Unlocking digital transformation for the European manufacturing industry
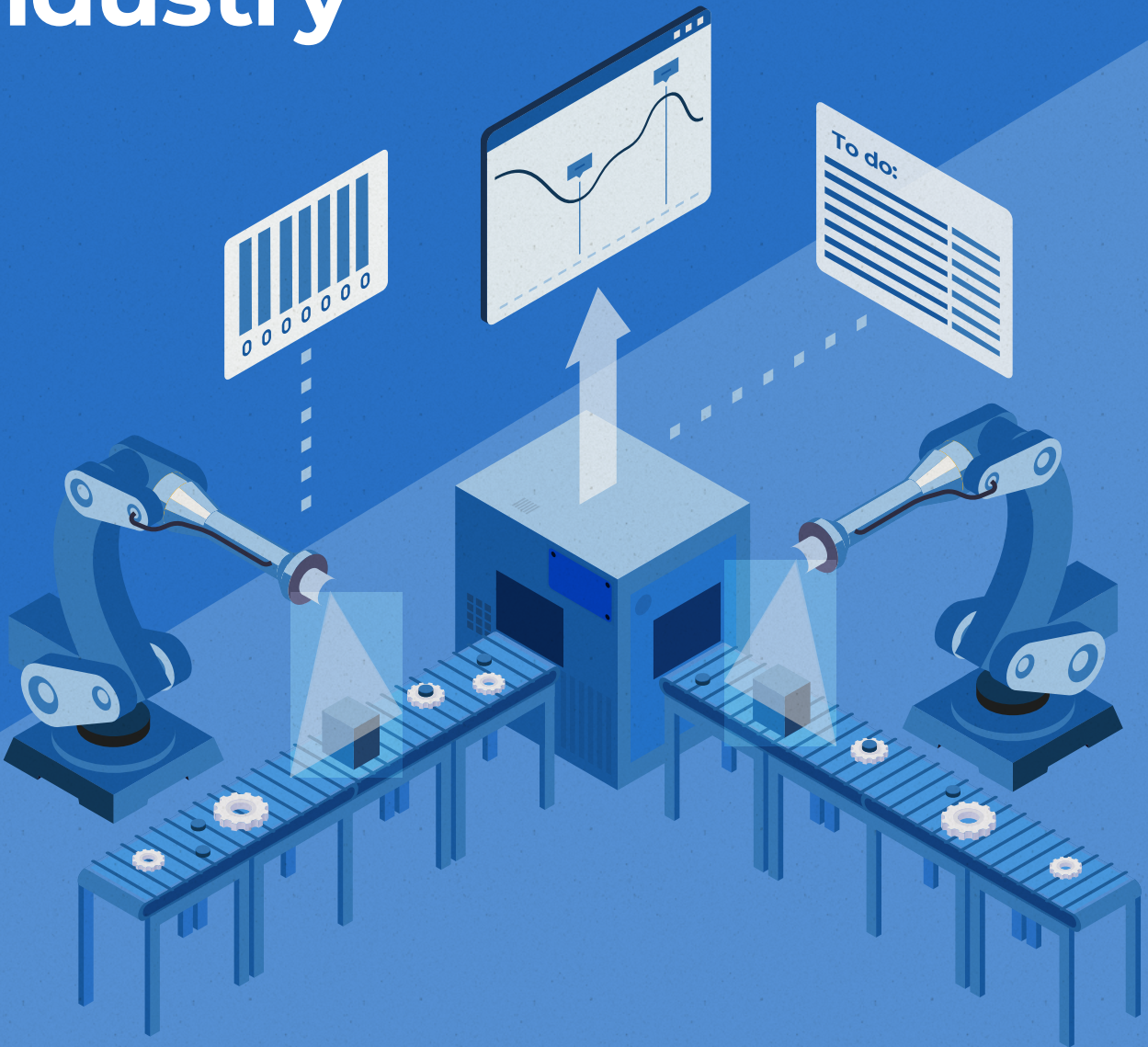
Contents

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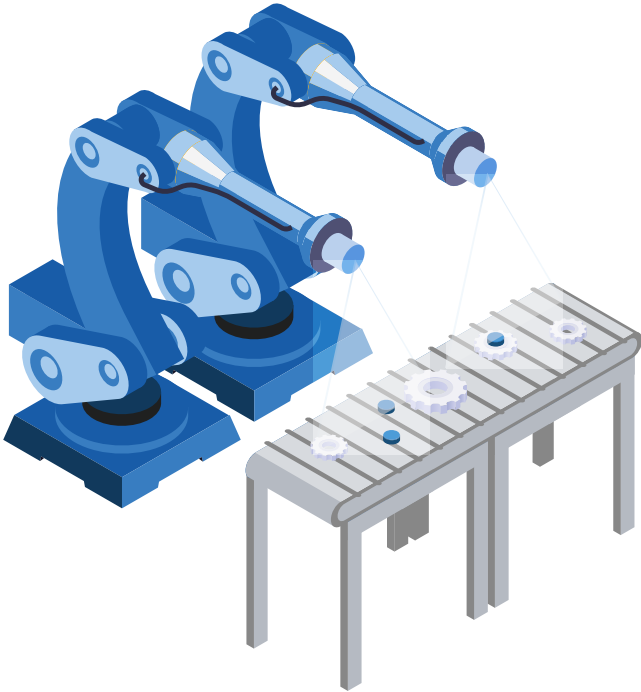
Introduction

In the past five years, there's been a significant shift in what's expected from manufacturers: in particular, speed to market and increasing production demand. Many have been seriously affected by COVID-19, and are still looking to keep costs down while delivering a high-quality product. And although Europe's industrial production had grown year-on-year prior to 2020, facilities are battling against increased customer demand, supply chain delays, and shortages of materials.

On top of this, manufacturers face pressure to embrace high-tech gadgets while dealing in legacy systems. Some organisations may adopt pockets of software, but most are far from being fully connected. For example, barcodes may be copied out manually rather than scanned, plus pencil and paper – and even fax machines – are the norm rather than the exception.

And that's not the only hurdle to overcome. Manufacturing transformation is far from simple, and large changes can bring the risk of costly downtime. Smaller plants may struggle with a lack of investment capital, while rigid infrastructure – whatever the facility size – can impede the implementation of new solutions.

But there is a lot of untapped potential, including increased productivity, flexibility, and reduced downtime.

"You can see the value of transformation expand across the board in manufacturing." According to Sarfraz Ali, VP at Smartsheet. "You can see it improve, not just the way people are working, but even the workforce itself. Not just the machinery on the manufacturing floor, but how teams collect information about the work they're doing, and their working conditions. This boosts motivation and in turn, increases productivity."

It's clear that there are significant gains to be made by embracing new technologies – and the manufacturing industry just needs to take the first step.
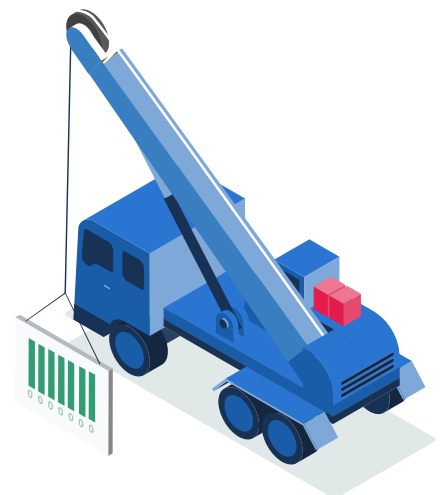
Work better together

Project management is vital in manufacturing, usually operating on a large scale across departments, projects, and locations. It's so important, in fact, that teams often end up using a number of different solutions to stay aligned.

With each group creating their own processes and using different solutions, organisations face a sea of disparate and unlinked data and processes – often in spreadsheets or outdated systems – turning what was thought to be time-saving systems into a time-sink. Add to that the fact that siloed IT teams are often the only group who can implement certain changes, and it's easy to see why collaboration becomes difficult.

For manufacturing organisations to understand where things are at any given time, gain total project visibility in order to meet production deadlines, and have the ability to make split-second decisions, they need everything combined under a single source of truth.

As Ali says, "Successful manufacturing is all about connection. Within the industry, there are so many potential black holes in collaboration and visibility – in the supply chain, between different technologies, and among teams on the manufacturing floor. Gaining visibility here is crucial to making the right decisions."

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Gain visibility

Visibility across entire projects is the key to successful collaboration. It enables back-end insights including issues around production cycle times, plus data visualisation to enable effective insight communication.

Streamline scheduling

Being reactive to incidents or changes helps processes run smoothly. With a real-time work execution platform such as Smartsheet, schedule changes can be made on a smartphone, and all affected parties can access updated information in real time.

"

Within one month, we'd gained more insight than we had in all the years before. We are more efficient in terms of costs, strategic decisions, and internal and external communication. In fact, we've improved our overall efficiency by 50 percent.

Maaik Meijerink, Project Portfolio Manager and Technical Consultant at 4EF

Improve efficiency

By moving comms to a single accessible platform, teams could gain a 400% increase in efficiency in the field, shop, and office, cutting hours of downtime to an average of 15 minutes per question, according to McCorvey. And if it's a user-driven solution like Smartsheet, it can help shorten response times even further.

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Increase productivity

Different tools across functions – like preventive maintenance tools or inventory management – are often homegrown legacy systems, and are so ingrained they aren't easy to update. Many teams rely on manually recorded barcodes and handwritten notes; not only does this end up slowing down processes, but there is significant room for human error and potential for serious consequences.

Manufacturers once had a year or two to design and plan before reaching the production stage. Now, the push for speed to market has shortened those timelines. "You have to get your manufacturing time down so that you can make those faster decisions and be more proactive about changing demand," Sarfraz Ali said.

And the COVID-19 pandemic has only highlighted this issue further. Having to adapt quickly to new and unprecedented circumstances, two thirds (67%) of manufacturers accelerated their digital projects, and many since have seen correlations between digital tools and productivity.

Digital capabilities have been crucial for manufacturing pandemic recovery, including digital comms, file transfers and cloud servers. Even better, there is further opportunity to ramp up productivity in areas of collaboration-intensive work processes like root cause investigation, supplier management, and maintenance.

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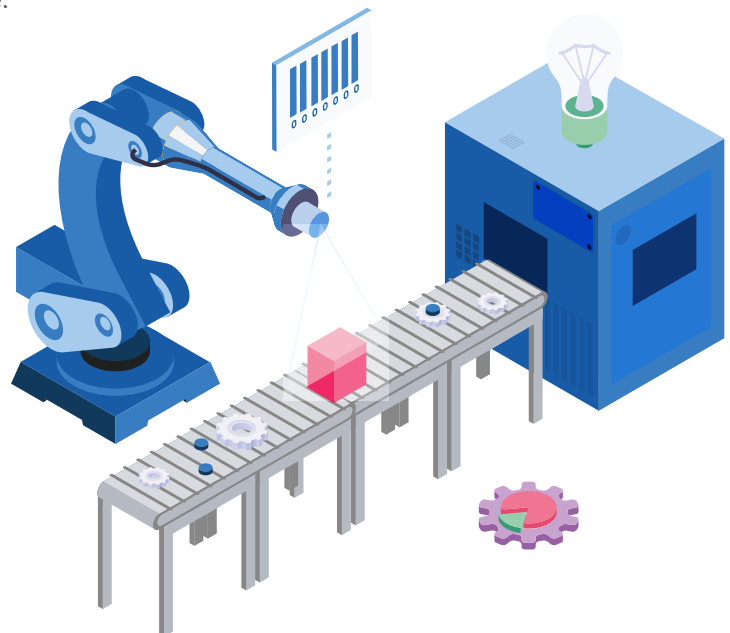
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Track machine productivity

Find a solution that enables employees to analyse real-time data on machine utilisation and take prompt action to increase uptime.

Simplify identification

By scanning a single barcode linked to an integrated system like Smartsheet for inspections, status, and deliveries, both customers and teams get full visibility into all relevant data.

Accelerate production levels

Streamlining workflows with software such as Smartsheet improves uptime and enables facilities to respond to increasing demand.

Boost accuracy

Making rough guesses and getting it wrong can lead to devastating repercussions. Materials requirement planning (MRP) requires accuracy on figures around sales orders, due dates, and forecasts, something technology such as Smartsheet can provide.

Plan preventive maintenance

Stay on top of workloads by capturing maintenance items from interior and exterior project sites, sequencing and prioritising items in a tracking sheet, managing action items, and visualising all items on a Smartsheet dashboard.

> **Smartsheet is essential to our work now, and it's saved us over 1,000 hours so far. We've learned so much since we started using it, not only about how our business works best, but about technology in general.**
>
> Thassilo König, Interim Manager Procurement and Advisory for Financial and Operational Services at HIT Holz

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Use technology to stay flexible

And COVID-19 has caused further disruption globally. Serving as a push to take stock and reevaluate processes, it has shown the industry that it needs to focus its attention on agile working. This is especially true for supply chains, which usually exist as a mesh of interdependencies. European supply chains are more complex than those in the US or China, where raw materials can be obtained, processed and products manufactured in the same country.

As a result, European countries were able to move relatively quickly during the COVID-19 pandemic, in terms of creating PPE and healthcare products, like ventilators, as they were able to leverage wide-ranging partnerships. However, this also means they rely on excellent communication with supply chain partners.

To make things harder, each country has set different employment, production and shipping regulations.

As a result, European manufacturers need a way to build communication systems with their supply vendors to create supply plans, enabling them to effectively communicate time frames and forecasting to avoid shortages and bottlenecks. Getting these procedures up and running can also power internal processes to become more flexible. With much of the industry still using transgressive technologies, facilities need to get the right communication processes in place – whether that's with external supply chains or internal teams.

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Share information between stakeholders

Both internal and external parties need an efficient way to communicate and identify opportunities for continuous improvement. Choose a technology platform that allows information to be shared quickly and transparently.

Create production calendars

Managing supply chain communication becomes easier with solutions like Smartsheet. Reduce inventory and eliminate flow disruptions with production calendars and reports, helping to manage scheduling and forecasting.

Get future-proof

Adopting fully scalable solutions like Smartsheet enables organisations to grow and adapt to whatever the future holds, knowing that the technology is there to support them every step of the way.

> **Being able to share sheets or get feedback on roles, from people inside and outside of [the organisation], has definitely saved a lot of emails, phone calls, and paperwork to track all that information.**
>
> Torrance L. Ford, Director, Supply Chain Business Solutions at Shaw Industries

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Improve safety, reduce downtime and incidents

In the UK alone, it's estimated that 22 workers are fatally injured on-site each year, and a further 3,100 major injuries are reported annually. The result is complicated regulations and different guidelines for each product sector and manufacturing process – giving teams a lot to keep track of, from training and safety equipment to machine maintenance schedules.

Safety only happens when the whole team works in sync, which means visibility is crucial. Plus, teams need easy and efficient ways to manage their environments. Fortunately, tracking and keeping logs have become more prevalent due to COVID-19, as organisations had to juggle increased absences and maintain PPE inventory, such as hand sanitiser, masks and gloves. But team members need the right tools to easily access this data and quickly report any issues.

For example, mobile visibility is key to reporting incidents (or potential incidents) because on-site managers are constantly on the go.

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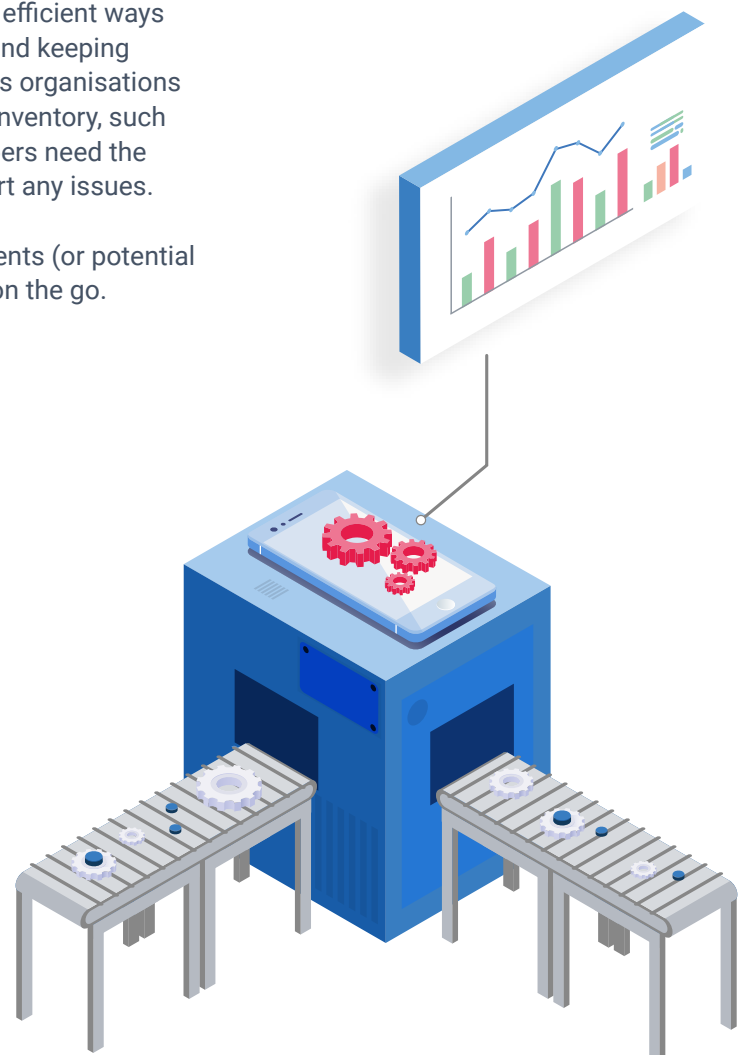
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Shorten response time

Speed and efficiency are crucial for employee safety. By placing QR codes on safety signs in strategic locations, workers simply scan the code with their mobile devices to instantly start the reporting process using Smartsheet.

Keep detailed safety and inspection logs

Having access to suitable technology can increase documentation accuracy during inspections, and accelerate resolution by connecting the right people at the right time.

Share dashboards across teams

Manufacturing facilities should look to replace manually updated whiteboards with dashboards on digital screens, providing employees with real-time updates on company health and status.

> **Companies like HIT Holz have turned to digital tools for incident management, recording: "...the criticality of [each] incident, what happened, what is the impact of this event on the company, and what do we have to do to make sure this incident won't happen again.**
>
> Thassilo König, Interim Manager Procurement and Advisory for Financial and Operational Services at HIT Holtz
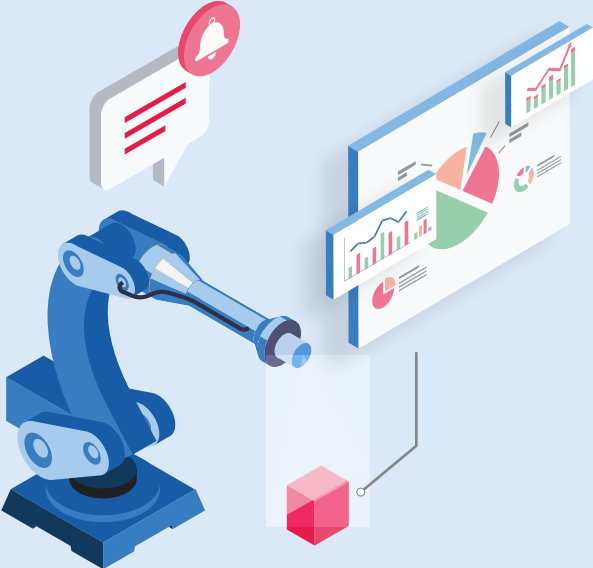
Keep employees engaged

From the risk of unscheduled downtime to the perceived high technical barriers to entry, there's endless reasons why plants have avoided modernisation. In fact, according to one survey, 54% of respondents say an estimated barrier to digitisation is adoption or culture. Clearly, the industry has some work to do to transform the status quo. Especially because in order to attract newer and younger employees, there is a clear case for building on the fact that they will be more familiar with and keen to use technology.

There is a huge shift in technology that is ready for manufacturing facilities to take hold of, but is not being fully utilised – yet. This includes automation – which offers huge opportunities – but also smart manufacturing and developing connected factories. Currently only 5% of CXOs believe companies have made significant progress in this area according to Deloitte.

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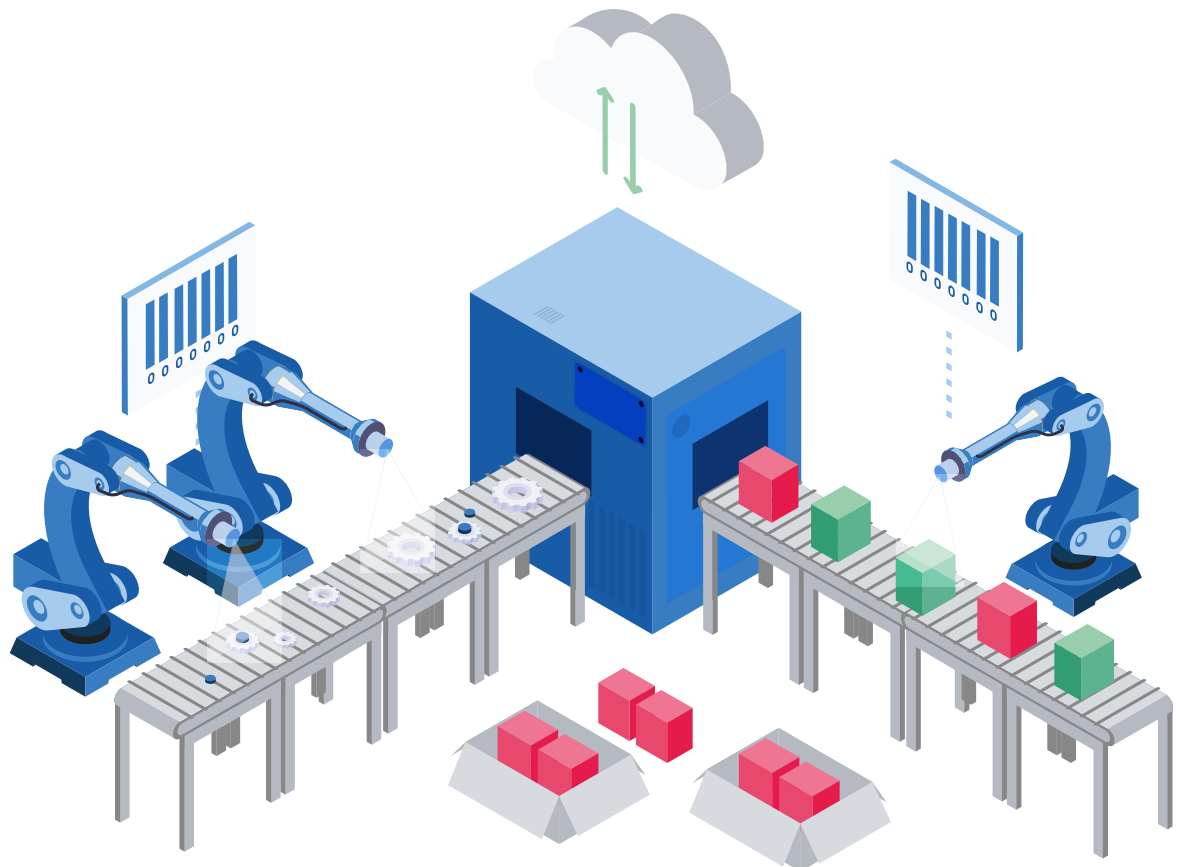
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Simple and easy to use

Solutions such as Smartsheet offer an intuitive platform that can be adapted to the task at hand, offering a low barrier to entry for those who are tech-averse.

Implement automation

Choose technology that allows teams to streamline day-to-day operations and simplify processes with automated workflows, saving time and keeping your team connected and informed.

Build a single source of truth

A flexible and forward-thinking approach to software solutions leads to a better business. No matter what technologies facilities decide to adopt over the next months and years, they should implement a solution that enables them to future-proof factories and standardise technologies under one source of truth.

> **Smartsheet looked simple to people once we mapped out our processes... The simplicity made it very easy to provide a replacement process that wasn't going to take them longer at all; it was actually going to speed it up.**
>
> Lachlan Stead,
> Systems Administrator,
> at Crown Furniture

Key considerations

Find a solution that offers a single source of truth

Using functionalities such as Smartsheet's 10,000ft, and integrations with existing technologies, manufacturing facilities can see a complete picture of each project from one platform. This fosters collaboration and builds a best-practice working culture.

## Make sure the platform provides real-time visibility

By using technology that gives insight across entire projects, facilities can improve efficiency and productivity, simplify and automate compliance and regulatory processes, and streamline worker access to important documentation.

Consider how your team works best

Break down barriers with tech-averse team members by providing intuitive solutions. With Smartsheet, you can choose from four views: grid, card, Gantt, and calendar. Grid offers the classic spreadsheet layout, while card – inspired by Kanban boards – provides a clear, visual way for your team to collaborate.

Ensure your team is on board

If there's resistance in your team, make sure to approach and involve them in decision-making around adopting new technologies from the start.

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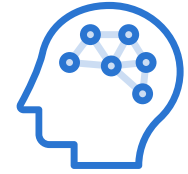
Conclusion

Taking the next step

The manufacturing industry is in a prime position to embrace the endless opportunities of digital transformation. By choosing technology solutions such as Smartsheet, facilities are equipping themselves with the building blocks for a better business.

Tackling modernisation head-on opens the door to a whole range of benefits:

- Improved productivity

- Increased efficiency and agility

- Better collaboration between teams

- Cost and time saving

The lack of digitisation so far – plus the knock-on effect of COVID-19 – means now is the perfect time for manufacturers to jump on board and reap the benefits. Getting ahead of the competition not only improves their current circumstances, but also places them in a better position to tackle whatever the future holds.
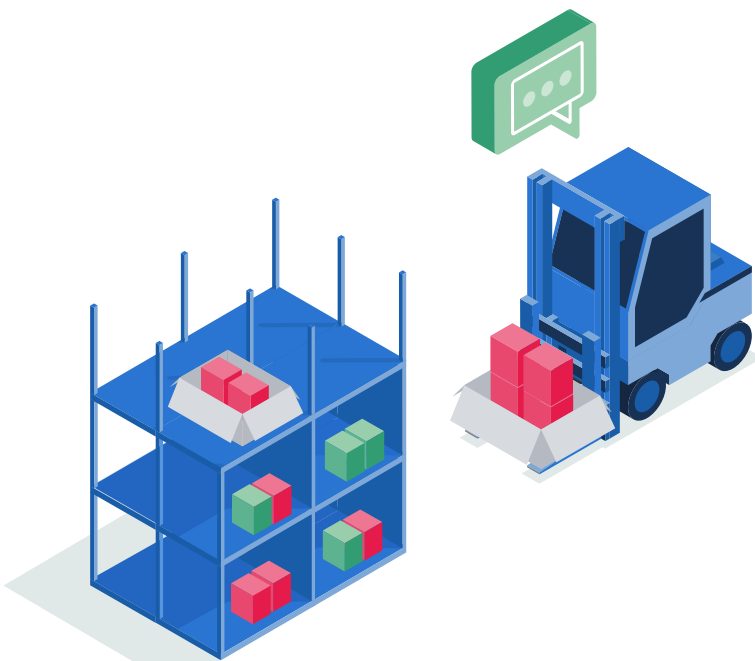
Torrance L.Ford, Director, Supply Chain Business Solutions at Shaw Industries, is looking forward to the future.

"As a global flooring provider, the complexity that comes from having hundreds and hundreds of systems in place is a barrier to our business objectives. With Smartsheet, we've eliminated many of these one-off project management systems and simplified our process. We have less to maintain and we're more flexible and more efficient, creating a more long-term business model."

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In the manufacturing industry, reliability and efficiency are critical to staying competitive. Smartsheet is the work execution platform that leading manufacturers rely on to increase productivity and performance, enable collaboration, and track every step of every project — so they can make better decisions, faster, and create more revenue. For additional information on how Smartsheet can help your manufacturing business improve efficiency and productivity, visit https://www.smartsheet.com/solutions/manufacturing

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