

# ERP Adapt: Precision Results through Fit

*“The Right Methods, Models and Tools for the Right Circumstances”*

Manufacturing has advanced significantly over the past 30+ years. Manufacturing companies have seen a gamut of exciting new methods, models and tools for improving manufacturing business operations.

RB-ERP is an innovative product that allows you to adapt your organization to the most effective processes possible. There are three areas that a manufacturer needs to structure properly to maximize their success- **methods, models, and tools**. Adapting your organization can mean the difference between mediocre performance and highly successful results. Let’s take a look at each of these areas:

## The Right Method

Some of the more exciting methods include:

- Lean Manufacturing
- Kanban
- MRP & MPS
- 5s
- MES
- Role based manufacturing
- TQM, Six Sigma, Kaizen

These items have had tremendous success in some organizations, and yet surprisingly, have been dismal failures in others. Upon deeper analysis, people have begun to realize that the failures were really the fault of two basic causes.

### 1. Execution Problems

First, and the most common, is the failure of the individual company to execute to the exact requirements needed. No system can function well if the inputs are incorrect, or tasks just can’t be performed to the standards. For example, if the supplier lead times are incorrect, or the vendor delivers erratically, it is impossible to run efficiently with any of the methods. Lean and Kanban will quickly run out of parts and shut down the line, while MRP will do likewise, but will also start the bloating process with people building safety stocks, buffers and queues to prevent it in the future. Your ERP system and ERP consultants can help you to start the process of locating areas of poor execution. You can then institute a Kaizen program to begin correcting these problems.



## 2. Wrong Method Problems

The other basic cause of system failures is the application of the wrong method to certain circumstances. For example, Kanban cannot be successfully utilized in an area with large swings in customer demand levels. It also does not work well in highly complex shops with multi-level BOM's that use the same equipment. However, there is an environment where it is quite successful. Each individual method has merit in certain circumstances, and can behave miserably in others. We will expand on this topic in the next section.

### Choosing Your Best Method

You don't use a screwdriver to remove a bolt. You don't use a wrench to remove a screw. And yet, manufacturers will blindly adopt one methodology or another and implement it across all their shop operations. Can you expect Kanban to work in a job shop? No, but you would expect it to work quite well in an uncomplicated environment with a steady demand. Is MRP the best method for a near process flow like situation? No, but you would expect lean manufacturing and Kanban to do quite well. Is constraint theory needed in a simple make to stock environment? No, but it becomes extremely important in a complex shop with multiple routings on many products.



The secret to success in manufacturing is to use the right methods in the right circumstance. And, that doesn't mean applying one method across every operation in your plant. You need to understand the true process flows of your shop, separate them into common units, and apply the right methods. One portion of your shop may run Kanban, while another will need MRP. The important point is to make sure your ERP platform can handle each type of method, and yet, provide you with one underlying transactional system. All this is possible with the right set of methods, all integrated into one package. In this manner, you can apply the best methods needed and still enjoy the benefits of a foundational ERP product to handle your financial and other transactions.

[Lean](#)  
[5s](#)  
[Performance Management](#)  
[MRP Matrix Bills](#)  
[ERP-CRM](#)  
[Kanban](#)

[Quality](#)  
[Mobile Data Collection](#)  
[MESAlerts](#)  
[eCommerce](#)  
[Bottleneck Mgmt](#)  
[Multi-Method Costing](#)

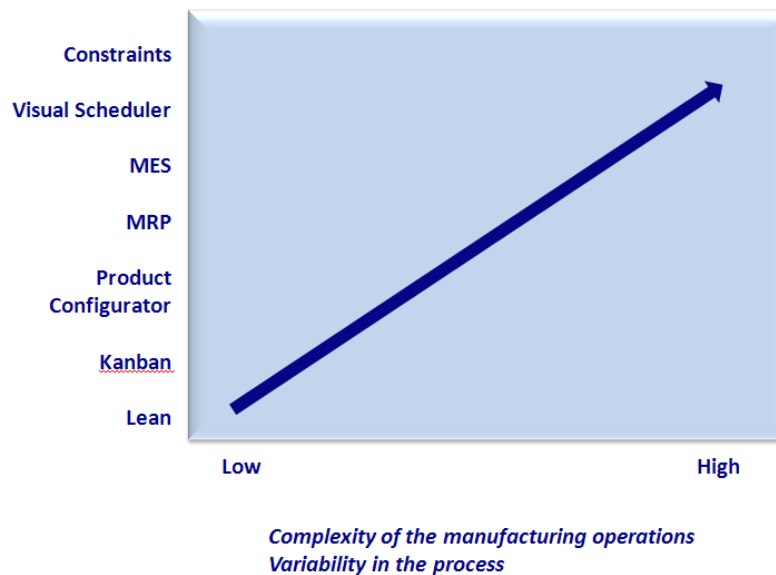
[Product Configuration](#)  
[Role-Based WorkBench](#)  
[Visual Scheduler](#)  
[Entire Suite](#)

## An Example of Method Selection

One of our customers reviewed their operations and made some changes that produced dramatic results. First, they determined that the wide variations in their product options were causing large finished goods inventories with a high level of obsolescence and stock-outs. Trying to stock each minute variation of the end product caused swelling finished goods inventories. They subsequently determined a way to add the options to the end of the production process, and implemented a product configurator. Today, all orders are assembled to order. They no longer stock finished goods, or suffer the huge problem of obsolete stock with the wrong options.

Once this was done, it became apparent that the demand level for the core product (before options) was relatively stable. They then implemented Kanban for these products, and lowered their WIP inventory by 27%. The Kanban orders were also automatically updated to the ERP system for costing, and financial transaction purposes. For long lead time (with quickly changing lead times) vendor parts, they used the MRP function to help control the variations in supplier lead times.

## Finding the Right Method



## The Objective of Method Selection



The objective in any manufacturing operation is to drive the activities to the simplest level possible. The more simple the structure, the easier it is to control and optimize. For example, if the variability of demand from your customers is high, you are currently best served by MRP as your method. However, there are many avenues that could help you to simplify your operations. For one, you could make agreements with your

customer to smooth the demands. They may be interested in the discounts you could pass on, from the savings in your level demand shop. Or as another option, you could reconfigure your products so that the variability was in the end of your process. You could then build the core with more stable demand, and assemble to order to meet the variability of the customer.

Once you have determined the lowest level of complexity possible in your organization, you can implement the correct methods for that item. Sometimes, your environment will demand higher complexity, and in others, you can move to simpler, easier methods.

There are hundreds of ways to rethink your operations and to make them simple and more successful. To identify these alternatives, you start with an analysis of your flows and structures, ask some penetrating questions, make some key decisions and implement the appropriate functions of your software (it doesn't hurt to have some people with experience from other situations).

## **The Right Model**

Many manufacturers have setup their shops to handle one specific production model. In the past, this allowed them to focus and make their shops as efficient as possible. As times have changed, customers are now demanding more and more options which make any one model insufficient.

### **Models:**

- Make to stock
- Assemble to order
- Build to order
- Configure to order
- Repeat and tweak
- Engineer to order



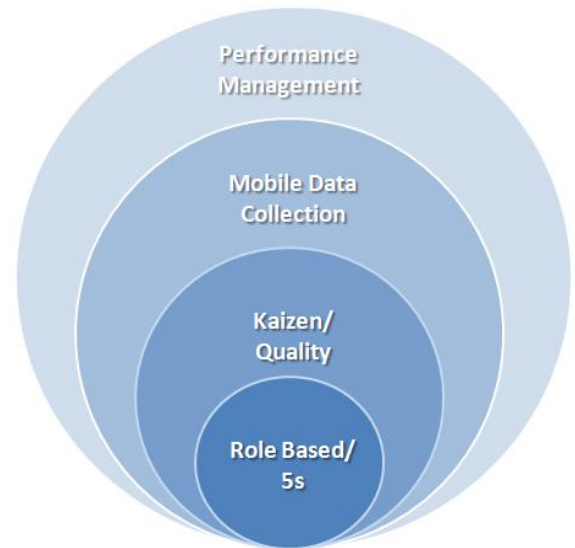
Each of these models has advantages in particular circumstances. Each can have significant impact on lead times, inventories, efficiencies and cost. Not having the ability to offer several of these models can be the difference between securing an order with a large existing customer, or seeing those revenues escape to your competition. We have seen repeated examples of manufacturers who have lost one of their best customers, because they couldn't handle that new option that the customer wanted, or because their pricing was too high from using the wrong model.

The WorkWise solution has always included the features necessary to accommodate all the needs of any of your customers. And, true to the ERP Adapt platform it is built on, it can mix these models to match each customer.

## The Right Tools

### Adapting at a Deeper Level

Adapting to the best production method is only the beginning to adapting your organization for the best success. ERP Adapt provides an additional set of tools to improve your processes and productivity across your entire application. Each of these tools is integrated within the entire application, providing you with insights and control into every corner of your business.



Let's take a look at a few:

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### **Role-Based ERP/5s – Improving Customer Productivity by 50%**

RB-ERP is a brand new innovation that allows our ERP system to be assembled to the particular needs of each individual or role. Historical ERP is based on a module approach, whereby everything is organized by module, i.e. inventory, MES, general ledger and so forth.



However, at any particular time, an individual needs certain items from different modules to accomplish a specific task. This requires a person to slowly and tediously go in and out of various modules and screens to accomplish that single task. In many systems this also mandates that the item be re-entered into each module. Role based ERP changes this by assembling all the data and screens necessary to fit a particular role/task. Everything is available on one view, sharing the item of interest with multiple functions, but all on one screen.

Full Article: [Role-Based ERP](#)

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## **Kaizen/Quality Improvement- *Eliminating Errors by 90%***

Continuous improvement-kaizen is a method of reviewing, prioritizing, improving and standardizing your processes. Although often used for smaller individual processes, it can be used for any process in any area of your business including production, marketing, engineering, and others. It generally deals with the efforts to improve the execution of products, services, and processes. Its main purpose is to identify, reduce and eliminate poor processes and waste which hinders the success of your business in achieving its strategy and tactical results.



Full article: [Continuous Improvement-Kaizen](#)

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## **Mobile Data Collection- *Correct Answers, Right Now!***

Advances in manufacturing technology can offer substantial opportunities to improve the results on your shop floor.

From a broader perspective, these improvements can lead to:

- lower inventories
- lower production costs
- improved production efficiencies
- elimination of errors
- better quality
- improved customer satisfaction
- and improved on-time deliveries



The key concept here is to provide people with the most accurate up-to-date information, and empower them to use that information to improve the day to day operations. Let's face it; the shop floor is a complex environment, with continuous change. Machines break down, people don't show up, mistakes are made, and quality standards sometimes slip.

Managing this complex environment can only begin with knowledge of what is happening right now, a visual schedule of alternatives, and an absolutely current set of documents to support the decisions.

In other words:

- Right information to the right person at the right time
- Visibility to know alternative courses of action

- The ability to make on-the-spot changes

Full Article: [What are the Benefits of Using Real-Time Operation Scheduling & Data Collection on the Shop Floor?](#)

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## **Performance Management- *Are You On Track?***

Performance management is an approach to helping a business achieve its goals through the planning of critical performance targets and the measurement of progress towards those targets. It can be, and often is, applied at every level of the business.

### **From Top Floor to Shop Floor**

At its top level, performance management includes strategic plans and the targets needed to achieve those plans. At its most detailed level, it includes targets for the manufacturing operations with such key indicators such as uptime, defects per run, cycle times and others. Performance management lets you drive results through focused execution of strategies across all levels of the business. This gives increased visibility and control – something typically lacking because of fragmented data and systems.



Performance management helps a company make decisions and then execute them. It can be the backbone that connects all the activities of the business into a system of accomplishing the high level goals that management wants to achieve, and one source of the truth. The approach allows you to build the high level goals of the business, and then to set supporting goals all the way down to individual department metrics.

Full Article: [Performance Management in Manufacturing](#)

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## Adapt Don't Modify

Over the years, manufacturers have learned the lessons of modifying ERP software and the associated problems. Modified code becomes frozen in time, unless it is updated with each change in version. Although modifications are still a good choice in areas where the payback is very high, they should be avoided where possible. The best solution, however, is software that is built with the adaptability to fit your needs. ERP Adapt has been built with more adaptability than almost any other system. Don't be fooled by vendors that tie you to the same version as everyone else (cloud vendors), and only offer adaptations when they become popular with others. ERP Adapt is built with the ability to adapt to your exact situation.

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## Summary: WorkWise ERP Adapt

WorkWise offers a comprehensive set of products and services to set you on a course of optimizing your manufacturing operations. From software that offers an integrated environment of the best of breed, to its new innovative product RB-ERP, to its deeply experienced consulting force, WorkWise can bring the results that others cannot. We can jointly help you to decide on the right way to structure your business to achieve the absolute best results.

Call or email us today!

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