

## REALIZE DIGITAL TRANSFORMATION FOR FOOD MANUFACTURING ASSET MANAGEMENT WITH IFS

**Food and beverage manufacturers are under more pressure than ever to get products to market quickly while pressing cost out of ongoing operations. Historically, new products that require additional or reconfigured process manufacturing capacity would take months or years to plan, and management of these capital projects could dominate the time and bandwidth of plant management, maintenance and operations personnel.**

This is particularly challenging for private label manufacturers and for companies that offer limited edition products or other products with short lifecycles. It is also a challenge for manufacturers that are experiencing growth or acquire other companies and integrate their product lines into an existing portfolio.

### NEW ASSETS, NEW HEADACHES

Each time a new product or new capacity is added, there are several steps plant and senior managers must take:

- Identify the scope, specifications and cost of the new manufacturing line
- Let bids for relevant work
- Accept bids
- Manage the project through to handoff and startup
- Create asset structures in enterprise asset management (EAM) software to support ongoing operations and maintenance of the equipment



In many cases, there is no single software platform that encompasses or streamlines this entire process. Just coming up with a reliable price for new productive assets can be time-consuming and daunting. Once a capital project proposal is greenlighted by management, that proposal or bid document must be operationalized and turned into a project structure, bids for work and subcontracts must be let, and the project executed through to handoff to operations.

The system used to generate that quote and execute on the project may or may not be integrated directly with the project management software used to perform the work once the quote is accepted. And the project management software may not drive data on the finished project directly into asset and equipment structures in EAM software. This is the data that will drive maintenance activities and give management visibility into the status, serviceability and projected cost of operating the asset over its lifecycle.

In most asset management process, all of these steps are disconnected, resulting in substantial non-value-added work. But in some cases, EAM software that includes key modules of ERP software can deliver to asset-intensive environments the same type of configuration capability that is already driving lean improvements in manufacturing.

### DIGITALLY TRANSFORMING FOOD AND BEVERAGE ASSET MANAGEMENT

In order to become more competitive and leaner, food manufacturers must apply the concepts of digital transformation to their asset management program, specifically the configuration and installation of new assets, so they can move faster and eliminate non-value-added work.

This is why IFS added compatible units functionality to IFS Applications. It adds to EAM powerful asset configuration functionality so users can build a reusable object structure that can be tied into an asset management project. They can build this project to include details on materials, labor, contractors or subcontractor scopes, rental equipment and other elements necessary to build the cost story.

Discrete manufacturers for decades have relied on specialized ERP functionality in IFS Applications that can streamline configure-to-order manufacturing processes. It allows the user to repurpose existing product structures, changing key variables in order to configure a product to meet specific requirements. Sizes, capacities, inclusion or exclusion of various components could be selected, but there was no need to design the product from scratch. This functionality is now available to automate asset management projects in IFS Applications.

As you set up this system to streamline your asset management projects, you can enter information on the different variables of a work cell or manufacturing line so that as you plan each individual project, you will be prompted with questions that configure the design. To what extent can the requirements of a new line or work cell be defined by existing equipment and assets? How must the speed, capacity or capabilities differ based on the product to be manufactured? Does the environment the asset will be housed in influence the requirements; for instance, does the equipment require the pouring of a new concrete slab? Does it require a conveyor, and if so, what width?

So if you are that plant manager, and the CFO comes to you and wants pricing on how much it will cost to add additional capacity or support a new, planned, product, you can turn around an accurate cost proposal almost instantaneously. Once the proposal is approved by corporate, the software can kick out the requisite work orders, send requests for quotations to contractors, and enable maintenance department staff to put their time against the project as required. It can also capture the cost of materials out of inventory to complete the project, all with no additional administrative overhead or duplicate effort.

So it becomes clear that the asset lifecycle can be digitally transformed by automating key phases of the asset lifecycle.

## MAKING IT HAPPEN

The ability of EAM software to deliver lean improvements to key steps in the asset lifecycle depends on the inclusion of and tight integration with select ERP functionality, in this case, configure-to-order processes, contract management, inventory and human resources. And again, a third-party configurator tool sold as an add-on or white-labeled functionality (software developed by companies apart from the ERP vendor) will not be adequate. Both of these will rely on point-to-point integrations that will almost certainly not be robust enough to encompass all of the data points required to streamline the process. In a software selection cycle, it will be important to get a demonstration of how software would facilitate a number of asset workflows. You will also want to ascertain how much vendor or third-party consulting time is necessary to configure the system initially, and as your needs change over time.

## LEARN MORE

The time has come for executives and plant managers to digitally evolve in food manufacturing asset management. It is time to get products to market faster and more efficiently. To learn more about compatible units and how it can digitally transform your asset management, contact your IFS representative. And to learn more about what IFS offers the food and beverage industry visit, <http://www.ifsworld.com/corp/industries/process-manufacturing/food-and-beverage-erp>. For more information, especially on IFS Applications for EAM, visit [www.ifsworld.com/corp/solutions/enterprise-asset-management](http://www.ifsworld.com/corp/solutions/enterprise-asset-management)

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