

## Paper chasers

Manufacturers go paperless and save on shop clutter, headaches

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The Business Manager is a user configured, personal manufacturing hub that allows the user to navigate all of SMARTer Manager and their tools - including UPS, Google, Microsoft Office products and even Engineering Software. My Manufacturing Hub allows users to keep all of the business-critical information they want how they want it, in one organized location. Photo contributed by SME Software.

You know better than anyone how challenging it is to manage things while obeying the Three Commandments of Manufacturing: Run your shop with optimum efficiency. Stay in good stead with your customers. Always look to the future.

It's an ongoing odyssey, a story told in the reams and reams of paper that flood every nook and cranny from the front office to the shop floor - and this massive paper trail seldom helps you find an answer when you need it.

To thwart such an invasion, shops are trending away from "hard" documents, favoring integrated software instead of spreadsheets. The Rochester, N.Y., firm of ATD Precision Machining did just that. It recently added an ERP system from Global Shop Solutions, allowing the precision CNC manufacturer to seriously scale down the amount of paper flowing through its 62,000 sq. ft. plant near Lake Ontario.

### Pulp friction

From orders through production to shipment and delivery, the paperless plant is evolving into a form or hybrid of ERP, or enterprise resource planning, a fancy title for managing

everything from cash flow and capitalization, order fulfillment, buying materials and storing inventory, to time and billing, payroll, Web maintenance and more.

"Spreadsheets are one-dimensional and require constant manual intervention," said Dusty Alexander, president of Global Shop Solutions in The Woodlands, Texas. "The upkeep is time consuming. Information is not easily shared within the company."

### Software takes challenge out of customer relations

In today's economy, a manufacturer's hold on its customers can be like climbing a grease-slicked pole. To help secure such a tenuous hold, Global Shop Solutions introduced its CRM software, or Customer Relationship Management.

"The demand for a comprehensive (CRM) system is at an all-time high," said Global Shop's Dusty Alexander. "Every activity from quoting a prospect to tracking customer shipments and outstanding invoices is only a double-click away."

"(You can) track opportunities such as marketing campaigns, new product lines, etc., within your company; or, new sales tied to a prospect or customer. You can forecast the sale close date, or research the sales dollars, type of sale and ship date."

Today's management, in Alexander's opinion, recognizes the inefficiency of spreadsheets and how an integrated system can save on man-hours. No more asking supervisors for directions, hunting down paperwork or trying to track down information. If there's any resistance to giving up spreadsheets, Alexander said it usually comes from people who resist any type of change, or "who are stuck doing things the same old way."

Once everybody is schooled about the benefits of an ERP system, they realize their job performance as part of a team, and "they also know," Alexander said, "that their salaries will depend on acceptance and proper utilization of the new software."

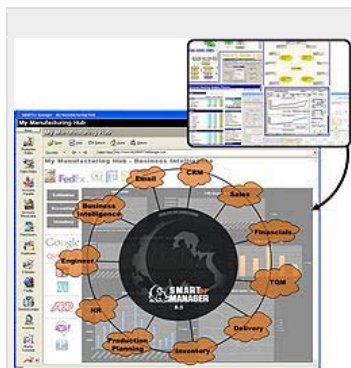
A manufacturer of products for such industries as aerospace, motion control, medical, transportation and fluid controls, ATD Precision's "old way" was to use up a lot of paper whenever a new job came on board. In an effort to make all that paperwork obsolete, company officials decided on Global Shop's One-System ERP Solutions™ software. The advanced planning and scheduling module helps improve on-time delivery. And ATD can confidently tell its customers exactly when their orders are ready to go into production.

A problem often encountered by Alexander in the field is precise knowledge of a part's cost. Paper doesn't always allow a manufacturer to place a value on the exact amount of a particular part's work-in-process, which goes against the grain of management and its need "to keep its thumb on the pulse of their business. They want real-time job tracking and alerts to exceptions," said Alexander, adding that the smart manufacturing companies are often poised for growth and know they need lean tools to compete successfully in the global economy.

"If you're not lean in this global economy, you're at a risk of going out of business," said Lindsay McClellan of Precision Metalcraft, LTD, another Global Shop Solutions customer. Precision can now evaluate its job cost analysis, including scrap reports, in real-time, because "you have to do everything quicker and cheaper than everyone else," she said.

Precision Metalcraft is achieving just that, McClellan said, using all of the lean tools the Global Shop Solutions software provides in "managing" jobs. With the lightning speed of digital transmission, information flies throughout the plant in one connected system, easily accessed by those needing it. This eases scheduling for on-time delivery and helps personnel maximize their plant's capacity.

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SMARTer Manager gives users the ability to work with all of their business tools - including UPS, Google, Word and Excel - in one location with the SMARTer Manager Business Manager. My Manufacturing Hub allows users to keep all of the business-critical information how they want it in one organized location. Photo contributed by SME Software.

In real time, a single entry can update data throughout the system.

"With all the data in one central location, employees at all levels can make better business decisions and transform the company into a leaner, more competitive manufacturing enterprise," Alexander said.

### "Swiss army knife"

Laura Beyer works in the SME Software marketing department in Hayden, Idaho, and has seen many manufacturers have problems with finding manufacturing management software that supports lean metric reporting and company-wide lean initiatives. These electronic tools also can lack flexibility when it comes to purchasing.

"Customers want the ability to be able to purchase just for the job," she said, "to purchase based on inventory requirements set by the customer, or the ability to make purchases for items that are non-inventory and maybe even not shop-related. Perhaps these are just general company items that need to be ordered."

"They also want automated purchasing that allows the shop owner to keep all inventory stock levels low."

"Customers are usually convinced on the benefits of having a fully integrated solution after a live personalized demonstration," she said. They are even more persuaded after Beyer's staff informs them about firm's ability to incorporate old data through some custom development.

"There's no need to start from scratch. From day one, customers will have their familiar data pre-loaded to SMARTer Manager," Beyer said. The latter is SME's "Swiss army knife" of manufacturing business software. It offers tools such as estimating, sales order processing, production order processing, job costing, inventory control, BOM, real-time tracking, finite/infinite capacity planning, sales force automation, product configurator and fully integrated accounting."

### SMARTer managing

"Getting everyone in your entire shop on the same page is a timeless request from every manufacturer," said Beyer, whose firm's integrated software lets officials access mission-critical data with the click of a button. With the software's

real-time capabilities, decision makers can react to changes as they happen and not after.

"Forget about waiting for your department head to compile and then disseminate data on this week's profitability," she said. Instead, "view the data live, when you want it." This promotes flexibility in decision-making, and keeps the shop lean and competitive. The idea is to make decisions proactively instead of retroactively.

Some SME customers credit the software with a 50 percent increase in their throughput. It has enabled customers to implement Kanban systems with blanket orders, and helped split deliveries, reducing their customers' inventories by as much as 80 percent.

The software's total quality management capabilities also made it easier for firms to obtain their ISO 9001-2000, and AS9100 certifications, in addition to being U.S. government QSLM approved and gaining OEM approval.

#### **Ask questions**

When purchasing job management software, Beyer advised companies to consider future costs first by asking questions like "what parts/modules of the software will need to be purchased in the future to meet all future needs?"

For example, the SMARTer Manager program unlocks all its functionality at the time of purchase, "so a small investment yields a big return," she said.

Other questions should include: How flexible is the software in its day-to-day use? Will the client be constrained by an assumption made by the software provider and have to work around their set system? Can current and future business processes be implemented utilizing the software? And finally, does it allow for end-user configurability?

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"Will the client be able to modify portions of the software, reports and user interfaces to meet their company's unique needs?" Beyer asked. "Or, will they be forced to spend thousands of dollars over the life of the software requesting custom development and customized reports to get the information they need?"

SME Software also provides "lean metric reporting." It uses real time data available from SMARTer Manager to report and graph a company's lean information without having to launch another application.

#### **Time to get real**

ERP is helping companies streamline by enabling them to solve the most common manufacturing ailments, like slow design and production problems, inefficient scheduling of labor, machines and equipment, poor inventory management and control, inefficient purchasing procedures and materials management, redundant data entry, important data not available in one central location; high overhead costs, poor on-time delivery rates, and inability to track jobs.

George Pacheco, a controller at Pazmac Enterprises, said his firm has doubled its revenue since implementing the Global Shop Solutions software. What's more, "we have only added two office staff to the operation - and that's the biggest statistic of all for us. We're one-and-a-half times the size we were before acquiring the software, with a profitability increase of about 75 percent in that time."

Other shops also report similar dividends.

"I used to chase \$20,000 problems just a few months ago," said Precision's McClellan. "Now, because of our software, I'm chasing down \$20 problems. That's what gives us a competitive edge. All of our measurements are provided through a single system."

For more information about SME Software, visit [www.smartermanager.com](http://www.smartermanager.com); or Global Shop Solutions, visit [www.globalshopsolutions.com](http://www.globalshopsolutions.com).

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