative solutions that support real-time decision-making, agility, and collaboration through capabilities such as mobility and analytics."*<sup>2</sup>

## Strategies of Leading Manufacturers<sup>3</sup>



## Not all solutions are created equal

Manufacturers who achieve the highest ROI from their management solutions make sure that it is easy to use and offers capabilities the entire company needs to operate as efficiently as possible. Generally speaking, the majority of discrete manufacturers require the following functions<sup>4</sup>:

- Accounts payable and general ledger.
- Purchasing.
- Inventory control and warehouse management.
- Accounts receivable.
- Order management.
- Business intelligence.

Other manufacturing-specific modules to consider include bills of material, material requirement planning, manufacturing resource planning, and component allocation.

With the right solution in place, leading manufacturers have experienced improvements in<sup>5</sup>:

- Inventory turns, reducing overhead and costs.
- Stock-to-sales ratio.
- Customer satisfaction via complete and on-time delivery accuracy.
- Top- and bottom-line results via reduced cycle times of key business processes.
- Schedule compliance.

*"Sage has provided better control over our operations. With easy access to information, we can make more informed decisions on how to use our resources to better drive the company."*

*—Don Lynch, Director of Operations, Golden Artist Colors<sup>6</sup>*



# Sage Business Cloud X3 exceeds the requirements of today's discrete manufacturers

Successful discrete manufacturers use the Sage Business Cloud X3 solution as a flexible foundation to support their business from end-to-end. It enables organizations to move to a completely automated manufacturing process, allowing real-time access to transactions and inventory while promoting more accurate procurement and production schedules.

*"The real-time nature of Sage means we always have accurate data available to our customer service, accounting, and manufacturing departments."*

*—Anne Robinson, IT Director, Alloy Polymers<sup>7</sup>*

The Sage Business Cloud X3 solution's advanced analytics capabilities also provide enterprises with the ability to make better, faster decisions by:

- Analyzing large data volumes more efficiently, enabling faster decision making.
- Combining, harmonizing, and mining heterogeneous data sources, providing a complete picture of the entire organization across all functions.
- Managing process variability, reliability, and predictability, offering management by exception rather than by the rule.



An extensive survey conducted by Forrester Research<sup>8</sup> demonstrated that an organization like yours can experience improvement in the following areas:

### **Sales management**

\$594K in sales discount savings by standardizing sales processes, which allows account managers to review customer activity globally and monitor, manage, and adjust discount levels.

### **Purchasing**

\$428K in materials and productivity savings based on the ability to standardize purchasing processes globally, with purchasing managers adhering to standards to ensure the best possible prices and volume discounts from suppliers.

### **Inventory management**

\$420K savings through the reduction in average levels of certain inventory and an increase in inventory turns.

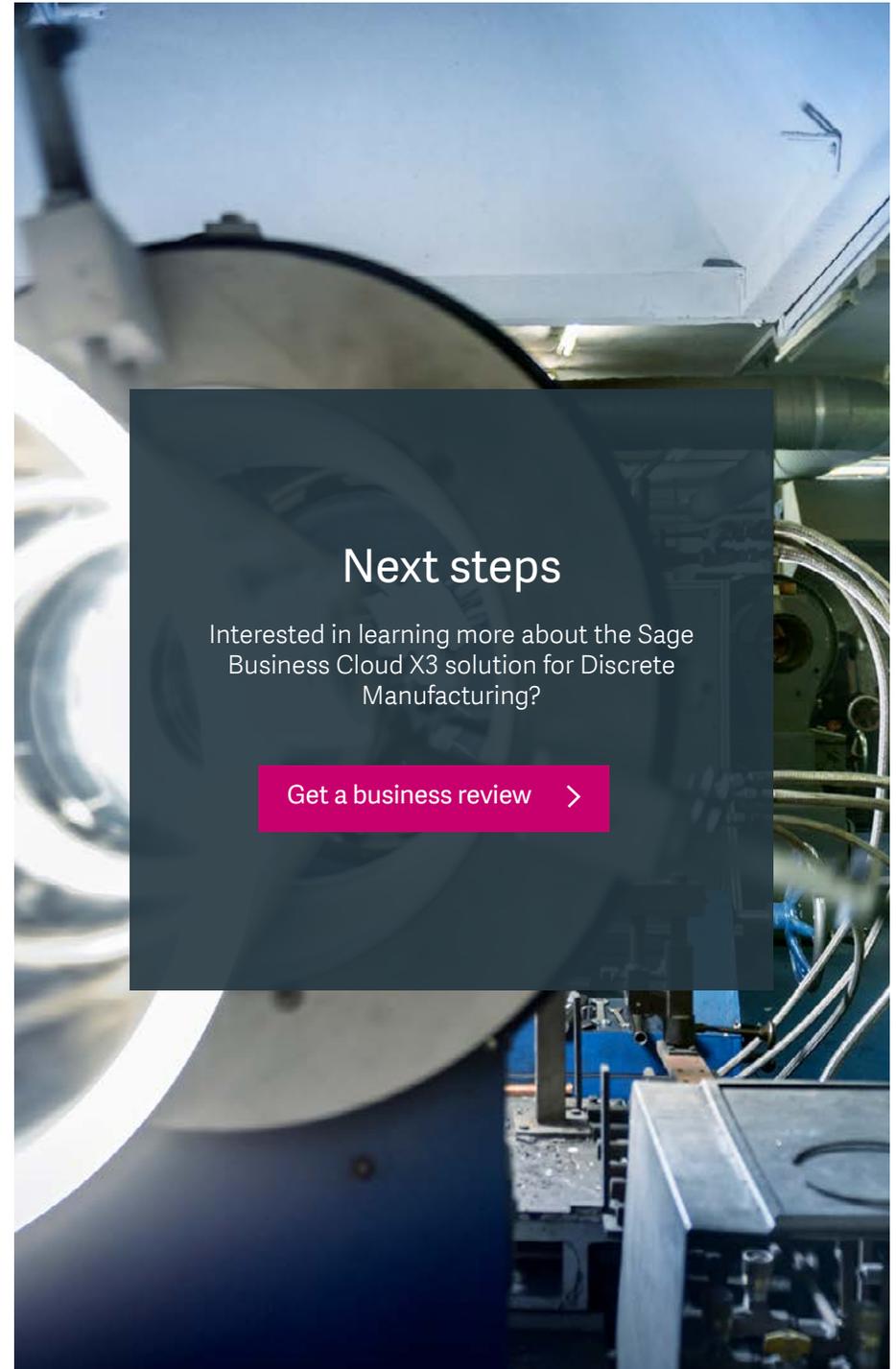
### **Financial management**

\$180K labor savings covering:

- The ability to report monthly company financials using multiple local currencies, along with consolidated financials using its headquarters' local currency.
- The ability to adjust inventory levels and allow production control and manufacturing groups to monitor processes on a daily basis.
- Better cash management insight and practices.
- Customer service—\$152K savings in productivity improvements and accounts receivable issues.

*"We didn't have to adjust our business processes to fit the software. Sage ... was able to conform exactly to the way we operate."*

*—Theresa Kehoe, Applications Business Analyst, Golden Artist Colors<sup>9</sup>*





## References

- <sup>1</sup> "Quality in discrete manufacturing: End-to-end approach to ensure satisfaction and reduce costs," Aberdeen Group, December, 2014.
- <sup>2</sup> "Grow your manufacturing operations by selecting easy-to-use ERP," Aberdeen Group, April, 2016.
- <sup>3</sup> "ERP's role in the modern manufacturer: Supporting the needs of Industry 4.0," Aberdeen Group, February, 2017
- <sup>4</sup> "Grow your manufacturing operations by selecting easy-to-use ERP," Aberdeen Group, April, 2016.
- <sup>5</sup> "Grow your manufacturing operations by selecting easy-to-use ERP," Aberdeen Group, April, 2016.
- <sup>6</sup> "Golden Artist Colors Paints a Rosy Picture with Sage ERP X3 Process"—Sage Customer Success.
- <sup>7</sup> "Alloy Polymers Finds Formula for Success in Sage ERP X3"—Sage Customer Success
- <sup>8</sup> "Golden Artist Colors Paints a Rosy Picture with Sage ERP X3 Process"—Sage Customer Success
- <sup>9</sup> "ERP's role in the modern manufacturer: Supporting the needs of Industry 4.0," Aberdeen Group, February, 2017

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