FOUR REASONS WHY
YOUR ERP SUCKS & CONTINUOUSLY FAILS TO DELIVER

Most ERPs fail to deliver the promised benefits. That's despite organizations typically investing vast amounts of money, time and human resources.

But, why is this so often the case? Here are four key reasons why ERPs regularly underperform and fail to provide the expected ROI.

1

PROBLEM.
Modern ERP algorithms are highly sensitive. They require accuracy and a forecast of future orders. An accurate forecast is not just challenging, but impossible. As soon as circumstances change, the supply chain analysts must use their intuition to compensate.

INVENTORY MANAGEMENT

CONSEQUENCE.
Inventory remains high, yet there are consistent stock-outs and poor on-time delivery.

2

PROBLEM.
Production planners and manufacturing supervisors continuously attempt to keep production center capacity and utilization in balance across the entire line. They pursue 100% efficiency everywhere. Modern ERPs lack the tools to effectively schedule production flow.

OPERATIONS MANAGEMENT

CONSEQUENCE.
Production costs remain high while output and lead times suffer. In addition, there is constant "firefighting".

3

PROBLEM.
Modern ERPs don't provide flow-based measures. Decisions are made using measures such as Efficiency and Profit Margin that usually offer a misleading understanding of plant and business performance.

BUSINESS INTELLIGENCE

CONSEQUENCE.
Strategic decision-making on product pricing, production capacity and sales strategy is not properly aligned with market demand, reducing revenue and raising costs.

4

PROBLEM.
In an attempt to create a singular, "perfect" IT system, management makes the ERP perform many simultaneous business functions. This approach often demands complex operations from the software, and high volumes of data entry from users.
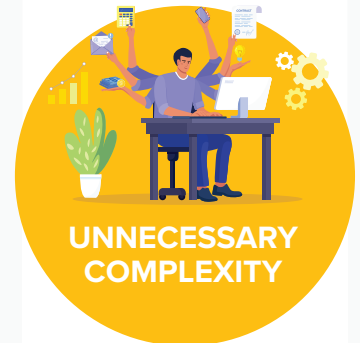
UNNECESSARY COMPLEXITY

CONSEQUENCE.
Necessary customizations add to ERP cost, while additional complexity slows the software down, increases session duration and requires more resources to manage.

ALL IS NOT LOST FOR YOUR ERP

There is a fix manufactures and distributors can use to finally fully leverage the power inside their ERP. It doesn't require dramatic change and it will improve stock availability, increase production throughput and rein in excess inventory by 25% (or even more).

CMS Montera.

cmsmontera.com   +1519 624 9856   info@cmsmontera.com