

## INDUSTRY 4.0

# Small Manufacturers Can Take the Fight to Big Competitors

Most large corporations started the Industry 4.0 journey some time ago, and as a result, became more competitive. That same A.I./IoT technology is now well within reach for every company, no matter how small, so they must rapidly take advantage.



**We have seen significant changes in the manufacturing environment over the past two decades, and yet, the pace of change continues to gather momentum.**

Major change drivers include technology, buyers' expectations and behaviors, regulations, and COVID-19, to name just some. Small businesses understand many of these drivers and what it takes to survive. These businesses face significant competition, much of it coming from the culmination of the drive to globalization over the last couple of decades. More recently, the turmoil introduced by the Covid-19 pandemic.

Because of these challenges, C-Suite aspirations today are moderated for fear of being overly aggressive or setting unobtainable goals and targets. It is about steering a steady course for many rather than unintentionally sailing into choppy waters. Despite the many challenges, we firmly believe that smaller manufacturers can

indeed be far more competitive, largely thanks to their agility, responsiveness, and now the availability of low-cost access to Industry 4.0.

Many are already finding that A.I/IoT is a potential game-changer. Most large corporations started the Industry 4.0 journey some time ago, and as a result, became more competitive. That same A.I/IoT technology is now well within reach for every company, no matter how small, so they must rapidly take advantage.

How do small manufacturers take advantage? They can automate and optimize their end-to-end supply chain or start with a more focused effort by looking at the "Manufacture/Produce" process.

## **BUILDING A WINNING ORGANIZATION**

**Success is dependent on building a more dynamic, knowledgeable, innovative, and performance-driven organization.**

A workforce that engaged and aligned on business and operational goals and objectives. Setting realistic goals, objectives, and targets is not enough; great effort is required to ensure that every level of the organization owns and is leveraged to deliver the outcomes. People need clarity on how their role fits into delivering the desired results. Ultimately, it

is about creating a sense of purpose, upwards from the most junior person in the organization. It is about a streamlined debottlenecked environment that seamlessly enables people to execute their tasks. This is what separates the great from the good.

## EXECUTION EXCELLENCE

Carlos Ghosn once said that when it comes to the successful delivery of business objectives, 5% of the challenge is the strategy, and 95% is the execution.

It is disheartening to see organizations spend considerable time and effort developing a compelling strategy and then act like the hard work is done. Success requires a holistic approach to implementing change and delivering sustainable results. The four key elements crucial for delivering sustainable results:

**ORGANIZATIONAL EXCELLENCE** – A fit-for-purpose organization built on a culture of accountability and achievement. Clearly defined accountabilities, roles & responsibilities, streamlined structures that eliminate bureaucracy and facilitate collaboration.

**STREAMLINED PROCESSES** – The need to streamline and optimize processes, minimize duplication, rework, and simplify. Provide clarity of inputs and outputs at each hand-off point and automate as much as possible while ensuring that data and document capture are rigorous.

**MANAGEMENT OPERATING SYSTEMS** – The foundation for developing an execution mindset starts with a robust Management Operating System. The Management Operating System will drive the appropriate rigor and discipline in critical elements of business decision-making, forecasting, planning, KPIs, reports, meetings, action logs, and performance management.

**INDUSTRY 4.0** – Companies that have achieved lean organization structures, streamlined processes, and robust Management Operating Systems can rapidly digitalize their systems and processes and achieve transformational results. Many Industry 4.0 initiatives fail to deliver because companies digitalize processes that have not been streamlined to remove waste, duplication and inefficiency. Failure is rarely down to their choice of the platform but with their readiness to digitalize. Industry 4.0 will deliver results that are rapid and transformational. The question remains whether your organization is fully prepared and ready to take advantage.

## Industry 4.0 is a relatively quick fix for small companies.

It must start with the desire to be a little bold and daring, wanting the performance improvements more than your closest competitors.

The manufacturing environment is becoming increasingly competitive, and the daring and bold will thrive.

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