

Six Game-Changers about SaaS ERP:

**Plex Online Brings a New Approach
to Manufacturing Software**

At a Glance:

- This paper summarizes six game-changing aspects delivered by Plex Online SaaS ERP.
- Areas range from the benefits of true ERP integration, to ease of use and the importance of up-to-date functionality.
- In each case, the benefit is an improved and optimized manufacturing process to help the enterprise thrive in a challenging market.



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It's a grim statistic. Researchers recently found that manufacturers implementing legacy, on-premise Enterprise Resource Planning (ERP) systems face a high likelihood that those implementations will be delayed, that the systems will cost more than estimated, and that the solutions will deliver unsatisfying results.*

Further compounding the problem is that costs quickly escalate out of control. Manufacturers face steep and ever-increasing licensing, implementation, customization, annual maintenance, and upgrade fees.

To add insult to injury, those same researchers find that today's manufacturer has just a 50 percent chance that users— those on the shop floor or at the shipping bay— will actually use the application.

In short, manufacturers are burdened with costly, cumbersome ERP software nobody wants to use.

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by enabling real
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improvements.*

Beyond Traditional ERP

Over the last decade, the innovative Software as a Service (SaaS) delivery model has evolved to let manufacturers move beyond traditional enterprise software.

It's a game-changing approach that lets the enterprise avoid costly licenses and complex hardware and software infrastructures. Leading manufacturers use the Internet to access systems that are deployed and maintained off-premise, and enjoy ease of use as well as industry-leading security and connectivity.

Changing the Nature of the Game

The SaaS model is indeed a game-changer, and Plex Online is recognized as the No. 1 ERP SaaS solution— ranked higher than all of the other, more familiar names in the ERP systems space.

Moving beyond the SaaS delivery model, Plex Online changes the nature of the game in the following six key ways:

1) Full Integration

An ERP system is most powerful when it is fully integrated throughout the enterprise. Many organizations implement "best of breed" solutions only to find that the data hits a dead end or they must cobble together a custom interface to link systems.

Tightly weaving traditional ERP with Shop Floor (MES), Quality, Supply Chain, CRM, Tooling, etc., into one solution is the optimal way to drive out costs.

A fully integrated ERP system integrates all aspects of the operation, from supply chain inventories, to production planning, quality, parts traceability and shop-floor scheduling, to customer orders and shipping. By centrally linking a variety of data sources, including

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engineering, EDI, HR, and more, the enterprise gains the real-time intelligence required to make timely and effective decisions.

With full integration, the result is improved efficiencies, leaner operations, and increased customer satisfaction— game-changing achievements in the challenging manufacturing sector.

2) Unparalleled Visibility into Manufacturing Operations

One can't improve what one can't see. If obsolete inventory blocks a doorway, there's an obvious problem. The key is to make waste "visible" long before that happens. Likewise, if the most up-to-date release requirements from the customer are not easily available, there's no way to meet shipping deadlines. An innovative ERP system provides that crucial real-time insight, making the outdated, overnight batch processing once common with legacy ERP solutions a thing of the past.

Full visibility means tracking key events as they happen and then putting the right information into the hands of the right people at the right time— whether it's the machine operators tracking part numbers on a touch screen on the shop floor, or the accounting manager viewing global account receivables in a custom dashboard. Capturing and validating data at the point of origination makes for timely, accurate and, therefore, actionable information for all other users in the enterprise.

Full, real-time visibility is one way Plex Online "changes the game."

3) Real Process Improvement

Implementing an ERP system is a high-value opportunity to drive out costs. Instead of simply implementing software to mimic existing processes, Plex Online gives cause for real process improvement, and in this way changes the nature of the game.

For example, the system easily shows a production scheduler that material, tooling, or labor is not available to run a specific job. This lets the production staff person schedule a job to run in its place, reducing costly downtime. Likewise, if purchasing sees, in real time, that the customer issued a surprise order, they can rapidly adjust order quantities. This is the power Plex Online provides to the enterprise.

In yet another example culled from many, an automotive supplier uses Plex Online to integrate the lean technique of poka-yoke into the daily lives of its operators. They use the Plex Online operator control panel to validate orders before they go into production by enforcing the setup, ensuring

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inventory availability, verifying that selected operators have received the correct training, and ensuring that all needed tooling is accessible. This solution also facilitates root cause analysis and corrective action, including a formalized process for issues notification and problem resolution reporting that extends back to the supplier base.

In short, Plex Online changes the game by enabling real process improvements.

4) Ease of Use

What good is a software system that is difficult to navigate and use? Plex Online is a game-changer in this regard as well, offering intuitively designed screens and functions available through a familiar Web interface.

Most software products have a limited capability to customize screens, integrate local business terms, build specific data fields, or create unique reports. This often requires costly custom programming.

VisionPlex, a tool within Plex Online, empowers the end user to manipulate how their important business data (inventory, downtime, accounts payable, shop floor data, etc.) is displayed on screens and reports. The user simply drags and drops columns, data filters, task buttons, security, and other aspects of a screen. The engine grabs the appropriate data, manipulates it according to a customer's requirements, and then populates the screens, which were designed by the user as well.

5) Always Up-to-Date

Version control is a nightmare with most legacy ERP systems. The costs and disruptions required to update systems every time there are updated versions force many companies to delay the purchase of updates— despite the fact that they need them in order to operate efficiently. A recent study* suggests that fewer than one out of every three manufacturers are operating with the most up-to-date version of their on-premise systems!

Once more, Plex Online is changing the game. There is never a “new” version of Plex Online— just a continuous, seamless stream of software improvements that its customers receive automatically.

A Plex Online customer can request a software change or new function and the Plex developers respond to the need by making the change and then releasing it, not only to the person who requested it, but also to the entire network. This rapid, on-demand development allows continuous improvement of the software during implementations and over time. Other software companies not using the SaaS platform take years to improve and release new versions. With Plex Online, this process can take as little time as a few hours or days.

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6) Going Beyond Quality

With a traditional on-premise ERP implementation, control plans and FMEAs are either managed using Excel or with a separate software package. SPC is often tracked with a stand-alone software package, along with CAD and shop floor control. This means personnel spend time and effort synchronizing multiple systems, and it leads to an increased risk of collecting data against characteristics that have since changed.

With Plex Online, quality planning documents are living documents that represent the reality of how to control quality on the shop floor. Control plans link to CAD. In turn, control plans create data-collection checksheets. When a characteristic changes on a part, that change seamlessly flows from the CAD system to the control plan and into the SPC system.

Plex Online helps manage underlying revision control and historical SPC data, ensuring successful part data collection and product quality.

Plex Online was designed specifically for manufacturers to increase process repeatability, reduce variation, increase production throughput, and reduce defects.

What's the game-changer here? An automatic, paperless, and real-time linkage between part dimensions, FMEA, control plan, process instructions, checksheets, inspection data collection and SPC, along with part layouts, PPAPs, gage studies, and capability studies.

The Game Is On

For today's manufacturers, a flexible Web-based solution such as Plex Online is truly a game-changer.

The SaaS solution gives access to application functionality as an integrated Web service, with the ability to manage and monitor entire business operations— including the plant floor— from anywhere, at any time.

*Users benefit from
a continuous,
seamless stream of
solution
improvements.*

** June 2009 ERP in Manufacturing 2009: Expanding Beyond Traditional Boundaries; C. Jutras; Aberdeen Group, a Harte Hanks Company*

About Baker Tilly

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**According to the 2010 *Accounting Today* "Top 100 Firms."

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About Plex Systems

Plex Online, built on a “Software as a Service” (SaaS) model, offers more than 350 functional modules, providing manufacturers instant access to vital information and management functions using a simple Web browser. The on-demand solution features product lifecycle management (PLM) functions such as program and change management, enterprise resource planning (ERP) functions such as accounting and finance modules, customer relationship management (CRM) features such as order entry and tracking, manufacturing execution systems (MES) functions such as production scheduling and machine integration, and supply chain management (SCM) functions such as supplier quality and traceability. www.plex.com 1 888 454 PLEX

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