



Data Automation for Manufacturers: Why You Should Choose a **Technology Partner** — Not a Technology Product



Executive Summary

The Right Technology Partner:

- 1 Helps you make the right decisions.** They help you navigate and clarify the complex technology landscape — and your options.
- 2 Solves your most urgent business problems.** Dedicated to eliminating costs and immediate ROI — which is what shareholders are looking for.
- 3 Invests in the long-term relationship.** A good partner looks beyond the immediate sale by building value in the relationship — that you can count on in the future.
- 4 Has been in your shoes and understands the types of challenges you're up against.** They have held operational positions and know what questions to ask to get you to the quickest, most cost-effective solutions — without disruption.
- 5 Moves you from being reactive in eliminating problems to proactive and strategic — to keep you competitive.** Falling behind is not an option, and a trusted partner has the experience and knowledge to help you plan ahead, rather than catch-up.

How a change in perspective can clarify your thinking and decision-making

Why modernizing can be a complex and messy world for manufacturing and their chain of suppliers – and how to avoid it.

For an Operations or Plant Manager, “Modernizing” (the process of adapting technology to modern needs), means finding efficiencies within your technology to do things easier, faster and for less money. This will help you prepare for a competitive future – while finding new profits from existing business.

What some don’t know is that moving away from where you are today – dealing with manual data entry problems and putting out other operational fires – requires a change in mindset. Instead of thinking you need to purchase a new technology product, consider forming a technology partnership.

Why has technology become so confusing?

Understanding today’s landscape and where it has come from, will help you choose the right path forward.

The landscape of software and hardware computing has changed substantially in the last 20 years. It’s almost unrecognizable from when you purchased your legacy software systems. Understanding today’s landscape and where it has come from, will help you choose the right path forward.

Customized software solutions used to be time-consuming, expensive and unpredictable. But, software makers have invested billions in the last 20 years to change the game. Now, software developers use “object-oriented coding tools” (i.e. “drag and drop”) with tried and tested code built right in – so customized applications can be built fast – and without bugs.

Introducing the technology players

1 **Software Product Vendors.** Why customized applications built for specific markets or “general business need” has limitations.

Software Product Vendors use these “Shrink-Wrapped Products” to appeal to a certain business segment or process — and then sell the product as widely as possible across various industries to maximize their potential market size.

These products are usually sold through a membership model, with tiered features and pricing for each level. Features can be turned on and off and a certain number of elements can be customized within the limits of the application.

2 **Platform Providers.** Do you want to scrap and replace your aging systems and move everything to the cloud? They do.

The Platform Providers are the new “mainframe sellers” in today’s computing landscape and often use a distributed model where the software is all housed in ‘the cloud’.

These providers would love nothing more than to scrap and replace your aging systems with more computing power — or sell you entirely new platforms that connect all your systems.

3 **Consultants.** Good consultants can be worth their weight in gold — but they’re not cheap and can have their biases and drawbacks.

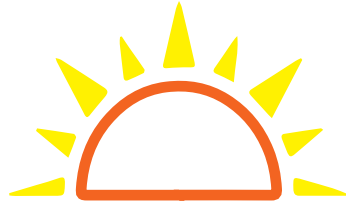
Knowledgeable, experienced consultants, that understand your business can be invaluable in saving you time and money. They occupy the middle ground. Their technology and business experience helps them identify the best solutions to solve your problems now — while guiding you with assurance in the direction of the future.

But, they’re not cheap. You’re paying for every billable minute. And they’re not bashful about charging.

You’re also putting your entire enterprise in the hands of one or two people — a potentially risky position to be in.

↑ 3.2%




According to McKinsey research, companies that aggressively digitize their supply chains can expect to boost annual profit growth of earnings before interest and taxes by 3.2% – the largest increase from digitizing any business area – and annual revenue growth by 2.3%.¹



Finally, a new breed of software companies

How they plan to move you into the future, while eliminating risk and uncertainty along the way.

Look for software companies that are:

-  **Well-funded;**
-  **Patient; and**
-  **Embrace a Partnership Model.**

Their success relies on their customer's success and they put in the time and effort to ensure it happens. They understand the technology landscape better than anyone. They've been in the thick of it since its inception and gladly pass this knowledge along to their customers. The world of bits and bytes is complex to navigate, so they do it for you, and come up with customized solutions along the way.

These companies have a wealth of resources, including deep pockets, that allow them to hire teams of Senior Industry Experts who sit down and talk with you to better understand your unique business needs.

They're not trying to sell you any single piece of technology – they're in it for the long haul. Like you, they value a relationship that isn't transactional. Their goal is to build a trusted partnership that will benefit your business now and into the future, with software solutions that are quick, cheap and won't disrupt how your people work.

“It's important to select a partner that sees your account as a high-priority contract. The provider's commitment to your project and understanding of your goals (and relevant experience in meeting them) can be a make-or-break issue. While price will be an important consideration, having trust in a vendor is just as critical when making the decision.”

- McKinsey Digital

1. "Digital Transformation: raising supply-chain performance to new levels," McKinsey & Company, November 2017.

2. "Two ways to modernize IT systems for the digital era," McKinsey Digital, August 2015.



Just how different can two approaches to the same problem be?

The answer may surprise you — but it can be the difference between success or failure.

Applying technology (“modernizing”) to build things faster, easier for less money has sweeping implications for functional aspects of your business, how you make things (your processes) and your people.

Your daily operational life is a grind because you’ve got old processes (i.e. manual data entry) and technology (i.e. legacy mainframe systems).

Competition is increasing, customer demands are going up and business keeps expanding — but you can’t adapt. Your factory runs a certain way, your people work a certain way — you’re stretched thin.

Yet, the pressures to find efficiencies keep mounting and delaying it only compounds your problems — putting everyone’s jobs at risk.



To find efficiencies fast, do not disrupt:

- 1 The way you make things;
- 2 The way your people operate.

If your solution does disrupt these two factors, you’ll quickly realize it’s not much of a solution at all, and find yourself into major costs and risks.

We’ll consider both as we explore a range of the specific problems you’re faced with — and the two very different approaches to handling them.



Problem: Aging legacy systems are preventing you from quickly migrating to “Just-in-time” shipping, logistics and inventory information.



A Technology Vendor’s approach:

A technology vendor is sales focused. They have a product and they want to sell it. In this case, they may try to sell you a one-off, shrink wrapped solution that offers your systems more computing power. Or, they could try to convince you to purchase entirely new platforms that connect all your systems.

The idea of building a perfect system is very attractive. But it isn’t realistic. Replacement costs are just the beginning. It can mean shutting down and halting cash flow for an unknown period of time.

The impact to people can be enormous. Your employees rely on a mindset of consistency and dependability to do their job everyday. This scale of change can harm morale and leave your employees thinking you value technology and efficiencies over their well-being.



A Technology Partner’s approach:

A technology partner has been in your shoes and understands the value you and your employees place on each other. They also grasp how unrealistic it is to assume you can halt production for an unknown amount of time while an install takes place.

Instead, they take the time to understand your business — for free. They specialize in software solutions that are tailored to each customer to find disconnected data and put it where it needs to be. Machines that have gone decades without communicating with each other are finally able to update automatically — eliminating costly, error-prone manual workflows — in real time.

These nimble software solutions can connect “*anything to anything*” without halting production, changing how people work, or the devices they use. A partner has your best interests in mind, which includes, the best interests of your employees.



Problem: You have limited time because your focus is on operations and putting out fires.



A Technology Vendor's approach:

Chances are, your technology vendor has limited, if any operational experience in your business. Their expertise lies in selling technology. What kind of business insight can you reasonably expect from someone who hasn't walked in your shoes?

If they do sell you something, you're often held captive to the vendor's upgrade schedule, bug fixes and product development plan. A vendor may adapt the product for its largest and highest paying user-base, which could leave your ever-changing needs at the back of the line. This is hard to undo, move off of, or change in the future. It can become an operational nightmare.

This relationship is transactional. You need someone who is looking beyond the sale.



A Technology Partner's approach:

A partner works alongside you to offer solutions that move you from putting out fires to proactively using technology to eliminate problems, service customers better and add to bottom line profits.

The confidence you build with the right partner is like building equity. As you work together over time, they'll help you develop a methodology for prioritizing problems and implementing the right solutions. Together, you'll forecast what kind of changes may happen down the road so you're ready for them when they come.

A partner's seamless, invisible integrations into existing interfaces (i.e. no new devices required) allows you to plan for a more profitable – and stable – future.

26%

In a 2015 survey, only 26 percent of executives characterized their organization's most recent transformation as successful.³

- McKinsey & Company

3. "How to beat the transformation odds," McKinsey & Company, April 2015.



Problem: You have limited IT budget and capital to invest in solutions.



A Technology Vendor's approach:

A technology vendor's advice to scrap and replace can come with huge upfront capital costs — and they're not without risk. Getting corporate buy-in won't be easy.

A vendor is selling you a prepackaged product and often you're buying features and functionality you don't need. If you end up buying the base model — because it's the only one you can afford — chances are when you do need specific (custom) functionality in the future, costs can rise dramatically.



A Technology Partner's approach:

A technology partner is like a free IT consultant who focuses on functionality to solve your most pressing business problems.

Their free advice and guaranteed solutions help give you the tools to get support from functional areas that need problems solved immediately. Senior Management will also commend you for your global, yet practical, approach to modernizing over time.

This far less risky path frees you up to tackle your smaller, more urgent problems with existing cash flow.

↓ 45%

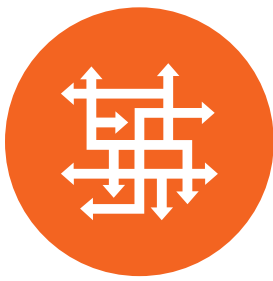
HULFT's online ordering system reduced a major auto manufacturer's operating costs by 45%. It also reduced costs for their suppliers.

“

HULFT is the de facto standard for the data transfer tool. It has a proven track record in implementation. It is also highly compatible with our back-end systems. We concluded we could use the product with confidence.

- Chief of Infrastructure and Planning

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Problem: Choosing a path that merges where you are with where you need to go — is complex and difficult to navigate.



A Technology Vendor's approach:

When a vendor sells you new hardware, it often comes with new systems, processes and devices. These all require training from employees, who have been doing the same thing for years.

The intricacies of these new systems may have you calling your tech vendor for help and advice. When you do, chances are it won't be the same person who sold you the product either. It will probably be someone from their customer support department. Depending on the package they sold you, there may also be service charges attached to this call.

Remember, if you have some questions, and they charge you for advice, they're consultants — and consultants have conflicting agendas. The longer they consult, the more they get paid. Their long-term wellbeing isn't necessarily in solving your problems — it's dragging out a solution.



A Technology Partner's approach:

A partner is patient and won't charge you for the time it takes to fully understand your business situation. Once they have full insight — which happens quick because they've held jobs like you — they'll design and deliver solutions that bridge the gap between legacy IT and modern systems.

These simple, seamless, invisible software solutions renew aging architecture by automating data, connecting previously isolated systems, and putting unstructured data where it belongs — without disrupting your current way of doing business.

A partner is a trusted Senior Expert who you can call anytime about any issue — free of charge.



Why wouldn't you choose a **Technology Partner**?

Even if you have big budgets, why take on unnecessary risk?

Unless you have a big IT staff, big capital budgets, or can switch production to a secondary factory while you scrap and replace – the technology vendor's approach probably isn't right for you. But, even if you had unlimited time, money and resources, why would take that approach? Why would you take on all that risk?

How a Technology Partnership can **guarantee** a risk-free path to modernization

At last, a way to lower operating costs and eliminate uncertainty.

A technology partnership pays for itself, by saving you time and money – but the true value is in our longterm relationship with our clients. We're outsourced experts you can call on for advice – for **FREE**.

We recently helped one mid-west automotive parts supplier upgrade their wrist devices and eliminate manual data entry. In only 59 days, our dedicated of Experts developed

customized software that took isolated data and put it where it needed to be. They did it without replacing hardware, changing how people worked, or disrupting the flow of business.

The company saved millions in avoided hardware and labor costs, process redesign and employee training. It allowed them to meet Toyota's mandate for "Just-in-time" information for orders and product delivery.

Our Industry Experts give you the perspective you need and work on solutions to your problems— relieving you of the worry, expense and risk of tackling each problem different than the next.

If there's any technology hurdle you face, don't get fooled by technology vendors selling you a one-off solution, consulting services or cloud platforms – without talking to us first.

Give us a call or book a meeting with us directly and tell us what you're up against. We'll know in 8 minutes if we can help – or we'll find you someone who can.

