

# Improved Efficiencies and 'One-Truth' in Numbers



## About the Company:

FT Precision Inc. is a Japanese-parented, Ohio-based, automotive chassis and engine component supplier. “F” represents the town where the company is located, Fredericktown. “T” represents the last name of the company’s founder, Mr. Gi’ichiro Tanaka, and the parent company Tanaka Seimitsu Kogyo Co. FT Precision’s operations include machining of raw steel forgings and cast aluminum combustion engine rocker arms, along with forgings of constant velocity joint bearings and outboard retainer forgings.

## Business Challenges:

- Paper-based processes could not keep pace with the real-time, lean production environment the company set up for long-term success.
- Could not gain immediate and accurate access to operational data from every department.
- Manual inventory and data entry was a drain on resources and response time.
- Data collection from spreadsheets meant information was often out of date by the time it was available.

## Solution Benefits:

- Real-time data resulted in accurate inventory and holding a lot less stock, which improved cash flow.
- No investment in server hardware or manage, and maintain since all updates are available as Plex rolls them out—with no disruption to the business.
- P.O. approvals are conducted via a mobile app for a faster approval process, at any time, from any location.
- Worked with consulting partner, Plante Moran, to explore the full potential of the Plex Manufacturing Cloud.

## A Business Challenge Ripe for ERP

When FT Precision began life it operated a small workforce and, like most manufacturers, used paper-based processes. Some 20 years later the company has a 400-strong employee base and a strategy for ensuring its long-term survival and commercial success. As this strategy was being developed the senior management team recognized that paper-based processes could not keep pace with the real-time, lean production environment the firm was creating.

Instead, they required immediate and accurate access to operational data from every department in order to be able to respond rapidly, and with quality, to their customer's requirements. Kent Baxter, IT Assistant Manager at FT Precision, takes up the story: "Initially our challenges with manual inventory control led us towards ERP because of the sheer time it took to update our data."

On closer review, the real issue was one of data ownership, "Every department owned a piece of the data we needed in order to build a real picture of our inventory levels. Spreadsheets had to be circulated through each department to manually input data which was a very time-consuming process and by the time the data collection was complete it was out of date."

If the company was to realize its lean manufacturing and growth potential, transitioning to software-driven, integrated processes was a must.

## Plante Moran: Delivering a Flawless Execution

Initially, FT Precision only intended to deploy the inventory management module. However, once they understood the software's full capabilities, the firm decided to bring in a consulting partner, Plante Moran, to explore the full potential of the Plex Manufacturing Cloud.

### Making the Perfect ERP Match

"To be absolutely honest, we only assessed one other ERP in addition to the Plex Manufacturing Cloud," explains Baxter. "That's because as soon as we went to Plex's annual conference and discovered that other suppliers in the same automotive supply chain had deployed it, we knew it was exactly what we required."

"The real-time nature of the Plex Manufacturing Cloud, with the cross company visibility it gives everyone, is just the start. All the modules are integrated so that whenever a process occurs on the shop floor, if it has a commercial impact, our finance system is updated accordingly.

Quality and compliance work together and, because we are publicly listed in Japan, we have to comply with their data security regulations.

The Plex solution does the required reporting for us and we submit the necessary information, it's so simple and fast."

## Smoothing the Road to Deployment

Plante Moran offered the industry expertise, bilingual personnel to support understanding of the software's capabilities, and the essential knowledge of a consultant with a specialty in JSOX compliance.

Using a well-proven methodology Plante Moran helped to deliver a significant business transformation in a short period of time and with very high levels of workforce buy-in.

**Phase zero** took approximately three months. During that time, the team identified areas of improvement, the unique benefits FT Precision would gain from implementing the solution, and the implementation costs.

**Phase one** of the project implementation was scheduled to take seven months; it was completed on time and under budget. Baxter notes: "An amazing aspect of the collaboration between FT Precision and Plante Moran was that on day one, live, there were no misses! Day two was no different than day one; the Plex system was up and running."

## All Aboard the Change Express

Making such a significant business transformation doesn't happen overnight, but FT Precision's board knew that gaining shop floor buy-in was essential – and that it would accelerate return on investment.

Before ERP, FT Precision was already a successful automotive component

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manufacturer. “We were winning triple awards for excellence regarding delivery, quality and costing, so many employees wondered why we required the new ERP-driven way of working.”

For many, it was a difficult transition from a paper-based production environment to a technology driven one.

Baxter explains: “Many of the employees on the production line were less than comfortable with technology. To help them make the big change we were asking of them, we provided small classroom training sessions where we walked through their processes before we even introduced screens to the lines.

“We really did ask a lot from our people and they really delivered. We ran parallel processes to test Plex alongside our existing processes. For our people this meant doubling their workload for a significant period of time.

At the same time, our management team undertook a great communication activity, showing how, if we wanted to be successful in business for the long-term, we needed to make this transition now.

“We also made a promise that our production teams would drastically cut down the amount of time they spent on admin. That really helped to enthuse them about Plex!”

During this phase, there were often discrepancies between the manually gathered data and the data Plex delivered. Understandably the FT Precision team questioned the validity of the Plex data. “Plex was always right, because its data is real time,” notes Baxter.

“We also made a promise that our production teams would drastically cut down the amount of time they spent on admin!”

## People-Powered ROI

To help drive ROI and the utilization of Plex's capabilities, FT Precision, like all customers has access to the Plex Community of users. They can collaborate with others using the same instance of software and receive advice and tactics. Having dipped into the community FT Precision has deemed it to be "an awesome tool" and the first place to go for instant support.

## FT Precision's Business Outcomes?

For FT Precision the Plex Manufacturing Cloud has delivered significant results, as follows:

### Sound Foundations for the Future

With the implementation of the Plex Manufacturing Cloud, FT Precision has built an extremely resilient foundation for future growth, which will allow them to deliver the agility and lean capability support needed.

### Faster Decisions. Better Decisions.

Because Plex data is real time and instantly accessible via any device, people at all levels of the organization are better informed. "Now, when we go into a meeting with the senior management team they already know what our business is doing. So we spend our time figuring out solutions and planning. We're a much more proactive organization now and that's a great feeling for everyone," states Baxter.

The mobile application for P.O. approvals is also a favorite. This tool has improved efficiency because production managers and P.O. approvers can use their smartphones to spot-check the approval process, at any time, from any location.

## Inventory Accuracy

Now that all departments have real-time data, the business knows at the end of each day its inventory levels are correct. That means they hold a lot less stock than they did pre Plex, which is excellent for their cash flow.

## Improved financial control

FT Precision is also benefiting from automated information flows. Anything with a commercial impact that happens on the shop floor gets automatically input in the accounting module.

Clearly this will have a very real impact on helping to drive future profitability.

## Employee Satisfaction

Now that staff have fully embraced the new way of working, FT Precision is experiencing a happier, more satisfied workforce who are able to spend more time on value-generating activities and much less time on paperwork.

## Hassle-Free, Cost-Effective IT

With few IT personnel in house, having a true cloud solution means there is no server hardware to buy, manage and maintain, and all software developments and updates are undertaken by Plex and rolled out seamlessly.

## Step Into the Future

“With Plante Moran we have managed to deploy an extraordinarily powerful ERP solution with best practice principles and in a way that will

deliver maximum value. We thought we were hiring technical professionals to implement software, but what we actually got was invaluable business management advice.

They gave us vital new perspectives based on how other organizations are run, how they look, and how they use Plex and that has been absolutely invaluable, concludes Baxter. “We’re now planning to roll out the few modules we don’t already have, including HR, costing and PLC and I can’t wait to see what that will do for our organization.”

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### About Plex

Plex is the Manufacturing Cloud, delivering industry-leading ERP and manufacturing automation to more than 600 companies across process and discrete industries. Plex pioneered cloud solutions for the shop floor, connecting suppliers, machines, people, systems, and customers with capabilities that are easy to configure, deliver continuous innovation, and reduce IT costs. With insight that starts on the production line, Plex helps companies see and understand every aspect of their business ecosystems, enabling them to lead in ever-changing markets. Learn more at [www.plex.com](http://www.plex.com)

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