

## The future of manufacturing is digital

Manufacturing's future is smart, connected, and focused on results. It's here now, fueled by economic pressures, demanding customers, and assertive competitors. As consumer spending lurches ahead and creative entrepreneurs forge new business models, the industry is on fast forward.

To stay relevant in the emerging new normal, you need to transform your manufacturing organization's processes and operations quickly, from scheduling on the shop floor to asset maintenance in the field. Pressures take many forms: Volatile supply chains, erratic consumer trends, sputtering cashflow, and the demand for greater sustainability. Where do you start?

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## Adapt to survive

On your journey to the future, you'll likely encounter a lot of cloud terminology and industry jargon to decipher. "Industry 4.0" is heard often, along with "Smart Manufacturing" and "Digital Transformation." Which is right?

At Infor®, it doesn't matter what you call your initiative, only that you do it. Adapting to change is a necessity, and some of your competitors have a head start. The era of proof-of-concept projects and long deployment processes are past. It's time for results.



## The big picture

Industry 4.0 refers to the fourth industrial revolution and the ability to connect people, processes, and things through sensors and the internet.

- Sensors generate and communicate condition-based data.
- Order, workflows, crews, and financials are tracked, generating more data.
- Data is collected, filtered, analyzed, and turned into actionable insights.

- Conditions trigger automated responses, such as scheduling maintenance on an asset, rerouting packaging materials, or reserving resources in the warehouse.
- Process improvements save time and money.
- Insights help anticipate the future and prepare
- The enterprise can spend more resources on differentiation, innovation, and customer relationship



#### Cloud makes it possible

Broad, enterprise-wide digital initiatives typically involve cloud deployment. Cloud computing brings necessities like vast storage capabilities, advanced analytics, reliable security, and greater agility.

## Digital transformation: What to expect

**Data-driven**. Digital solutions are built on a foundation of relevant, accurate data. Infor can help you collect, store, aggregate, and analyze data to derive meaningful insights. At the same time, we'll eliminate data overload and data for the sake of data. We provide tools for consuming for the insights and applying them to use cases.

**Holistic**. You'll get an ecosystem model that drives end-to-end value. Our solution architects start by listening to your desired business outcomes. Then we work backwards into solutions, innovation, and emerging technologies. We'll build in cloud capabilities so you can stay future ready and a step ahead of your competition.

**Flexible**. Today, agility is critical. We build solutions that can integrate to legacy solutions or new ones. Our cloud software lets you personalize forms, dashboards, and reporting. We can leverage your current infrastructure and build upon it, as needed. Visibility across the ecosystem will drive end to end innovation and value.

In a recent Deloitte report, manufacturers reported three important metrics of improvements gained in a three-year period.<sup>1</sup>

+12%

change in labor productivity

+11%

change in factory capacity utilization

+10%

change in total production output



Companies report as much as 10–12% gains from smart factory initiatives, in areas like manufacturing output, factory utilization, and labor productivity after they invested in smart factory initiatives."

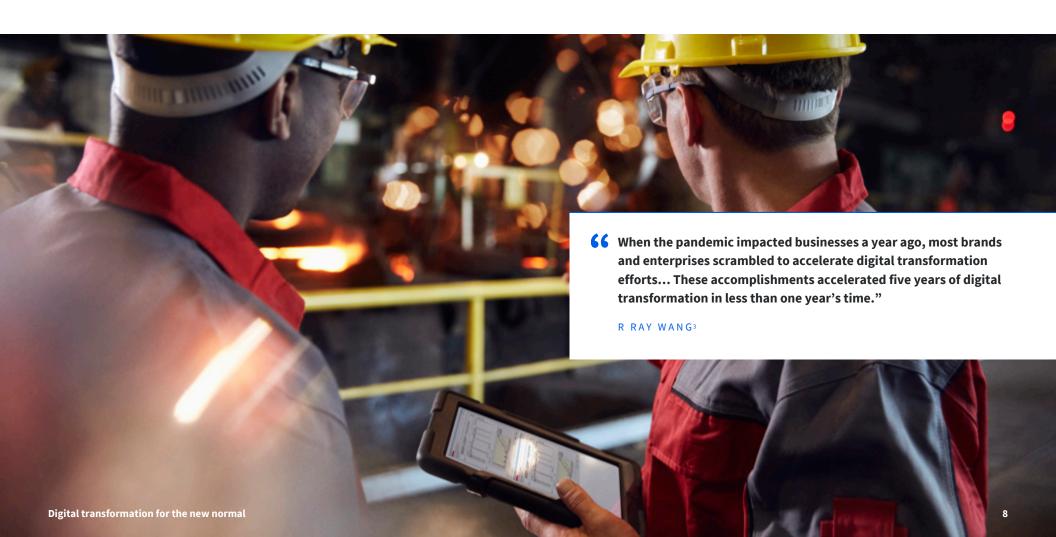
DELOITTE<sup>2</sup>

### **Deloitte.**

## Why now? Escalated adoption creates urgency

Some manufacturers have been hoping to ride out disruption by only making minimal changes. Others have adapted to accommodate remote buying, safe distancing within plants, and new safety protocols for employees. A third group took an opportunistic approach. They accelerated technology adoption, using the "slow period" to direct energies toward R&D, building partnerships at regional levels, testing new pricing models, and migrating solutions from on-premises to the cloud.

"When the pandemic impacted businesses a year ago, most brands and enterprises scrambled to accelerate digital transformation efforts," writes R "Ray" Wang of Constellation Research, in a **recent blog**. He reports that digital efforts have ranged from rekindling digital channel projects to forging new digital revenue streams. "These accomplishments accelerated five years of digital transformation in less than one year's time," he says.



## Manufacturers are preparing for recovery

A recent survey conducted by the **Manufacturing Institute and PwC** reports that 73% of manufacturers plan to increase their investment in smart factory technology over the next year, with the majority prioritizing a digital ecosystem and emerging technologies. In fact, 71% report that adopting an IoT strategy is moderately or extremely critical.<sup>4</sup>

Meanwhile, a **Deloitte report** finds that for manufacturing leaders, "now is not the time to retrench and shore up resources. Rather, it's the time to make deliberate, targeted investments in smart manufacturing initiatives to enable their organizations to thrive in the next normal." 5

62%

of manufactures are committed to continuing or accelerating their factories' digital transformation

36%

is the average amount of a manufacturer's factory investments expected to be put towards smart manufacturing

20%

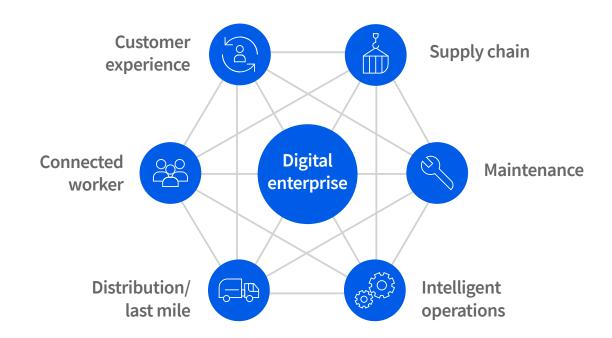
increase in spending compared to the previous year's study<sup>6</sup>

# The pillars of a digital ecosystem

Taking a closer look at what a digital ecosystem is, we can group the activities into hubs. Hubs are like an airline's terminal at an airport. In our digital solutions, the hubs provide a central view of the related use cases, tools, KPIs, and workflows.

Based on your specific needs, we can help you determine what hubs are necessities and how they should be integrated for complete visibility and easy access to the critical data.

Hubs are flexible and can branch out as needed or collapse if no longer relevant.



Digital transformation for the new normal 10

## Connecting processes for end-to-end visibility

These are the most common hubs:



#### **Customer experience**

Offer personalized or highly configured products with speed and value. Deliver the rich purchasing experience that consumers expect, while integrating with operations and production for order accuracy and quality control.



#### Smart supply chain

Collaborate across the supply chain to increase visibility. Implement corrective actions. Evolve from data-based decisions to ones driven by final outcomes. Gain real-time views and the ability to reroute shipments to maintain inventory levels.



#### **Smart maintenance**

Attain transparency and actionable insights for managing asset health, performance, and financial impact across the entire organization. Proactively prolong the lifecycle of critical assets. Budget for repairs and replacements with greater accuracy.



#### **Intelligent operations**

Command operations, shop floor processes, and scheduling with total visibility. Analyze "what if" scenarios to plan the best use of resources, including labor. Bridge gaps between operations and the back office, creating a clear picture of costs and profitability.



#### Distribution/last mile

Ensure products reach customers when and where they need them. Also manage other "last mile" elements from third-party logistics, to after-market service contracts, warranties, and depot repair.



#### Connected worker

Gain the visibility and tools to help recruit, retain, and engage employees. Put right-skilled workers in the right place and help every employee be as productive as possible.

## Back to campus: A smart factory in action

Infor is a founding sponsor of The Smart Factory @ Wichita, a new Industry 4.0 immersive experience center launched by Deloitte and Wichita State University in Kansas.

The 60,000 square-foot facility on Wichita State's Innovation Campus includes a fully operational production line and a hands-on garage where Infor and customers explore specific use-cases and problem-solution scenarios. The campus can be visited virtually or in-person. Remote garages are also being planned. Infor and its parent company, Koch Industries, are providing Industry 4.0 expertise and solutions.

The collaboration between Infor, Deloitte, Wichita State, and the Smart Factory partner ecosystem will help enterprises continuously innovate and strive to build next-generation applications—with very practical benefits.

**Learn more** about Infor's sponsorship of the Smart Factory.



# Why Infor should be your digitalization partner

Whether you're planning an enterprise-wide reinvention or focusing on a smart factory initiative, we can help you sort your options and choose the path right for you.

You have several choices among solution providers. Infor isn't the largest or oldest. But we do have a unique approach to our technology platform, cloud solutions, our services, and how we work with manufacturers, like you.



#### Call us pragmatic

We have a proven track record pushing boundaries in AI, ML, SaaS, augmented analytics, IoT in asset maintenance, the connected supply chain, and managing complex manufacturing processes for engineer-to-order or highly configured products.



#### **Industry focus**

Our solutions have deep industry functionality built in, down to the micro-vertical level. This means you can migrate to the multi-tenant cloud without needing modifications to accommodate your industry needs.



#### **Applied Innovation**

We're agile and responsive to changing market demands. Our experts work with you to define your vision in terms of realistic capabilities and functionality. Often, the functionality you need already exists and simply needs to be applied to the desired outcome.



#### CloudSuites

We offer multi-tenant CloudSuite™ solutions, fully integrated, end to end, with the all the functionality you need built into one highly flexible and secure solution.



#### **Amazon Web Services**

We partner with Amazon Web Services® (AWS®), experts in cloud security, to host our cloud solutions, and to provide backup and security.



## Miller Industries breaks down silos with Infor

Miller Industries, Inc., a world leader in towing and recovery equipment, uses Infor advanced analytics to help business users see a real-time view of operations for better and faster decision-making, reducing the time needed to produce business reports by as much as 80%.

"We can access and analyze a vast history of information for answers we need for any business question in an instant, through any device. Prior to this, it was difficult to make business decisions as quickly because we had to data-mine the information. Now, we have a flexible and reliable solution, able to answer every business question we have."

#### William G. Miller II

President and co-CEO of Miller Industries



## Your next step

Manufacturers like you can learn from early adopters of digital initiatives and those who accelerated technology adoption out of necessity. Best practices are emerging.

For those just starting to plan their next generation solutions, it's still possible to catch up with the early adopters and reap full benefits of smart technologies. Doing so provides many benefits: The added visibility and intelligence will improve agility, making you prepared for whatever is around the corner.

Whether you're planning a full digital reinvention or modernizing one component of your operational process, you should act now. We'll help you map the journey and provide support along the way. Infor has the vision, solutions, and expertise to help you be the best you can be.

CONTACT US ✓



1 Deloitte

<sup>2</sup> Deloitte, Manufacturing goes digital: Smart factories have the potential to spark labor productivity, 2019 Deloitte and MAPI smart factory study, 2019.

<sup>3</sup> R "Ray" Wang, "Digital leaders and their efforts take a front seat in the post-pandemic era," Constellation Research, March 22, 2021

Manufacturing Institute and PwC, Navigating the Fourth Industrial Revolution (4IR) to the bottom line, 2019

5 Deloitte, Accelerating smart manufacturing, Oct 21, 2020

6 Deloitte













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#### About Infor

Infor builds business software for specific industries in the cloud. With 17,000 employees and over 67,000 customers in more than 170 countries. Infor software is designed for progress. To learn more, please visit www.infor.com.

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