How to Choose a Manufacturing System

Jean Huy, senior director of product marketing for ERP, Sage North America

For over 25 years Sage has been helping manufacturing businesses like yours achieve their goals by offering cost-effective, end-to-end solutions that are simple to use and span the diverse needs of midsized businesses across virtually every industry. Our experience has taught us that people need more than just product information; they also need other kinds of input to make sound decisions about their accounting and manufacturing software. And that's what this article is all about.

Sage has distilled what we've learned from our many successful customers and have structured it to deliver a useful tool to help you decide whether or not you are ready to adopt a new manufacturing system.

Use the following questions to determine just how ready your company is to adopt a new manufacturing system. Let's get started!

1. Does your company currently use bills of material or recipes?

Yes: Go to question 2.

If no, please realize that most manufacturing companies rely on bills of material (BOMs) or recipes to track their material requirements. If you answered "no" to this question, you probably aren't in the market for manufacturing software; instead, a job shop package may be what you need. Check with your local consultant for more information on available job shop solutions.

2. Does your company currently have some kind of manufacturing software in place?

Yes: Go to question 3.

If no, you face a serious competitive threat from other companies that are reaping the benefits of manufacturing systems.

3. Has your company experienced huge growth or significantly altered its lines of business in the last three years?

Yes: Your growth and other significant business changes mean that you're outgrowing your current systems. If your growth path is projected to continue, you need to consider new systems right away to ensure that your current system does not become obsolete.

No: Go to question 4.

4. Does your manufacturing software integrate seamlessly with your accounting software?

Yes: Go to question 5.

No: Go to question 7.

5. Is your manufacturing software more than three years old?

Yes: Go to question 6.

No: If your integrated system was chosen carefully within the last three years, it should be working just fine. Before proceeding with a new purchase decision, discuss your situation with the consultant who helped you implement your current system.

6. Is there a satisfactory upgrade available from your current software supplier?

Yes: Contact your software vendor to find out more about upgrading your system right away.

No: You need to find a new supplier with a more serious commitment to ongoing product development. Now is a good time to take a look at the products available in today's market.

7. Is your accounting software more than three years old?

Yes: Go to question 8.

No: Without complete integration of your manufacturing and financial systems, you won't get the full benefits of computerization. Blame and frustration will rule the day. Be sure to consider only those packages that can demonstrate full

integration.

8. Is your manufacturing software an in-house package invented or developed by your internal programming/IT staff?

Yes: Your system was probably developed years ago, before there were so many excellent software packages to choose from. Upgrading your system now will eliminate the ongoing cost to maintain customized software. As custom systems age, maintenance gets more complicated and often more expensive. But be prepared for a little extra effort, because your IT group may oppose a packaged solution that wasn't developed internally.

No: Your old accounting system and nonintegrated manufacturing package are begging to be retired. The benefits of harnessing new technology can pay big dividends. The earlier you get started on an upgrade and conversion plan, the sooner you'll see results.

That's it! We hope this simple test has given you some guidance about your need for a new manufacturing system. As you know, it is vital that you spend time thoroughly evaluating your company's needs before choosing and installing any system. Doing your homework in the planning stages will pay off ten-fold when it's time to move forward with a new system.

Jean Huy is a senior director of product marketing for Sage North America. [1] *In his duties, Huy leads marketing strategy and go-to-market activities related to the launch and growth of Sage business solutions in the Mid-Market, including ERP and CRM products, cloud services and complementary solutions in the Sage portfolio or ecosystem.*

Prior to his current position, Huy served as director of product marketing for Sage North America where he led market analysis, product strategy, product requirements and positioning of the Sage ERP X3 software product in North America as member of the global product committee. Additionally, Huy managed the launch and go-to-market activities of Sage ERP X3 in the North American market while developing innovative marketing programs and sales tools to support double digit revenue growth. Huy earned an MBA in marketing communications from the Reims Management School in Reims, France.

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