



# **Automated Computer Solutions**

Assisting our business partners on their journey to become world class manufacturers.

## **Best-In-Class Manufacturers Know... Lean is Not Enough!**

To become best in class, it's not just about embracing lean philosophy,  
it's about **Enabling**.

Automated Computer Solutions

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## Executive Summary

To become best in class, lean is not enough. They know - it's not just lean, it's **Lean and Enabled**.

Successful companies have always believed in what lean manufacturing initiatives propose, but many question if lean itself is enough. Is there still a need for ERP, MES and Scheduling packages to complement lean, achieve the goal of reduced cost of manufacturing, and gain the competitive marketplace advantage they seek?

The answer may finally have surfaced in a survey published in May 2007 by the **Aberdeen Group**, a leading provider of fact-based research focused on the global technology-driven value chain. In this survey, the Aberdeen Group found that companies that have achieved 'Best-in-Class' status have made the following commitments:

***“To achieve Best-in-Class performance, manufacturers must:”***

- Measure Throughput and Manufacturing Cycle Times at least daily
- Measure On Time Delivery, WIP, and Scrap in real-time
- Deliver factory floor data as actionable intelligence to Lean scheduling and execution decision-makers
- Implement Lean Software Applications
- Integrate Lean Software Applications with ERP and automate Lean tools”

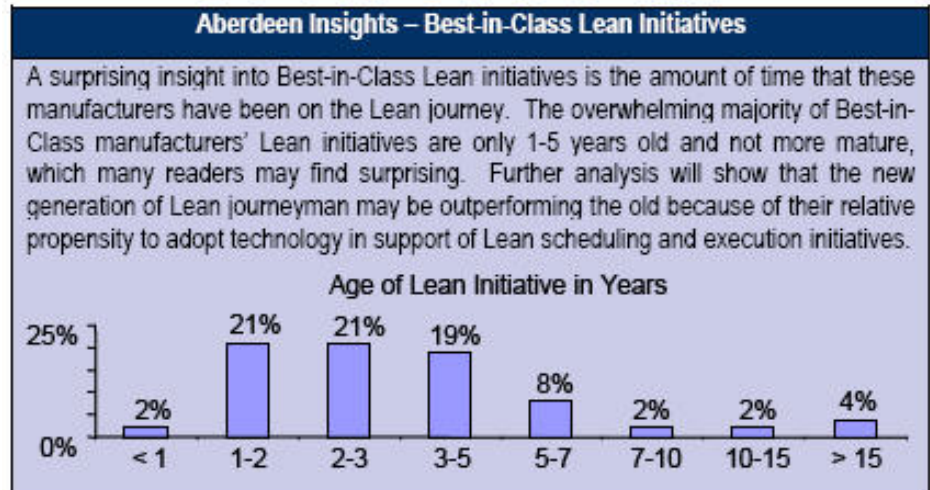
***The study also states:***

“A new generation of manufacturing professionals has come of age and is, to a large extent, implementing Lean scheduling and execution principles with an entirely new set of technology applications. These newer manufacturers are just as vigilant as their predecessors; with a laser focus on reducing overall manufacturing costs. However, these manufacturers focus on more than the traditional pillars of Lean or TQM by concentrating on such things as integrating enabling technologies with ERP, synchronizing demand with execution, and smoothing production schedules.”

*This benchmark study from the Aberdeen Group showcases the operational performance benefits Best-In-Class manufacturers are currently enjoying due to the adoption of Lean scheduling and execution principles. In the Lean environment, three of the major tenets are **continuous improvement, waste removal and production leveling**. This study shows that benefits of these tenets are significantly bolstered through the use of enabling technologies.*

## Time is Money \$\$\$

The study also shows that the adopting of the correct technology to support lean initiatives has a measurable impact, by shortening the length of time it takes a company to reach the Best-in-class status vs. those companies that choose not to make the adoption of technology part of their primary focus.



*“Best-in-Class manufacturers address the pressure to reduce costs by adopting Lean scheduling applications and integrating these applications with ERP. This integration provides the Lean Software Applications with the necessary supply chain visibility to synchronize production planning, execution, and demand. This integration also institutionalizes best practices across the organization, enabling scalability and solidifying long term success.”*

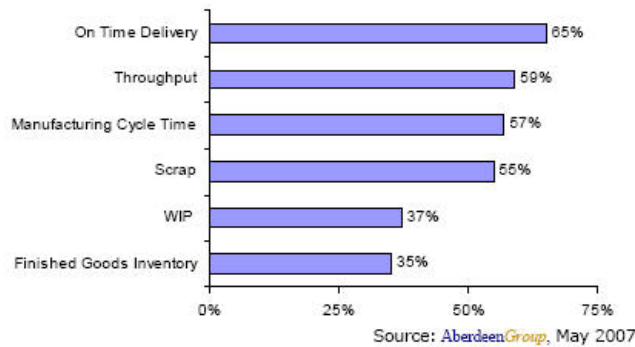
## Metrics Measured

The study shows that ‘Best-in-Class’ companies all measure the following business metrics, or KPIs (**K**ey **P**erformance **I**ndicators) to keep their Lean initiative on track:

- **On Time Delivery**
- **Throughput**
- **Reductions in Manufacturing Cycle Times**

The study also found that there were several other KPIs measured by the Best-in-Class, and that the insights gained by examining these other KPIs could be just as valuable as the ones listed in the above analysis. The following graphic shows the percentage of Best-in-Class companies who measured each of the important KPIs.

Figure 1: Share of Best-in-Class Measuring KPIs



### Conclusion

*This benchmark study from the Aberdeen Group showcases the operational performance benefits Best-In-Class manufacturers are currently enjoying due to the adoption of Lean scheduling and execution principles. In the Lean environment, three of the major tenets are **continuous improvement**, **waste removal** and **production leveling**. This study shows that benefits of these tenets are significantly bolstered through the use of enabling technologies.*



### How we help our clients become Best-in-Class

Automated Computer Solutions (ACS) welcomes this study by the Aberdeen Group **because** it validates our company's vision, as expressed by our '**Close Your Loop**' initiative for manufacturers. **ProMan<sup>ERP</sup>**, **ProMan<sup>ASP</sup>**, and **Preactor** certainly match up with the concepts and requirements focused on in the Aberdeen Group's study.

### We Enable Lean

ProMan's '**Close Your Loop**' initiative focuses our clients on establishing a continuous improvement cycle from day one. ACS provides its clients with the system tools to support this supply chain management cycle.





### *Planning*

The cycle starts with a plan put forth by management. In practice, this has been a major impediment to success. There always seems to have been a disconnect between the plan put forth by top management and the execution by the Operations Personnel. **ProMan** provides effective methods to translate management's plan to the operations level through the use of Rough Cut and other capacity or material planning tools. For companies with significant planning requirements, we have integrated **ProMan** to **Preactor** a "best of breed" APS and finite scheduling application that gives our clients access to world class tools to support capacitated ERP, rapid schedule simulation and immediate capable to promise, all significant lean enabling functionality.

### *Execution*

Our **ProMan** system enables Operations Personnel to effectively execute the plan on a day-to-day basis, using our streamlined graphical applications to process every critical transaction easily and efficiently. This allows the ability to constantly respond to real time situations on the shop floor and the rest of the supply chain. Our integration to **Preactor** allows the rapid recalculation of production plans based upon the real time delivery of information to and from the **ProMan** system. Using Preactor's lean enabling advanced planning and finite scheduling tools, the proper response to real world issues are transmitted back to **ProMan** and to the Operations Personnel, so they can keep pace with the ever changing nature of the global supply chain.

### *Analysis*

**ProMan** has developed a common sense approach to the analysis of Key Performance Indicators (KPIs) in that we have enabled our applications to rapidly provide the feedback necessary to support the following critical elements identified by this study

- *Measure Throughput and Manufacturing Cycle Time at least daily*
- *Measure On Time Delivery, WIP, and Scrap in real-time*
- *Deliver factory floor data as actionable intelligence to Lean scheduling and execution decision-makers*

We provide this data to our web based **Executive Dashboard** application providing management with the capability to analyze the KPIs that are the focus of this study and many more that our individual clients find are critical to their specific business environment. This analysis of real time data is available in graphical and spreadsheet formats and allows for drill down investigative actions to get at the root causes of the indications being analyzed. Analysis and understanding are both key to an effective continuous improvement cycle.



## Communications

ACS has always understood that Supply Chain Communications is possibly the most critical element in the path to **continuous improvement**, **waste removal** and **production leveling**. To this end, we provide to every client our Partner Portal program providing the necessary information flow to Customers, Vendors and Operations Personnel from within a secure website of their own. This communication is automatically managed by **ProMan**, based upon the framework set up by the client closing the supply chain communications loop. This assures that critical adjustments will be taken to the planning segment of the cycle, or corrective action requests targeted to address execution problems that were uncovered by the Planning and Analysis functions. You no longer have to worry about lost emails, or overfull voice mail boxes, secure reliable and timely supply chain communications.

*A continuing execution of this closed loop cycle will drive the company to improve performance and achieve the company's goals, by establishing a real management tool that provides the critical operational focus at all levels of the supply chain necessary to become Best-In-Class in the Lean universe.*



Integrated  
with:



*Enables Lean!*

*Note – ACS has been allowed to use information associated with the Aberdeen Group's Lean Scheduling and Execution Report through its representative agreement with Preactor International. A complete copy of the report can be accessed through our website at [www.proman-erp.com](http://www.proman-erp.com)*

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