Selecting the Right ERP System for Your Business

ONE MANUFACTURER'S STORY





About Brunswick Steel

Brunswick Steel is a full-service steel production job shop located in Winnipeg, Manitoba, Canada. They carry sheet, plate and long products used by manufacturing and construction companies across Western Canada in a huge range of sectors that includes agriculture, mining, transportation, and oil and gas. Brunswick prides itself in quality and making product that is built to last.

Brunswick works directly with many structural fabricators, welding shops and part manufacturers to produce their quality steel products that can be found anywhere from potato farms and skyscrapers to a variety of shop floors and manufacturing facilities.

To learn more about Brunswick Steel call 1.204.224.1472 or visit www.brunswicksteel.com.

Purchasing an ERP system is one the most important decisions you will ever make for your manufacturing business. It can also be one of the most challenging. ERP is not just another piece of software you slap onto your server to simplify a process or two. ERP software is responsible for running your entire business, from the shop floor to the back office and everything in between. Scheduling, purchasing, labor and material costing, inventory, shipping, accounting, customer service - you name it and ERP makes it faster, easier and simpler when used to its full capabilities.

What Makes Buying ERP Such An Important Decision?

It's a significant financial investment. There are many ERP systems to choose from with a wide variety of features and capabilities. Some are designed to handle specific types of manufacturing businesses; others have the flexibility to handle almost any type of production process. As such, it can require a lengthy research process to sort the wheat from the chaff and identify the right ERP system for your business. Before doing that, you need to be very clear on how you want to operate your business and what results you need ERP to produce. Only then can you make an informed decision about which will best support the way you want to work.

For example, when General Manager Adam Plouffe joined Brunswick Steel a few years ago, he saw a business with one foot in the past and one in the future. The company operated a variety of modern steel cutting and processing equipment, but many facets of the production processes used outdated manual procedures. Their old ERP system handled the stock side of the business fairly well but was woefully inadequate on the processing side. Having used ERP at jobs prior to Brunswick, Plouffe convinced ownership of the need for the software and set in motion a process that has revolutionized how the company works.

Brunswick has been using <u>Global Shop Solutions</u>
ERP software for over a year now, with extraordinary results in many areas of the business. I had the pleasure of interviewing Plouffe about how Brunswick went about researching ERP, what they were looking for, and why they chose Global Shop Solutions over the other systems they researched.

Choosing an ERP System That Does It All

Global Shop Solutions:

Why did you decide to purchase an ERP system for your manufacturing business? Was it the company's first ERP system or an upgrade from an older model?

Plouffe:

We upgraded from an old system that was more of a service center software than an ERP system. It worked reasonably well with the stock sales side of the business, but it didn't have the capabilities to handle our more complex custom jobs, especially on the processing side of the business. We had to do the financials in a separate system and the system wasn't very flexible. For example, if we had already nested a part for a specific customer, it was very difficult to go back and change it, add more, or remove parts.

Global Shop Solutions:

What were the main problems, bottlenecks, or production issues you were looking to ERP to resolve?

Plouffe:

The manual processes forced us to do a lot of workarounds. The system couldn't export all the data from the sales department to production. This required us to use a lot of Excel spreadsheets and make a lot of conversions to process jobs. Our production team was spending about 25% of its time on administrative activities; manually recording when jobs started, how long they took, what material was used – all the stuff that ERP should automate. We had a lot of things we wanted to do with ERP, but first on the list was eliminating as many manual procedures as possible.

Global Shop Solutions:

What where your main concerns about purchasing an ERP system? For example, cost, support, reliability, etc. How did Global Shop Solutions address these concerns?

Plouffe:

Above all, we didn't want a system that was going to tell us how to run our business. With some ERP software, you must run them a certain way or they don't work for you. We wanted a flexible system because we are changing the way we do business. The ability to make changes as we need them and run our business the way we need to run it were critical factors in our decision.

Global Shop Solutions:

How many different ERP systems did you research?

Plouffe:

We looked at six different systems, and we started doing online research and contacting ERP vendors. We were introduced to Global Shop Solutions at a <u>FABTECH</u> tradeshow in Chicago, Illinois. Most of the ERP companies we looked at have major weaknesses when it comes to managing both production processing and stock sales. They are two different business lines and run very differently.

Global Shop Solutions was one of few that said, "Yes, we can do all of it."

Choosing an ERP System That Does It All

Global Shop Solutions:

Did you have any prior experience with an ERP system? If so, how did that impact your

research process?

Plouffe:

I worked at several different companies before joining Brunswick and had the opportunity to work with a couple of different ERP systems. They were better than our old system at Brunswick, but not as good as Global Shop Solutions ERP.

Global Shop

Was researching ERP systems a team effort? If so, who participated with you?

Plouffe:

Solutions:

We created a core team that included stakeholders from each department. This team created a matrix of all our needs. I led the team because not everyone in our management team recognized that we needed a change. To sell the idea, before we could conduct any serious research, involved identifying our business needs one department at a time and pointing out all the workarounds that were slowing us down. Fortunately, the owners provided the support needed to begin conducting

the research.

Global Shop Solutions:

What led you to choose Global Shop Solutions? What separated our system from competing systems?

Plouffe:

Several things, starting with the software's robust capabilities. It could handle everything we wanted to do. We also liked the fact that Global Shop Solutions is a family-owned business. Brunswick is a family-owned business, and we prefer to partner with like-minded companies.

We were fortunate to speak with <u>Dusty Alexander</u>, President and CEO of Global Shop Solutions, during the sales process as he likes to meet all new prospective customers. He said, "If our ERP doesn't do what you want it to, we work with you to improve it." In my experience, when you get an ERP system, you use it the way you think you need to use it and don't continue with developing or improving it. It was refreshing to hear Dusty talk about how if enough customers want certain changes, Global Shop Solutions will add them to the system.



"IT COULD HANDLE **EVERYTHING WE** WANTED IT TO DO."

Brunswick Steel

Visible Improvements with Global Shop Solutions ERP

Global Shop Solutions:

Was there one particular moment during the research process that led to your decision to go with Global Shop Solutions?

Plouffe:

Right off the bat it looked like Global Shop Solutions offered wins for most of our departments. The big "aha!" for me was the <u>Advanced Planning and Scheduling (APS) module</u>. When I saw how it can schedule jobs, precisely track capacity, automate purchasing supply and demand, and provide immediate financial data, I knew it was the right system for us.

Global Shop Solutions:

What did you accomplish in the first year after you made the decision to buy

ERP software?

Plouffe:

The first big impact came in the finance area, and we saw it immediately. At the end of our first month using the system, our CFO sent me an email saying, "Thank you for pushing this change. I can now run all financials through our ERP because the data is all tied together."

We also saw immediate improvement on the production side when it came to <u>recording jobs</u>. For the first two months, employees kept asking when we were going to train them on using the system. I told them they were already using it as we intended by not having to perform all the manual administrative tasks they were used to doing. That was a big win.

Another big win was Global Shop Solutions' ability to <u>integrate</u> with third-party software. We used to track laser cutting manually. Since integrating our <u>nesting software</u> with Global Shop Solutions, the tracking is much quicker and simpler. Every time it cuts a part, we have actual data on each part made from the nested sheet. As with so many processes, it's all about eliminating the time and errors involved with manual data transfer.

Probably the biggest win so far is having a master schedule that everyone works from. The ability for sales, purchasing, finance and production to all work off the same data in real time was a huge improvement. APS is a complex module, but the screens make it simple to visualize what is happening with production. When we see the scheduling screen going red, we know we need to make changes in certain departments right away.

ERP Can Make Your Job Easier

Global Shop Solutions:

What would you tell others who are thinking about purchasing an ERP system?

Plouffe:

ERP is fundamental to most businesses these days. You need to track how well you're doing on regular basis and understand your <u>KPIs</u> in as close to real time as possible.

That said, I would make sure you have a good understanding of how you want to run your business before investing in any ERP. When you do, be prepared for pinch points during the <u>implementation process</u>, but keep at it and the results are well worth the time and effort.

In terms of Global Shop Solutions ERP, I would tell people the software's capabilities are amazing. We got everything we wanted from the software up to this point, and we're still exploring all it can do. In my opinion, the best feature is the flexibility of the software because it allows us to run the business the way we want to run it.

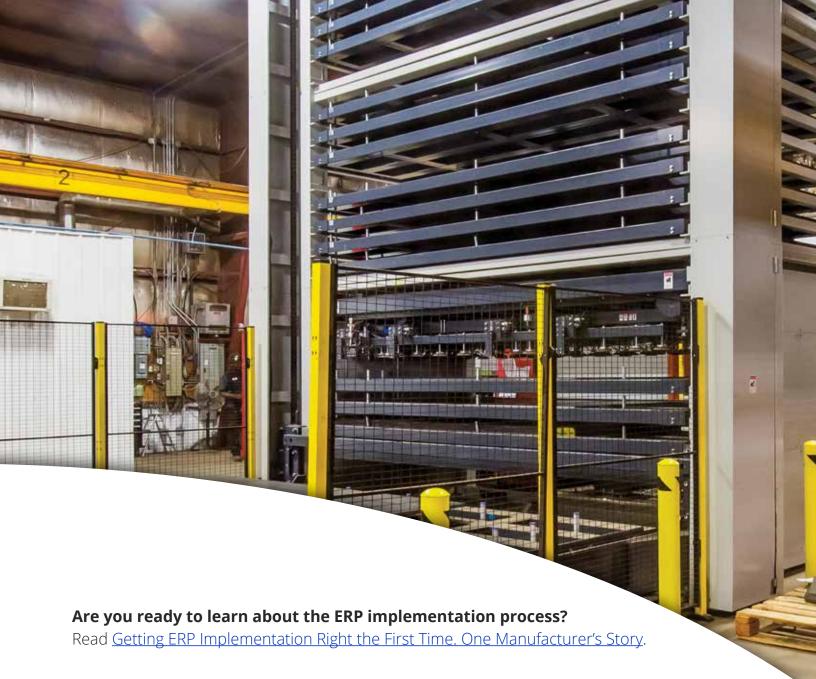
Global Shop Solutions:

For those who might be on the fence about purchasing ERP, can you share any measurable results you've seen over the past year?

Plouffe:

We want Brunswick to be the fastest and easiest job shop in our area to work with. We also want our customers to have a good experience, and that starts with providing accurate delivery dates. In the past, we needed manual calculations to understand our capacity, which frequently resulted in overselling it. We would tell sales we have eight hours of laser capacity available today, and six different reps would sell eight hours each. Then it's a scramble to rework the schedule, reset the due dates, and keep customers happy.

Working from the same master schedule has eliminated that problem while improving ontime delivery for custom jobs. It has enabled us to change some of our stock goods from one or two days to same-day delivery. We've also reduced <u>inventory</u> to limit our exposure to volatile markets while increasing turns in purchasing. The purchasing module has made inventory tracking much more accurate.



ABOUT THE AUTHOR

Rob Cianfrini is a Regional Sales Manager at Global Shop Solutions. He is responsible for bringing manufacturers into the Global Shop Solutions family, while mentoring, training and instructing new sales personnel. Cianfrini earned his degree in psychology and business from Indiana State University and has over 20 years of experience in the industry.

To learn more about ERP implementation, call 1.800.364.5958 or visit www.globalshopsolutions.com.



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