



White Paper

How to Leverage Manufacturing
ERP to Manage Material,
Cost and Cash



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Simplifying your Success

Albert Einstein was probably one of the greatest brains of the 20th century, but few of us know that not only was he a pragmatic and astonishing theorist but was also a very spiritual and personable person, very much in touch with music, love and life. The question remains: How can Einstein's theories be adapted to business success?

SYSPRO has been supplying manufacturers and distributors with the latest and greatest in ERP for over 30 years. The cornerstone of the SYSPRO success has been the ability to deliver pragmatic visionary technology, while at the same time placing the customer relationship at the helm of its success. With one of the highest customer retention levels and leading technology SYSPRO continues to enable its customers to better complete in their marketplaces.

Inspired by Einstein's Theory of Relativity, SYSPRO USA developed its own theory: $S=MC^2$. Where S = SYSPRO ERP, M = Material and C^2 refers to Cost and Cash. This is about using technology to get back to basics -- Managing assets and material, managing costs through efficiencies and visibility and managing a most important business resource - cash and funding.

Since the downward economic spiral in 2009, we are finally starting to see hints of an upward trend. Many pessimists will claim we are only seeing this because of the coming Presidential election. Well, in the same breadth the optimists and opportunists will lay claim to the fact that this is a great time to make some money. The efforts put into place now to bolster the economy during an election year do not stop having an effect on the economy when the elections are over. They tend to last a lot longer than expected. So take advantage of this time, and stake your claim in the upcoming mini (hopefully long-term) boom.

Cash and cash flow should be the biggest focus during this period. What generates cash is the effective management of assets (Material), optimizing efficiencies (Costs) and managing funding (Cash). What SYSPRO ERP delivers are the tools that empower companies to manage this material, costs and cash "triad". When times are bad, inventory levels are reduced due to the diminishing demand, and business is rationalized by reducing staffing. What this does is free up cash resources locked into inventory and costs that allow a business to fund itself during the downturn. In contrast after an extended recessionary trend, as the economy and business rebounds, companies often realize that their cash resources have been extinguished and there is no funding available to pay for the growth. The cash was used during the tough times, and now manufacturing, inventory levels and staffing need to be increased to meet the new demand, but there is no money to do so. The effective management of material, costs and cash becomes imperative to ensure ongoing success.

SYSPRO's focus is on the success of its customers. This paper is about "getting back to basics," focusing on the things that count. Material, Costs and Cash are the key elements to concentrate on but how? The effective implementation of an ERP system such as SYSPRO, enables SME manufacturers and distributors to ensure they have the tools to manage the basics and the visibility and metrics to track and control all aspects of their operations.



SYSPRO Quantum Architecture Choreographs the Management of Material Cost and Cash

As mentioned earlier, Albert Einstein was probably one of the greatest brains of the 20th century, but few of us know that not only was he a pragmatic and astonishing theorist but was also a very spiritual and personable person very much in touch with music, love and life.

The cornerstone of the SYSPRO success has been the ability to deliver this pragmatic visionary technology while at the same time placing relationships at the helm of its success. With one of the highest customer

retention levels and its leading technology, SYSPRO continues to enable its customers to better complete in their respective marketplaces.

As previously stated, Einstein's Theory of Relativity inspired the SYSPRO USA developed theory: $S=MC^2$. Where S = SYSPRO ERP, M = Material and C^2 refers to Cost and Cash.

SYSPRO's latest Quantum Architecture offering is also inspired by an Einstein theory, the Einstein theory of Quantum Mechanics. In this theory Einstein attempts to explain the behavior of matter and its interactions with energy. Similarly, the SYSPRO inspired Quantum Architecture attempts to resolve the behavior of an SMB business and the interaction of the business with technology and organization energy as well as people and processes. SYSPRO Quantum Architecture aligns business strategy with business activities, the technology you use in your business and the internal and external people in your business.

SYSPRO Quantum Architecture incorporates three revolutionary innovations:

Data Collaboration Modeling and a multi-source, Single Repository Architectural Map.

A single source of truth to define, innovate and manage all business processes. This is a visual multi level representation of all business processes as they interact with SYSPRO ERP and any outside processes and technology. What is amazing is that as you change the visual business process mapping, the settings in the SYSPRO ERP product are automatically changed to meet the requirements as they are amended in SYSPRO Quantum Architecture. The system outputs and formatted MS Word file that is a living documented truth of the system at any time. The result is that all processes are defined and managed for perpetuity. As processes change, the SYSPRO ERP product falls in line with the documented changes creating this live "Single Source of Truth".

Pre-Configured System and Process Models

All "best practice" business processes as they relate and align with the SYSPRO product are available out-of-the-box. Therefore, all data structures are modeled, all set-up options as they exist in SYSPRO are clearly presented and all menus,



submenus, screens and panes relate 1-to-1 to SYSPRO. The process models are multi-level from the top level right down into the granular detail of the SYSPRO, as required. As processes change, the set-up options in SYSPRO are altered automatically to match the amendments.

Embedded Role based EPM, Metrics, Reporting and Measurement

The SYSPRO Fluid Interface Design and Role-Based Interface link into the data collaboration modeling to ensure that KPI's, metrics and reporting required for measurement are addressed. Menus, processes and functions are defined by Role not only delivering a system uniquely designed for the individual roles but also fully documented. Security is comprehensively and completely addressed. SYSPRO provides security by Role or User right down to the field level.

Finally, there is a system that brings together the Strategy of an organization and choreographs the Leadership, Processes, People and Resources to ensure that Material, Cost and Cash are managed to ensure efficiencies and maximize profitability.

"Quantum Architecting" as SYSPRO calls it, addresses every aspect of enterprise technology and architecture; everything from mobile to the cloud is fully covered, ensuring a 360-degree approach to managing all the critical business components. SYSPRO Quantum Architecture aligns Strategy with Business Activities, the SYSPRO ERP System and People (Internal and External) in a perfectly choreographed dance, which delivers improved efficiency, stimulated profitability and the effective management of Material, Costs and Cash, and Tracking. The SAINT concept addresses inventory in a holistic end-to-end manner across the procure-to-pay-process delivering SYSPRO customers with a definitive competitive advantage.

The SYSPRO SAINT Inventory Management System offers an across-the-board set of tools for the management of Inventory, the control of inventory throughout the manufacturing process as well as integrated purchasing and supply chain management, giving you the ability to manage and control inventory across your entire enterprise.



In order to compete effectively in the competitive marketplace, unique inventory management tools give companies like yours a competitive edge. SYSPRO delivers both standard and unique inventory management capabilities designed for your unique business's specific needs:

- SYSPRO is the only mid-market ERP solutions provider that has integrated Inventory Optimization with complete what-if-analysis to manage the relationships between inventory holding, customer service levels and profitability.
- Compliance focused tracking and recall features designed to allow these industries to meet legislative and compliance requirements.
- 360 degree visibility into all inbound, outbound and utilization of inventory.
- Complete and integrated finished goods, raw materials and work in progress tracking.
- Alerts and pre-emptive reporting for the intelligent management of complex and tumultuous supply chains.
- Real time global, multi -site, multi warehouse visibility.
- Effective management of inventory management processes through features like Engineering Change Control and Workflow in all operations areas such as inventory replenishment, order fulfillment, manufacturing and control.
- Role-based UI with fluid interface design with multi language support.
- RMA, RTV and Recall Management.
- Compliance support for medical, food, electronics, Electronic Signatures and 21CFR Part 11 regulations, including labeling and warehousing requirements of finished and raw materials.
- Comprehensive costing methods.
- Support for Workload planning, cross docking, unit-management, kits and back-flushing.
- Optimization of picking and order consolidation.



- Radio-frequency and bar code scanning support.
- Mobile inventory management solutions.
- Fully integrated SYSPRO EDI module with EDI shipping and labeling.
- Visibility into demand, supply, costs and fulfillment transactions, trends and metrics.
- Manage profitability via a clear view of costs, margins and inventory turns and volatility.
- Manage supplier relationships and the full procure-to-pay process.
- Slash inventory control costs and boost quality by tightening controls and improving efficiencies.
- Optimize manufacturing processes by controlling assembly processes, managing production and work orders, controlling production quality, managing bills with multiple routes and structures with complete visibility and integration into the back office.
- Fully integrated Demand Planning leveraging historical data and forecasting.
- Compute what-if scenarios based on altering demand factors.
- Manage and optimize inventory through SYSPRO Inventory Optimization – A specialized tool that ensures the optimal Service Level, based on desired inventory holding investment and profitability.

So much can be said regarding the SYSPRO SAINT Inventory Management Solution. SYSPRO has the ability to not only meet your current requirements but also the ability to grow with your business and deliver the inventory optimization and control tools as you grow and need them.

Learn more about SYSPRO ERP Cloud and on-premise business management software designed specifically for mid-market manufacturers and distributors by visiting www.syspro.com. The SYSPRO SAINT Inventory Management Solution is supported by the SYSPRO ERP system.



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