

Leveraging ERP Solutions

for Food, Beverage, and Chemical Manufacturers



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LEVERAGING ERP SOLUTIONS

We understand that the COVID 19 virus has caused significant interruptions, delays, and wide-ranging impacts across industries and the world. However, many new business opportunities have emerged, particularly for food, beverage, and chemical manufacturers. Taking full advantage of these opportunities requires the insights, analysis, attention to detail, and organization that only ERP can provide. Enterprise resource planning, or ERP, can transform and optimize your food, beverage, or chemical manufacturing organization for this new normal.

As the largest CloudSuite Industrial Partner in the United States and with more than 300 successful ERP implementations for manufacturers across North America, Decision Resources, Inc. is your trusted partner in leveraging ERP solutions. We put our 40 years' worth of expertise to work to help food, beverage, and chemical manufactures make sense of this new situation and position their companies for sustainability, profitability, and growth.





RAMPING UP PRODUCTION

Ramping Up Production in Your Food, Beverage, or Chemical Manufacturing Plant.

A Brief Look at the Current Landscape for Food, Beverage and Chemical Manufacturers

In the food and beverage industry, both online and offline food chains have been significantly impacted by COVID-19 in ways that require manufacturers to increase production. Packaged food and beverage items are experiencing a surge in demand, and there is also growing demand for plant-based and more shelf-stable products because of their long shelf-lives.



Chemical manufacturing is also encountering the effects of the COVID-19 pandemic. Production facilities of several end-user industries have stopped working, reducing the demand for chemicals used in these facilities. However, there has been a rush in demand for packaging materials to prevent the contamination of food and medical products, as well as respond to industry needs in critical areas related to the pandemic.

This is where ERP comes in. The right ERP solutions can position food, beverage, and chemical manufacturers to readily take full advantage of these new business opportunities that have emerged as a result of the COVID-19 pandemic, from shifting production schedules and managing remote workers to meeting customer expectations, and more.



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ENTERPRISE RESOURCE PLANNING 101

Distribution and manufacturing enterprises looking to adjust operations and amplify production require the right technology.

ERP software empowers project management, accounting, procurement, compliance, risk management, supply chain operations, and additional business processes vital to maintaining and increasing production and realizing new opportunities in your business environment.

ERP ensures that manufacturers and distributors have actionable insights and data for budgeting, planning, predicting, and reporting on financial results – so that they can ensure business continuity, even amid a crisis like COVID-19.

Today, ERP systems prove to be an indispensable asset for thousands of businesses around the world. Not only do ERP systems improve efficiency, but they also help to reduce overhead costs and improve workflows. Additionally, ERP eliminates data duplication by streamlining transaction data collection from multiple sources within your organization and reinforcing data integrity on one integrated platform, in real-time.

The production market is only becoming more and more competitive. Organizations struggling with compliance failures, pure data management, and a lack of visibility can significantly enhance business processes with enterprise resource planning. With real-time business insights, your company can capitalize on the latest business trends and opportunities, while heading-off challenges before they escalate.

An ERP system also allows you to track your organization's regulatory compliance without any difficulties. Moreover, manufacturers and distributors can break down departmental barriers and foster interdepartmental communication and best practices, resulting in substantial bottom-line savings.

ERP allows you to enhance the user experience, streamline processes, and encounter better customer outcomes across your business functions by encouraging collaboration and data-sharing in contracts, requisitions, and purchase orders.



UPGRADE YOUR ERP

Is it time to upgrade your ERP?

Your ERP system fuels your operational performance. Therefore, it can impact your productivity, efficiency, and agility if it falters. Evaluating your current system or upgrading to a new one can come across as a daunting task, especially when maintaining production is top-of-mind, but it is well worth the investment.

Upgrading your ERP system can mean a simple technical or feature-specific upgrade or a complete re-implementation. Here's what food, beverage, and chemical manufacturers need to consider to determine if and when change is necessary.

Determine Your Business Requirements

It is crucial to determine your organization's needs, especially given the current conditions and future forecasts. One of the most demanding challenges for manufacturers is managing growth expectations.

A few questions you should ask yourself during this stage:

- What are the current challenges?
- Where is the business headed in the future?
- What are our plans for growth?
- What processes and technologies will a new system need to support?

As your company and industry evolve and adapt, your system upgrade needs to support your business goals and enable interdepartmental collaboration, so all stakeholders align on those goals. One way to evaluate your ERP utilization formally is to document your processes and requirements and review them.



System Customizations

If your organization has been employing the same ERP software for a significant period, it is highly likely that you have customized your system to match your business needs.

You need to ensure that your customizations are, at the very least, reflected in your system upgrade. Depending on the software and the scope of your customizations, an upgrade can incur multiple technical difficulties. An ERP consultant can help you evaluate areas for customization and upgrade your database to the new ERP system accordingly.

Evaluate Deployment Options

If your organization is looking to upgrade from an on-premises ERP, you may want to consider adopting a cloud-based solution. Cloud deployments are increasing in demand and are worth discussing with your vendor.

There are a wide range of benefits involved, such as cost savings, lower risk of downtime, and scalability. Consider ERP vendors with deployment options that match your business requirements and allow for future growth. Both cloud and onsite hybrid deployments can evolve and adapt to your organization's best practices.

Leverage Professional Assistance

When considering an ERP upgrade or evaluation, a knowledgeable team of ERP consultants can help you identify areas for improvement as well as the ideal solution to meet your unique business requirements.



PLANNING & IMPLEMENTATION

ERP Planning & Implementation

Creating an ERP implementation plan can be complicated, especially considering there isn't a standard rulebook that suits all projects. Each business has a different scope, team, and available resources.

That said, the core phases and tasks for implementing a new system remain the same. Here's what a standard ERP implementation project plan should entail.

Project Development

Once you select an ERP solution, the first phase of the implementation begins.



Here, you define your project team members: while building your ERP implementation team, delegate the workload to team individuals to increase accountability. Some core team members would include:

- Project Manager – in charge of the overall direction
- Application Analyst – organizes data cleaning and migration
- Developer – handles all software customization your business requires
- QA Tester – conducts test requirements before your system goes live



Moreover, you and your team may also set up implementation meetings, where you review the plan, deliverables, and timeline. Part of this first phase also includes defining hardware and network requirements, as well as installation.

In the initial phase, your ERP partner will put together an ERP implementation plan to execute your solution.



Data Conversion and Loading

It is highly likely that your manufacturing company has an existing system in place. Therefore, the second phase of your plan consists of data cleansing and migration.

In this phase, your ERP partner will begin gathering critical data from your preexisting system. By proceeding to clean your data, your partner will format the data to load into your new ERP software.

Data records that are loaded include customer contacts, billing, remittance, shipping addresses, vendor pricing, raw materials, customer pricing, finished goods, bills of materials, and others.

Procedural Development

Here, you and your ERP partner will define your company's current policies and business processes to develop new policies and approaches in line with your ERP system.

Once your new procedures are accepted, end-user training begins. A training schedule can ensure a smooth transition by guiding end-users on how to get the maximum use of the system. The value of your ERP system is directly proportional to your end-users, maximizing the system's full potential.

Go-Live

Before your ERP system can go live, you need to load the dynamic data into the system. This is data that changes and is transaction-based, such as with open customer orders, purchase orders, WIP, accounts receivable, trial balances, inventory, accounts payable, and more. This process typically takes two to five days.

Post Go-Live

The work hardly stops once your ERP system goes live!

An accurate measure of achievement lies in how your system withstands changes, such as employee turnover or business expansion. As such, your company needs to create a maintenance plan, so that your new system doesn't become obsolete.

You'll want to run monthly status reports to validate that the correct procedures are in place and followed. Check that your methods are still valid. Evaluating and upgrading your ERP system to business changes should be an ongoing effort.



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THE BENEFITS OF ERP DURING THE COVID-19 PANDEMIC

The most significant COVID-19 related disruption has to be weakened supply chains, introducing short- and long-term implications for manufacturers. ERP platforms include inventory control and supply chain management that many manufacturers are utilizing during the pandemic.

Since supply chain orchestration requires software that enables manufacturers to comprehend and prepare for supply chain shocks, ERP systems give distributors deep insight into their production lines.

As the COVID-19 situation is beginning to normalize, the well-being of your customers and employees will continue to be a top priority. With ERP software, especially cloud-based ERPs that don't rely on physical infrastructure, your organization can connect most of your workforce from anywhere. Your ERP facilitates productive, efficient, and well-managed remote work, and ensures that all stakeholders are on the same page even if they're not working in the same location.

ERP systems can also streamline the management of customer information and sales history, as well as comprehensive member purchase data from any location. ERP solutions ensure real-time updates and access to information whether your workforce is in the plant, in the office, on the road, or working remotely from home.

When it comes to increasing production, manufacturers are under immense pressure to do more with less. Panic-buying has quickly exhausted supply chains, exposing significant gaps in manufacturing operations. With Just-In-Time (JIT) item location, manufacturers can minimize re-deployment of inventories as well as reduce inventory costs, thus helping manufacturers address adaptability across the supply chain.

With ERP systems, food, beverage, and chemical manufacturers and distributors specifically, can utilize the digital supply chains – synchronizing supply chains with all manufacturing, distribution, and procurement processes and enabling companies to be more agile and flexible in light of changing conditions and new opportunities.



PLANNING & IMPLEMENTATION

What You Need to Know About Budgeting for ERP Implementation or Upgrades

A majority of companies make the initial error of running with software license costs as a base and fail to consider additional expenses such as data backups, customizations, and training fees.

Your ERP budget needs to forecast all expenses your business might encounter during implementation. Your ERP partner can help you assess these costs and plan for them.

There is no doubt that information systems are evolving rapidly. As the quality of ERP systems continues to increase, your company will want to ensure that it gets the best in service. The stronger your ERP system is, the better you can support your business, enabling your business to operate with greater ease.

Over time, performance issues with ERP software can cause problems within your organization. Upgrading to a modern ERP solution as well as improving your IT environment can significantly increase performance. Upgrading your ERP system can also enable your employees to spend less time on administrative work, resulting in more productive and satisfied employees performing higher-skilled work.

When your organization upgrades your ERP, service providers help you evaluate your business processes as a whole, even running diagnostics to analyze your process flows and automating these through your ERP system.

Evaluating and upgrading your preexisting ERP system to a new one can help you streamline your processes, support the automation of manual and paper processes, and increase your overall efficiency.



WHO CAN HELP?

Who Can Help Me on My ERP Journey

If you're looking to implement an ERP solution for your business, some service providers run selection projects to help clients identify the best fit solution for their company-specific needs. However, others may not run selection projects. Here, independent ERP selection consultants who specialize in assisting companies in selecting the right ERP solution can help you identify the ideal solution and service provider for your business needs.

ERP selection consultants are knowledgeable about solutions in the market and can help you shortlist service providers quickly.

You Don't Want to Do This on Your Own

A study by Technology Evaluation Centers found that approximately half of all ERP implementation initiatives fail on the first attempt. Many ERP system implementations fail simply because project leaders neglect to adequately assess what can become highly complex projects.

Moreover, rolling out an inadequate ERP system wastes the initial outlay and can also cause frustration for years to come. Aside from limiting operations capabilities, you can risk increasing costs, service failures, and mismatched software that simply doesn't fit your organization.

Professional ERP consultants can help implement ERP systems and train company employees to use it effectively. They have years of experience implementing ERP software for businesses and possess the technical expertise needed to deal with any implementation issues you might encounter.





ERP PARTNER

What to Look For in Your ERP Partner

When choosing an ERP service provider for your business, it is essential to note that a cookie-cutter approach won't be a practical business decision. Your ERP solution needs to address and satisfy the business-specific requirements of scalability, functionality, and complexity.

Your ERP service provider needs to have a proven track record of helping companies achieve the operational excellence they require to realize their business goals and optimal profitability.

Here's what to look for in an ERP consultant.

Supports a Wide Range of Capabilities

Your first concern should be selecting ERP software that addresses your company's specific needs. Your service provider should enable your business to augment existing capabilities by providing a robust ERP platform. You must consider the caliber of your solution partners as well as any third-party ISV's that are in your provider's ecosystem.

Years of Experience

Shortlist top services partners with deep experience with successful ERP implementations. An experienced ERP consultant will have encountered all issues previously and can easily predict and solve issues before they arise. Dive into a discovery process to see how each of them measures up against your defined criteria.

Supports Preexisting Solutions

Before settling on a provider, be sure that they can support existing systems that you intend to maintain. You likely have CRM (Customer Relationship Management) software, as well as Business Intelligence tools in place. These tools will require data integration. Ensure your ERP service provider has an excellent track record with other ISV solutions, should you need them now, or in the future.

Exceptional References

An ERP service provider with many outstanding references is most likely a reliable partner. Ask for references with similarities in situation, industry, or challenges that match yours to feel confident in your ERP consultant's ability to manage your unique needs.

Be sure that your team can develop open communication channels with your provider. Thus, you can ensure a long, prosperous relationship with your ERP partner.



KEY TAKEAWAYS

Key Takeaways

1. ERP projects require careful planning according to the size of a business, unique environments, and resources available.
2. Define your business goals and objectives before you and your ERP partner can begin to plan the implementation project.
3. An ERP partner with a proven methodology and deep experience is instrumental in ensuring successful ERP implementation projects or upgrades.





WHAT'S NEXT?

What's Next?

Enterprise Resource Planning can help you comprehensively manage your food, beverage, or chemical manufacturing environment better. With the right ERP software, manufacturers and distributors can leverage visibility and insight into your business processes, enhance employee productivity, and your customer's needs.

ERP will help you better realize new business opportunities, understand how breakdowns and supply chain interruptions affect your production, and find solutions to keep production moving now and well into the future.

At Decision Resources, Inc., our team of ERP experts has been helping manufacturing, engineering, and distribution businesses in the US get the most from their ERP systems. With more than 40 years of experience, our team can help you gain actionable insights into your supply chain and manage your production efficiency.

Contact us

Are you looking to ensure business continuity and transform your business with ERP solutions? Get in touch with Decision Resources, Inc. today through our online contact form or email us at info@decision.com.