

GDI Consulting & Training Company
Friends-of-the-Firm Mini-Briefing

**The Scope of a Manufacturing Systems
Implementation**

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Everywhere you look, manufacturing systems implementation projects are failing and management is upset. Why is this?

We believe the answer is a simple one. **Manufacturing system implementation projects are failing because companies do not have high caliber people trained to implement the "system" within the organization** Also, executives do not understand what a system is **within their organization**. Most companies buy a sophisticated computer and some complex software and consider these to be the "new" system. In actuality, the "system" that most project teams are attempting to implement is really a combination of:

1. **New formal policies** designed and written by users and management. These policies are becoming the "rules of the game" for new company operations.
2. **Formally written and approved procedures** describing how departments and entities within the organization will interact. These procedures become the training curriculum for future ongoing training programs.
3. **Formally developed interactive guides** that combine policy and procedure at the computer terminal. Interactive guides are the equivalent of desk top reference documents describing how users interact with the computer and what the user is permitted to do (or not do).
4. **Systems software**. This is the actual set of programs, usually purchased from a third party supplier. Many companies do not perform a proper evaluation of software tools and as a result, purchase the wrong package for the wrong application.
5. **Systems hardware**. This includes printers, plotters, servers, terminals, disk drives, tape drives, memory configurations, modems, multiplexers, line conditioners, environment conditioners, surge suppressors, scanners, data entry devices, etc. Often, companies that do



not assess the systems requirements prior to purchasing new software and hardware, will also choose the wrong equipment or utilize the wrong peripheral devices.

6. **Education & training.** Companies do not understand the need to educate employees in concepts related to working with computerized information systems. As a result, employees are often befuddled by the new terms and conditions in their jobs. Finally, employees cannot be effectively trained in how to interact with the computer unless they understand the principles of integrated systems. This means that non-financial people must understand the basics of accounting and that accounting people must understand the basics of factory management. Once accomplished, training for a specific application use on a specific terminal will become reality. Additionally, training uses the policies and procedures that depict the rules and how-to of the new game plan.
7. **Systems implementation often requires a look at the organization.** Many companies simply do not have the organization structure in place that will permit an integrated system to be successfully implemented. This is usually because built-in conflicts exist within the organization. Also, many organizations have goals for particular departments that prohibit the successful implementation of a particular system within that department, simply because department goals are contrary to the project manager's goals.

Systems implementation of computerized manufacturing and financial systems cannot be successfully accomplished unless all of these issues are addressed. **A system is not a set of software applications and computer equipment. A system is an integrated way of running a business from the top of the business to the very bottom of the business.** Companies that do not take a holistic approach, looking at the issues noted above are almost always doomed to failure, or certainly a very, very long implementation effort.

Do not be in such a hurry to implement a system just for the sake of implementing a new system. Evaluate your company in regards to these issues and then define the effort through a systematic business and project planning effort. After all, your company has probably operated for many years without the new system. In the end, stretching out the implementation in an effort to do it right will more than likely not be noticed.