

WHY MANUFACTURERS CAN'T AFFORD TO IGNORE DIGITAL TRANSFORMATION



Manufacturing organizations are becoming increasingly global and their ecosystems more and more complex. As a result, manufacturing executives are required to redefine their marketplace, service models and create new symbiotic business relationships. For multi-national manufacturers, these challenges have to be tackled while balancing the needs of a complex global supply chain with local/regional market needs and regulations.

Additionally, the introduction of new technology is threatening business operations and the sustenance of market leadership. Therefore, it is incumbent upon manufacturing leaders to enter the era of Digital Business by incorporating lean

and agile technologies to optimize operations, drive innovation and comply with a growing number of regulatory changes – all while meeting customer demands.

With manufacturing organizations now expected to be responsive and receptive to customer/consumer demands and other market forces, it is essential manufacturers meet the Digital Business imperatives while maximizing return from their legacy systems. It is vital IT leaders make a business case for implementing modern IT strategies to the board and C-level executives who need greater visibility and engagement to understand and approve upgrades.

Here are five key takeaways to arm manufacturing IT leaders when discussing migration to a Digital Business strategy with executives:

1. **Gain agility, visibility and competitiveness** – Today’s corporate landscape requires businesses in all industries to be flexible and responsive to the “anytime, anywhere” needs of consumers. Within the manufacturing industry, this need spans all aspects of the supply and demand chain. *Embrace Digital Business to add the dexterity and transparency needed to meet the demands of today’s customer-centric business environment.*
2. **Turn buzzwords into building blocks** – Social, mobile, cloud, big data and the Internet of Things are today’s technology buzzwords. For manufacturers, it is vital not only to understand these technologies, but also to know how they

can be utilized to transform operations. *Utilize Digital Business to leverage key technologies as building blocks for differentiation, and in some cases, disruption of competitors' businesses.*

3. **Strategize for success** – Manufacturing leaders need to find the best approach for incorporating new technologies while remaining competitive, and tailor their improvement recommendation accordingly to meet both short- and long-term needs. *Balance legacy maintenance with planned, strategic digital improvements to receive the best possible outcome.*
4. **Start small** – Understanding that IT infrastructure improvements are a major investment, companies should prioritize lower cost projects first to demonstrate the potential ROI and establish processes that will enable a smooth transition for future, more substantial investments and reduce the stereotypical “IT inertia” seen by business leaders. *Start small to allow IT leaders to demonstrate business value in order to begin a larger organizational transformation.*
5. **Plan for process re-use** – Be sure to start your plan with a strategy of how to scale your multi-site deployment; process standardization is required to complete an enterprise-wide deployment within a reasonable period of time, helping to further accelerate project Return On Investment (ROI). *Achieve the greatest success with your digital transformation across manufacturing by*

focusing on improving systems integration and sharing intelligence; process and IT architecture consistency is the building block to enable full capture of the potential ROI.

Thoughtful planning and investment in effective IT solutions allows manufacturers to evolve their technology platforms and satisfy business needs. Incorporating a Digital Business strategy results in a series of benefits including consistent and improved customer experience; seamless automated connectivity between systems; better customer service and responsiveness; and the ability to make better decisions and transform manufacturing practices based on a myriad of data sources. With a balanced, long-term strategy, organizations will be able to fully embrace the opportunities and advantages this transformation can bring. Partnering with the right service provider helps bring a third-party perspective and experience to effectively build such a strategy that would be a right fit for the organization.

Source: <http://www.aprison.com/blog/2015/09/why-manufacturers-cant-afford-to-ignore-digital-transformation/>