




Efficiency, alignment, and insight:  
Using technology to drive  
manufacturing improvements



Regardless of specialty or size, manufacturing companies share common goals: grow business, control costs, and increase profitability.

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However, these goals may often seem mutually exclusive. In order to achieve growth, manufacturers need to increase their assets, materials, and labor, and these additional investments will raise costs and cut into profitability—at least for the first few years. Adding to the challenge is a lack of business visibility across the company. This missing insight makes it harder to optimize efficiency, which affects everything from process control to profitability.

Technology is making it easier for manufacturers to meet their challenges and find success.

Here's the good news: Rapid growth of new technologies in manufacturing is making it easier to meet these challenges and achieve success.

**The question for manufacturers is simple: Is your technology helping to grow your business?**

# Putting technology into production

Thirty-three percent of manufacturers cite a lack of knowledge about available technology solutions as the biggest barrier to investing in technology to help their business<sup>1</sup>—yet these same manufacturers report having key business challenges that are primarily technology-focused:

- 1 Automating business processes to shorten payment cycles and better manage cash flow
- 2 Improving supply chain visibility and collaboration
- 3 Collecting business insights to drive decision making

Forward-thinking manufacturers are actively adopting technology and modernizing their operations to address their biggest challenges and gain a competitive advantage.

In fact, 100% of manufacturing businesses that did invest in technology to help them connect business insights and drive decision making saw improvement as a result of those investments.<sup>1</sup>

**That's right. 100%**

## Top three challenges manufacturers want to fix<sup>1</sup>



“We are now able to track profitability at an item level. Before, our bill of materials data was in a separate system, and it was too difficult to trace our actual costs. We use this data to ensure we are accurately pricing our products, and to make better decisions about our manufacturing processes.”

—Tom Dinolfo, CFO for Heresite Protective Coatings, LLC.

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91% of manufacturing companies that invested in new technology saw improvements in automating business processes to shorten payment cycles and better manage cash flow.<sup>1</sup>

## Automate for efficiency and profitability

Streamlining and standardizing your business processes can reduce costs, improve cash flow, and connect every department with real-time access to data—helping your business prevent mistakes and optimize operations.

If your business experiences a product recall or compliance issue, how will you handle the influx of returns, manage the supply chain, and reconcile inventory? Automation connects your business processes and procedures across your organization, enabling you to respond immediately to all of these concerns.

## Powerful information systems automate data-intensive routine operations, so you can focus on critical decisions and strategic initiatives:

- Gain immediate access to work in process, shipping orders, and inventory
- Optimize inventory management and demand forecasting to minimize downtime and excess inventory
- Streamline processes to optimize capacity and efficiency and reduce risk
- Ensure compliance with government reporting requirements
- Efficiently process and fulfill customer orders while maintaining quality
- Connect transactions and data with other locations, companies, or countries

79% of manufacturers who invested in technology for their business saw an improvement in supply chain visibility and collaboration.

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## Get everyone on the same page

Managing supply chains is a constant challenge for manufacturers. In addition to staying on top of the key factors—costs, demand forecasting, production downtime, and inventory excess—supply chain partnerships are continually changing.

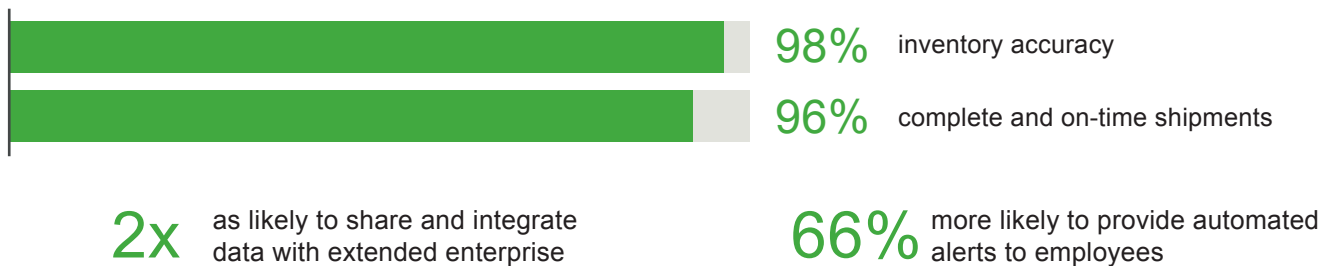
What happens if your supplier's shipment has been delayed? What if a supply costs increase without warning or quality changes? Without a fast, accurate method to track progress or communicate, you may not be able to avoid production downtime or plan an alternate manufacturing schedule without hurting your business.

### Gaining real-time supply chain visibility and collaboration can help put you back in control:

- Ensure quality assurance, compliance with delivery dates, and purchase costs with improved supplier traceability and management.
- Reduce costs due to noncompliance, quality control issues, or production delays.
- Increase efficiency by automating processes and planning.
- Reduce cash tied up in stagnant inventory with improved demand forecasting.
- Improve customer satisfaction with better order fulfillment and proactive notifications of potential delays or changing customer compliance requirements.

#### Top performers defined as “leaders”<sup>2</sup>

Best-in-class: Top 20% of aggregate performance scorers



“In the years since implementing Sage ERP X3 and Sage Inventory Advisor, our revenues have grown by three million dollars, yet our inventory investment has been reduced. That’s money that we can use to continue to grow the company.”

—David Adams, president of Savoury Systems

Know what’s going on at every point along your supply chain and be able to collaborate with everyone involved to take the right action, right away.

Today’s business management and enterprise resource planning (ERP) solutions with powerful integrated business intelligence capabilities enable you to be proactive, accessing operations and supply chain data anywhere, anytime, so management gets actionable information on inventory, financials, and processes—no matter where they are.

## Make better business decisions

**Making the best decisions quickly is vital to a successful, competitive business.**

Manufacturers who lack complete, accurate, and up-to-the minute data face significant challenges to making timely decisions. Which product is most profitable? Which supplier has the most delays? How much cash is tied up in inventory excess, and how much could you invest in growing your business?

**Collecting the right information can help you address these questions and take action to grow your business. The more insight you have into your business, the more effectively you can:**

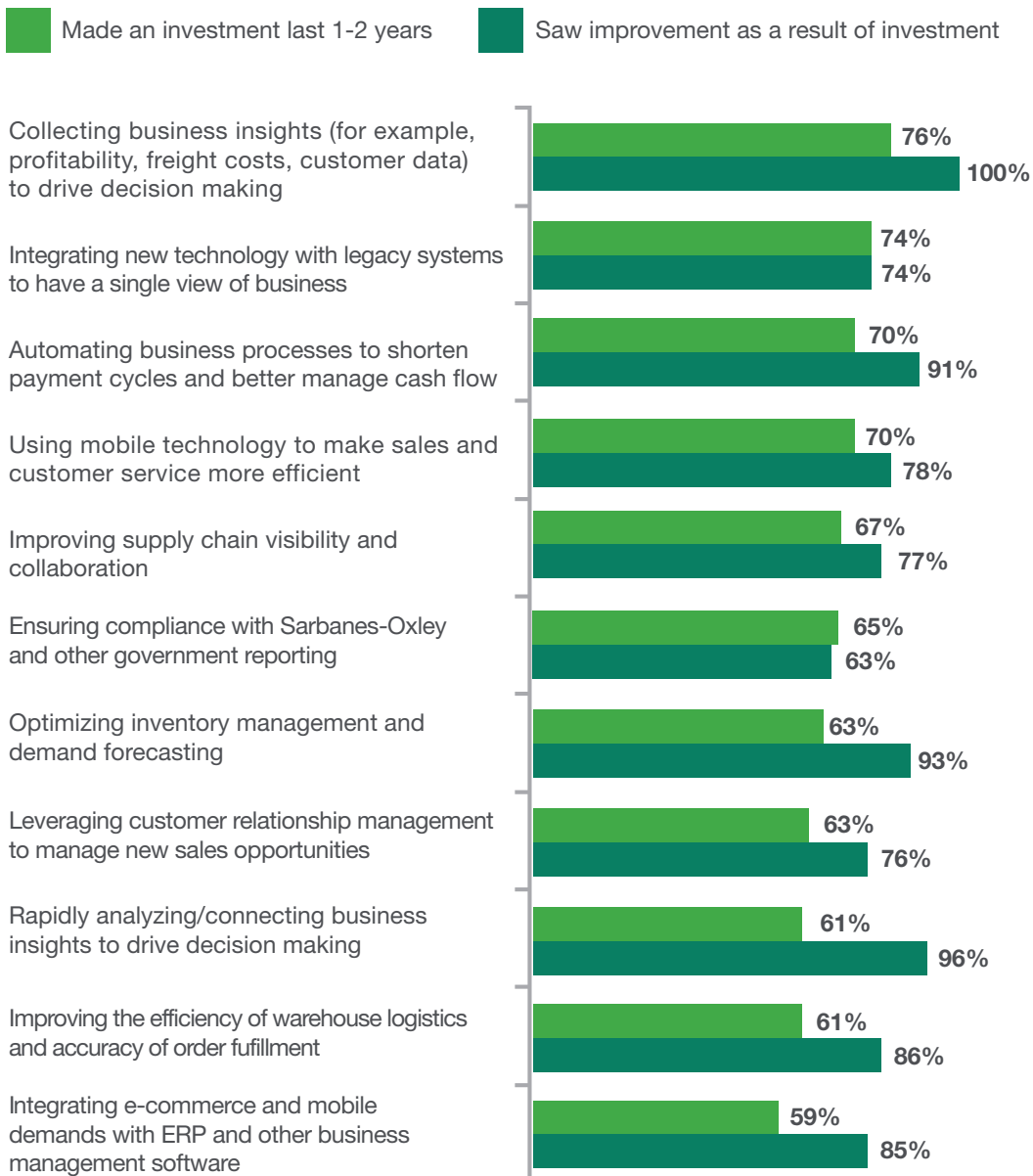
- Manage inventory levels to optimize turns and reduce overhead.
- Gain real-time control over work orders, materials procurement, and production costs.
- Respond faster to changing customer demands to improve service.
- Keep track of the entire operation from procurement to scheduling, inventory, sales, and financials in one comprehensive view.
- Increase profits by identifying inefficiencies and optimizing productivity, supply chain, and production.

To grow your business the smart way, it’s vital that the right people have immediate access to the right data. Successful manufacturers ensure that operations can support increased demand while minimizing additional investment to maintain profitability—and that starts with real-time comprehensive business insights.

# Visualizing the impact of investing

For the manufacturing companies that chose to invest in technology to address their business challenges, virtually all saw improvements across the board.

## Investments and improvements for manufacturing<sup>1</sup>



# Providing manufacturers with solutions for success

Sage provides a complete, robust suite of business software solutions that help address and resolve all of these specific manufacturing challenges — and everything in between.

Whether your goals are to streamline operations, automate business processes, optimize inventory and supply chain, build customer loyalty, improve marketing efforts, increase sales, gain financial insight to better manage cash flow, or maximize your employee investment with integrated payroll, benefits, recruiting, and HR analytics—Sage can help.



## Operations management

Resolve your company's unique manufacturing resource planning and process manufacturing challenges with industry-specific solutions.

## Supply chain management

Optimize warehouse processes, supply chain, inventory, and demand forecasting.

## Accounting and finance

Manage cash flow, compliance, profitability, fixed assets, and all necessary accounting processes.

## Sales, marketing, and customer service

Maintain important customer relationships to improve service, marketing campaigns, order acquisition, and sales performance.

## HR and payroll

Maximize your investment in employees with customizable HR management, integrated payroll, benefits, recruiting, and analytics.

As you grow your business, Sage solutions are designed to grow with you and give you the freedom to work where you want—in the cloud, on-premises, or both. If you're a small business looking for a way to automate processes and move away from spreadsheets, a mid-sized business that has outgrown your existing ERP or operating system, or a business of any size that is deciding between conquering the local market or taking your business global, there is a Sage solution that fits your company and industry-specific needs, and helps you leverage technology to run a better business—now and into the future.



“People are doing processes and functions that we’d only wished we could do. We used to do some of these manually through Excel spreadsheets, and we’re now doing them within the product. Some of the process improvements we’ve already seen have to do with tunneling down to the products . . . it’s a very mobile product, it’s a very user-friendly product, and it’s a very intuitive product. I think it would help any company’s bottom line.”

—Michael Petzing, IT director, Vacuum Engineering & Materials

Forward-thinking companies like Vacuum Engineering & Materials invest in technology to help them improve efficiency and grow sales, and they see the results in their bottom line.

And with results like that, it’s not hard to see why companies choose to partner with Sage solutions for growth—it’s just good business.

[Watch this video](#) to learn more about how Sage helped Vacuum Engineering & Materials find the right solution to drive its business forward.



Sage has over 48,000 manufacturing customers in North America and has been helping both small and mid-sized companies solve major business challenges and cultivate growth with technology solutions for over 35 years. To learn more about Sage business solutions for manufacturing, please call 866-530-7243 or visit our website at: <http://na.sage.com/us/industry/manufacturing>

## About The Sage Group plc

We provide small and medium-sized organizations and mid-market companies with a range of easy-to-use, secure, and efficient business management software and services --from accounting, HR, and payroll to payments, enterprise resource planning, and customer relationship management. Our customers receive continuous advice and support through our global network of local experts to help them solve their business problems, giving them the confidence to achieve their business ambitions. Formed in 1981, Sage was floated on the London Stock Exchange in 1989 and entered the FTSE 100 in 1999. Sage has millions of customers and circa 13,000 employees in 23 countries covering the UK & Ireland, mainland Europe, North America, South Africa, Australia, Asia, and Brazil. For further information please visit [www.sage.com](http://www.sage.com). Follow Sage North America on Facebook, [Facebook.com/Sage](https://www.facebook.com/Sage), and Twitter, [Twitter.com/SageNAmerica](https://twitter.com/SageNAmerica).

1 IDG Research Services, The SMB Business Environment (October 2014)

2 Aberdeen Group, ERP in Manufacturing: Creating a Hub for Visibility, Collaboration, and Innovation (July 2013)



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