

5 Disruptive Trends in Manufacturing

And the 5 solutions that will help you navigate these disruptions

Keep control with digital solutions

Supply chain disruptions and shifts in demand are here to stay, but improving supply chain visibility and processes can help conquer these challenges.

Here are 5 disruptive trends and the foundational digital strategies that can give manufacturers the capabilities to manage them.

Trend 1 Failed strategies for supply chains

Many manufacturers are diversifying suppliers as they move away from just-in-time inventory models to more flexible ones that can respond rapidly to changing demand. But siloed systems can slow supplier onboarding, slowing down needed change.



of U.S. manufacturers experienced domestic supply chain delays during the pandemic.

(Source: U.S. Census Bureau)

Solution

Automate supplier onboarding and management, so you can fast-track new suppliers and have a scalable, digital system going forward.

- ⁽²⁾ Automation in Action

ELKAY.

Elkay, a manufacturer of sinks, faucets, bottle-filling stations, drinking fountains, and food-service products, sought to modernize its manual processes for supplier qualification and on-boarding, sourcing, and contracting.

Argano helped Elkay leverage its existing on-premises solution, Oracle E-Business Suite, with Oracle Cloud solutions in a hybrid environment, including Oracle Procurement Cloud. The scalable solution has transformed supplier interactions, enabling Elkay to better manage changing inventory needs and positioning the company for the future. After a 16-week implementation that came in under budget, Elkay was positioned for complete transformation end-to-end, with a full Oracle Cloud footprint.

Trend 2 Pressure to demonstrate more environmental responsibility

Manufacturers face increasing pressure from regulators, consumers, and other stakeholders to prove they use ecoefficient processes and minimize waste. Traceability (the ability to follow goods at every step in the supply chain) delivers the data needed to certify sustainable practices and products.

23%

Manufacturing causes 23% of direct carbon emissions in the U.S. (Source: Environmental Protection Agency)

Solution

Integrate a cloud-based supply chain management solution into your footprint for always-on monitoring and traceability.

Automation in Action



LiDestri Foods, a contract manufacturer of food, beverages, and spirits, wanted to update its approach to demand management from a manual, spreadsheet-based system, and gain traceability to support its sustainability efforts.

Argano helped LiDestri implement Oracle's Supply Chain Cloud solution, integrated with an on-premises, hosted Oracle E-Business Suite (EBS) instance including EBS-OPM key modules and ASCP. The switch to automation drove a 50% reduction in waste, saving LiDestri millions of dollars. The combination of Supply Chain Cloud and Oracle E-Business Suite will provide a powerful solution that is and will continue to drive savings across our supply chain. With help from Argano, we identified a road map and integration that will vastly improve processes."

-John Matrachisia, CIO, LiDestri

Trend 3 The need to improve planning capabilities

During the pandemic, many companies realized they needed more powerful tools to deliver the accurate, upto-date, and contextually meaningful data necessary for operations planning. But manufacturers often want to keep using their core on-premises systems, even if these systems alone can't support effective data-driven planning. \$ 73%

of global supply chain leaders plan to prioritize investment in end-to-end planning tools.

(Source: <u>McKinsey & Company</u>)



Add cloud-based supply chain planning capabilities to your on-premises solution.



Global industrial manufacturer Worthington Industries was running Oracle E-Business Suite (EBS) R12, but still relied on two outdated, third-party demand- and supplyplanning tools. Worthington needed an integrated supply chain solution that could address supply and demand alignment for highly volatile material pricing.

To modernize and consolidate Worthington's planning applications, Argano implemented Oracle Cloud for Demand Management and Supply Planning, Sales and Operations Planning, and Global Order Promising. Uniting Worthington's planning applications into a single, integrated solution means greater visibility for faster, more responsive supply planning and demand management, better aligned sales and operational planning, and more accurate and profitable global order promising. Argano brought expertise and capabilities that we didn't have. They didn't come in with a cookie-cutter approach, they listened to us and made this project successful."

-Matt Schlabig, Vice President and CIO, Worthington Industries

Trend 4 Keeping pace with growth without pausing

Many manufacturers are in growth mode and are finding that their current systems can't keep up, but they can't hit pause for transformation. They want a streamlined path to a new solution.



Projected U.S. 2022 GDP growth in manufacturing

(Source: <u>Deloitte</u>)

Solution

Use a solution partner that knows manufacturing through first-hand experience, has a full-service portfolio that allows for flexibility, and is an expert in your core systems.



Automation in Action



5G cell tower builder SAC Wireless has thousands of projects underway in multiple geographies, but still relied on a potpourri of software and manual processes for supply chain management.

To standardize processes and provide visibility into SAC's extensive supply chain, Argano designed and implemented a streamlined technology stack based on Oracle Cloud applications. Transitioning to Oracle ERP, EPM, and SCM solutions gave SAC an end-to-end solution that enables visibility across business lines and regions, enhances forecasting accuracy, and can scale as the company grows. We felt the competition 'patched together' a solution, while Oracle and Argano offered a holistic one."

-CIO, SAC Wireless

Trend 5 Meeting partner expectations for better experiences

E-commerce has reset customer expectations for shorter delivery times and more product options. There's also growing pressure to improve the channel experience for distributors.



of customer service teams say customers have higher expectations than before the pandemic.

(Source: Hubspot Annual State of Service in 2022)

Solution

Integrate ERP, CPQ, and e-commerce solutions to meet customer expectations.

- ^{In Automation in Action}

A luxury furniture manufacturer with a global clientele was struggling to serve its designer and retail partners. Legacy systems limited partners' ability to place orders or customize products and kept salespeople in the dark about the buyer journey.

Argano enhanced the customer experience by implementing the Digital Commerce Experience[®], multi-cloud technologies that enable easy self-service, customization, and pricing. Partners can now configure their own products online and receive a promised delivery date based on visibility into reliable supply chain and operational data. Integrating customer-facing ecommerce and CPQ engines with supply chain data also provides real-time visibility into the sales cycle. Argano is flexible in working with us, even as we've changed our scope...we haven't made it easy on them. They're accessible, they have a good team and a strong PM."

-Luxury Furniture Manufacturer

Future-Proof Your Business

Modernizing processes and solutions with connected, cloud-based systems can give manufacturers the agility to navigate disruptive trends, now and in the future. Smooth your journey to cloud transformation by choosing the right partner.

Contact Argano today for a quick call to discuss your supply chain planning needs.

Contact us at oracle@argano.com

