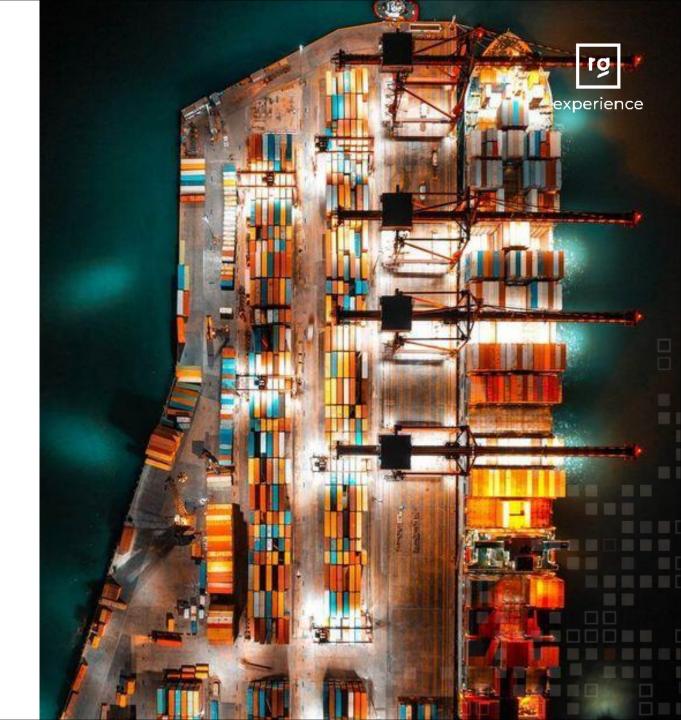
# **Unlock** Smart Manufacturing

Your Journey Beyond ERP with Fraunhofer's Industry 4.0 Maturity Framework

### Sascha Reppel

Managing Director RG.Experience Asia

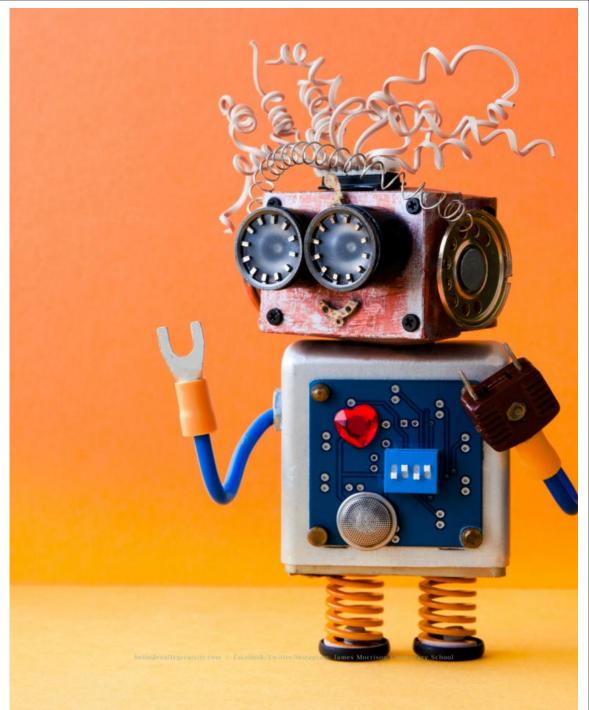




# **Don't Focus** on the shiny new toy

Don't just buy a new technologies but scale up internal expertise via shadowing to fully make use of it Real ROI comes 1 year AFTER an initial implementation project IF done right

Build up inhouse capabilities around Industry 4.0 (Training, Change Management,...) Tech is an enabler but NOT main course



# The reality of Smart Manufacturing









# Industry 4.0 = $\sum [(Enterprise 4.0) + (IoT) + (Skills) \times (Insights) * (Scalable)] = \sum [(Enterprise 4.0) + (IoT)]$



## **Challenges** for SMEs in Asia & beyond Digitalization is not a USP anymore but a key to weather the storm



- Staffing Cost & Shortage in Blue Collar work
- Diverse Regional Regulatory
  Pressure & Requirements
- Supply Chain Disruption demanding more resilient Supply Chains
- Technology Adoption requires faster innovation cycles

Digitalization of bad processes

Digital Islands without achieving vertical integration & single source of truth



Unbalanced Maturity investing in innovative technologies

while not building critical

capabilities

Real time data acquisition but not used to build a culture of optimization

Lack of utilization of core systems like ERP

>90 % of Asian Subsidiaries didn't properly implement PLM as the digital backbone for the production process Real time data acquisition doesn't cover EMS & CAQ by MES & SCADA

Internal Challenges

# Industry 4.0 Technologies

Internet of Things (IoT)

> Digital Twin

Data Privacy (Encryption) Cloud, Extensibility, Microservices

> Manufacturing Intelligence

LLM & AI for Manufacturing

MES

Data Discovery and Algorithms Augmented Reality (AR)

....

Mobility

**Big Data and** 

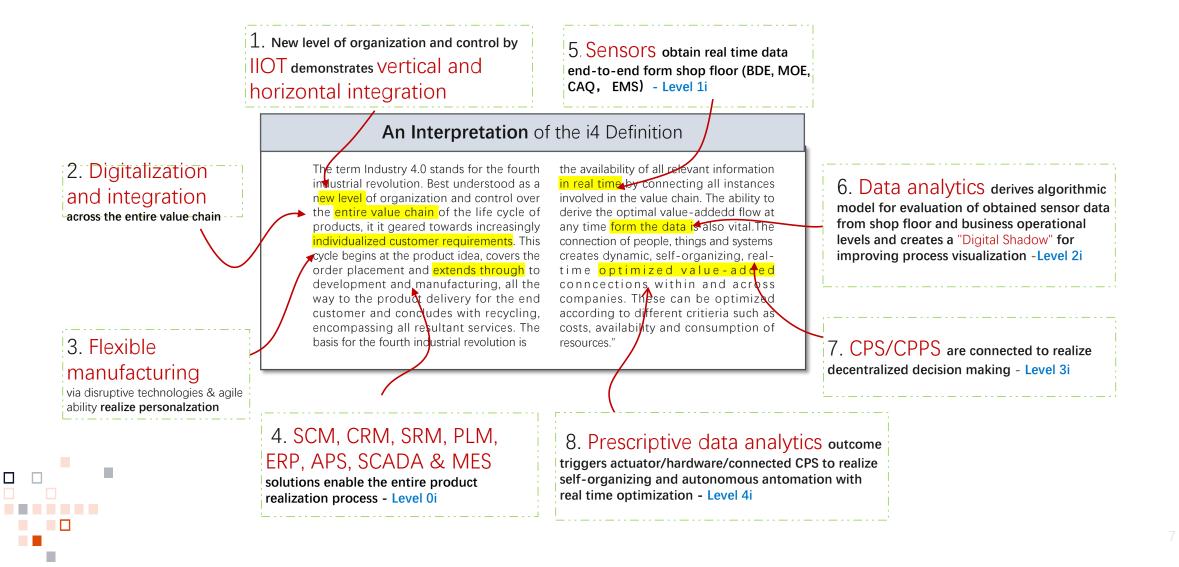
Analytics

Additive Manufacturing (3D Printing)

Blockchain

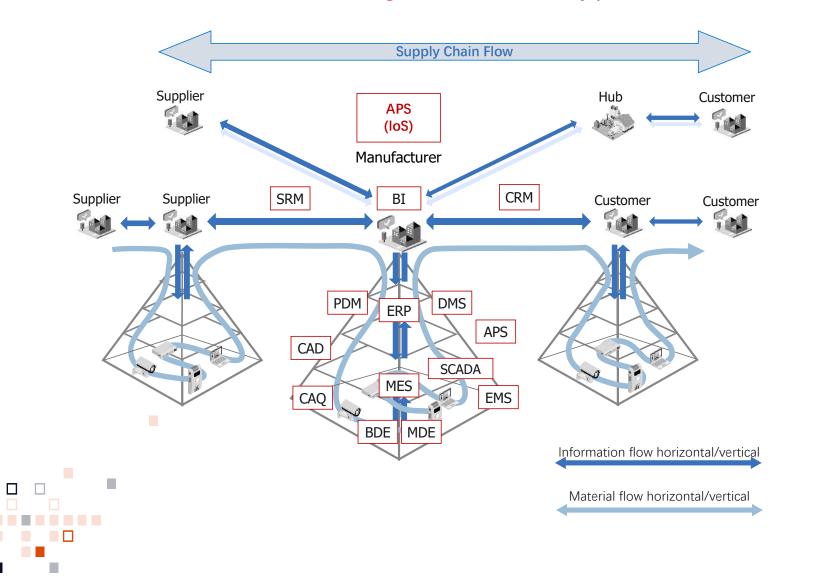


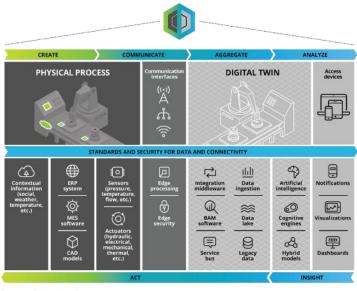
## **The Definition** of Smart Manufacturing 8 Core Technical Capabilities for Smart Manufacturing





## **Reference** Architecture for Smart Manufacturing Focus on Critical Building Blocks not Hype



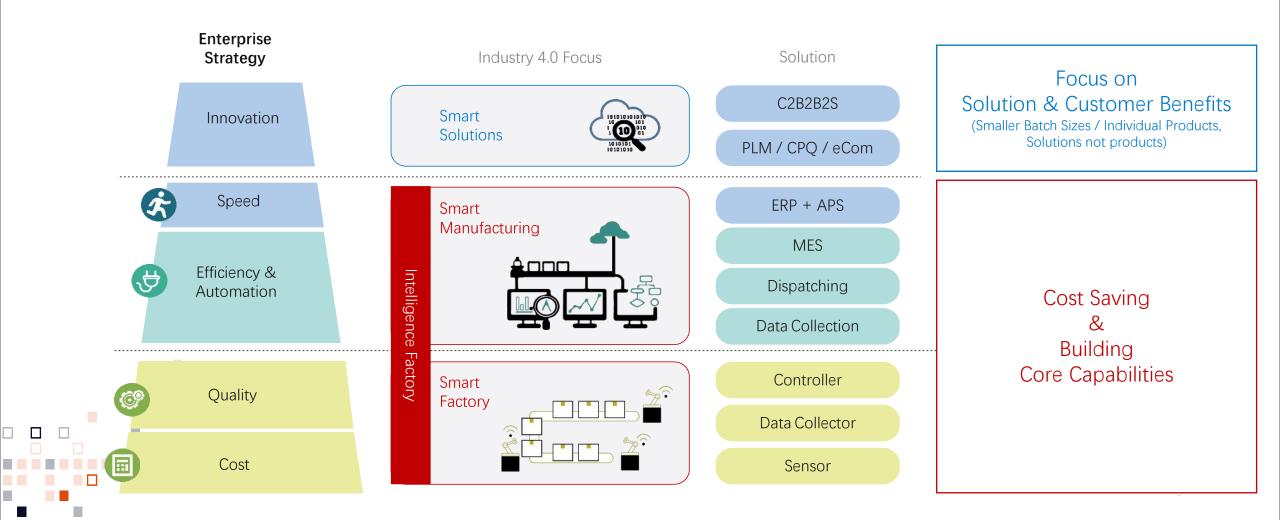


Source: Deloitte University Press.

Deloitte University Press | dupress.deloitte.com



# **Smart Manufacturing** – Smart Solutions beyond the Factory Floor



# This is already complex BUT...

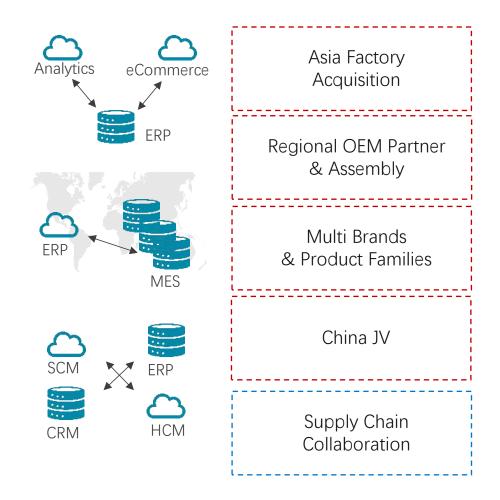


### **Collaboration** beyond Multi Region / Multi Plant & Supply Chain Integrati

Multi Region / Multi Plant & Supply Chain Integration

**Industry 4.0** Initiatives & Maturity

п



Different Culture in Joint Ventures have an own infrastructure / limited data sharing

Different Region

Know-how transfer while allowing for local best practices

#### **Different Maturity**

ensuring user skills match technology development

#### **Different Technologies**

2<sup>nd</sup> tier solution to cater for budget & needs in emerging markets

#### Acquisitions

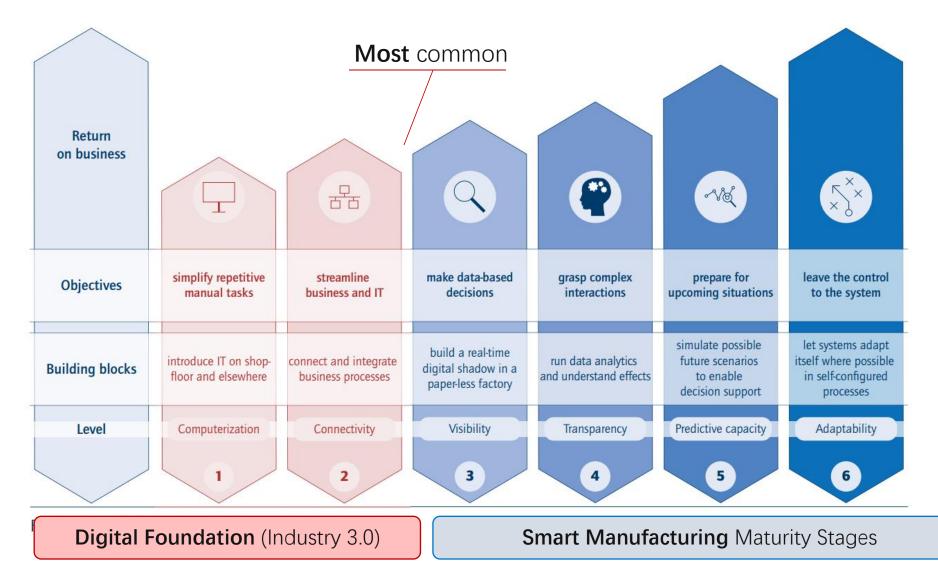
Ingest & transition acquisitions into a global strategy / processes

# Fraunhofer i4 Assessment beyond Buzz building critical capabilities



# Frauenhofer i4 Assessment

### Understand your Status Quo



Get the details





# Frauenhofer i4 Assessment - Application

How / When to use it?







### **Global rollout**

and progress monitoring of the digitalization strategy based on company best practices

#### Synchronize Initiatives

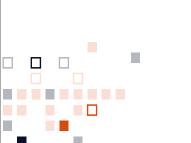
Remove silos and connect digitalization activities throughout the company's facilities / regions

### M&A & JV

Technical due diligence for factories in the context of mergers & acquisition

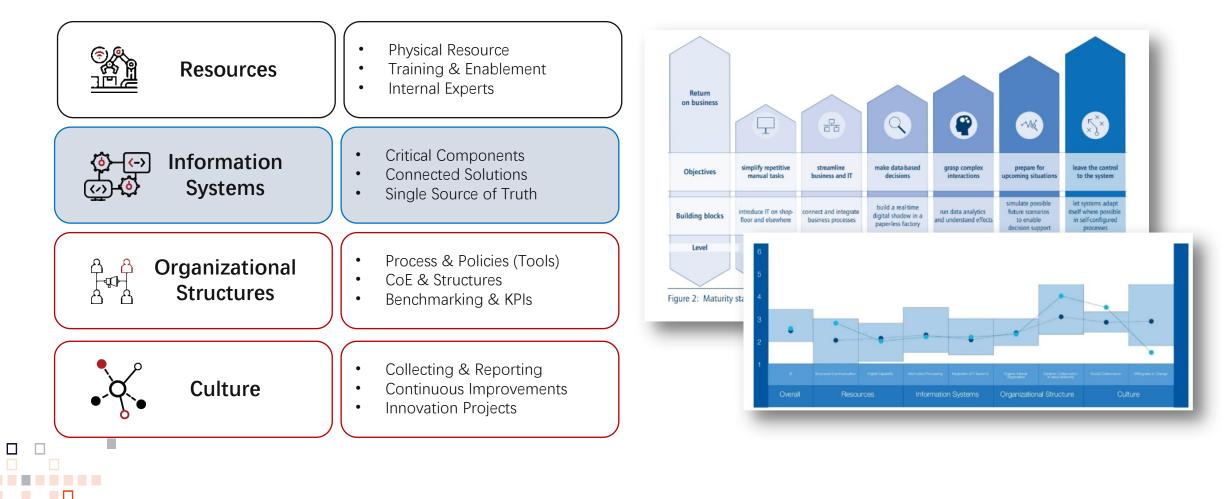
### Roadmap

Reduce the disconnect between IT & Business & Production & create a coherent digitalization roadmap for corporate & individual manufacturing facilities

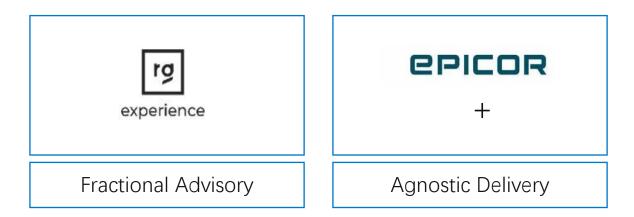




## **Critical** Capabilities beyond technology Understand your maturity beyond different dimensions



## **Beyond** theory From Quick Wins to Roadmap



- SMB Experts with track record for European companies entering Asia
- **Beyond** Pure Product implementation
- Industry 4.0 & Smart Factory Use Cases
- Strong Local & Asia Presence
- **De-risk** Regional Rollouts bridging the gap between HQ & Local Subsidiary





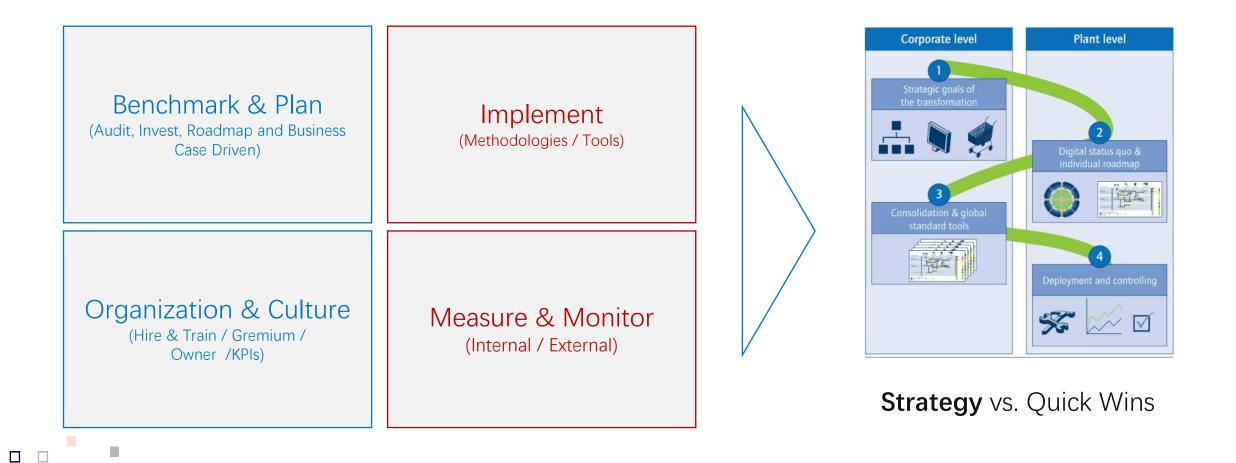
# Every Journey is different

Design your own journey at your own speed!



# Industry 4.0 Framework

### Build YOUR Journey



# **Industry 4.0** Program Strategy 5 Steps towards building your i4 Roadmap



i4.0 Trainings & Deep Dive i4.0 Pilot Project identification

i4.0 Maturity

Assessment

i4.0 Advisory Service (CoE & Best Practice)

Service i4.0 ractice) Certification

### Management & Organizational Buy-in



## **CoE - Build** your own ownership CoE around Smart Manufacturing as driver

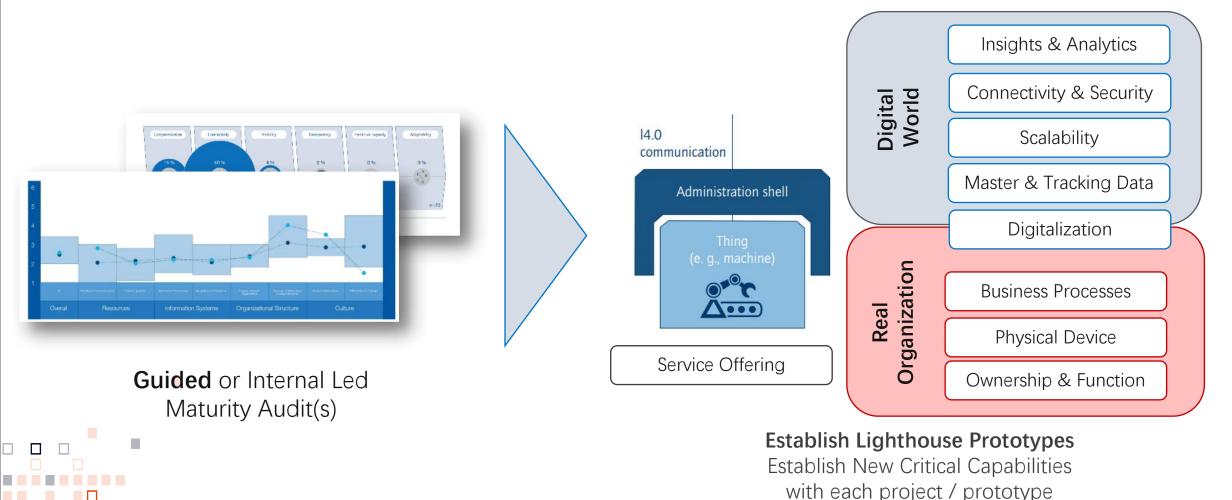


CoE Function	Key Processes	Operational Excellence & i4 Center of Excellence
Knowledge Acquisition & Management	Knowledge repository, learn about new technologies and trends and build trainings and processes	Fractional Advisor - Industry Veteran - i4 Experts - i4
Communication Management	Share best practices, KPI reporting at plant/regional/global level	Sponsor C - Level Dep. Directors Topic BoardsGlobal CoERegional Global CoEPMO / IT- Evangelize - Mobilize - Facilitate- Consolidate - Localize - Localize- Execute - Advise - Solution Owner
Innovation	Technology portfolio choices selection, make vs buy, master-planning	- Educate - Promote & Collect
Reporting	What to measure, how and why	Resource Pool  Domain Project (Strategic Talent)  Support Team    – Operational Leaders  - Specific Teams for projects  - Business Analyst
Organization & Culture	Learning plans, skills inventory	Temporary Ramp Up
Financial Governance	Budgets, forecasts, planning	Support with temporary peaks / skill gaps Reduce onboarding efforts with recurring expert resources



# Benchmark - Maturity Benchmark & Prototype

### Maturity Audit & Prototype Projects





## **Strategy -** Build your Vision Smart Manufacturing Vision & Roadmap (Annual Reporting)



Strategic Project Map

(Map Projects to i4 Priorities)

**Cost vs. Revenue** (Solutions & Productivity Focus) Smart Manufacturing Cockpit (Track Projects & Ideas)



# Continuous Improvement - Build your roadmap

Establish a culture to shift to a higher level of maturity

- Building Key Capability Roadmap
- Improve Processes in existing Systems
- Track Minor Improvements
- **Cross** Regional CoE & Knowledge Sharing
- Knowledge Base of Use Cases
- **Communicate** Best Practices



Figure 18: Digital transformation roadmap for a chocolate factory (source: Industrie 4.0 Maturity Center)

# Industry 5.0

Digitalization is not slowing down any time soon Key is to built smart habits / change culture



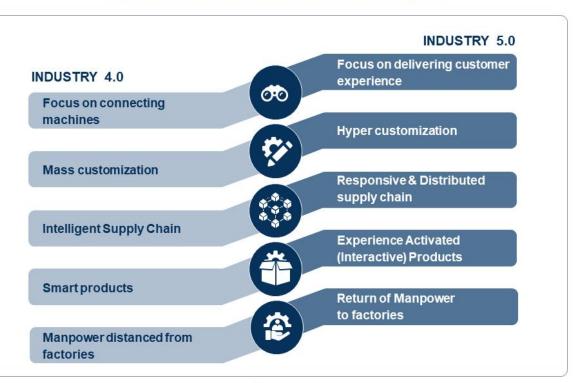


## **Building** Smart Habits (Culture) to react quickly Hyper Connectivity & Hyper Personalization

### "the era of experience"

- From mass & automated manufacturing towards distributed supply chains
- Going beyond your product offering solutions combining process value add / frictionless,...
- Batch size of one

 Supply chain coupled with the gig economy



#### FROST 🔗 SULLIVAN

Frost: How industry 4.0 pioneers can evolve to the industry 5.0 model - Tech Wire Asia

#### Highlights of Industry 5.0 compared to Industry 4.0

## **So...** How to get started?



### FIND out BOOTH to WIN



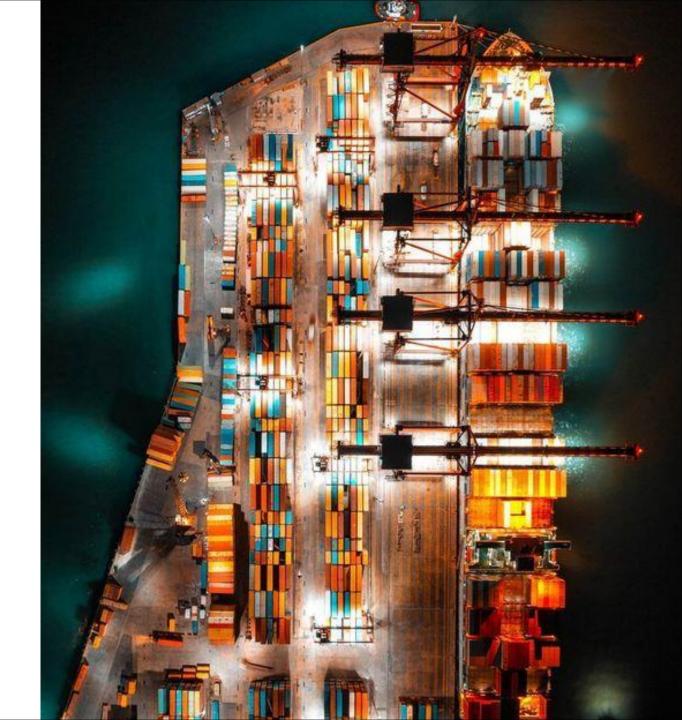
#### Maturity Audit Offerings Half day Free Discovery Session 2 Discounted Audits

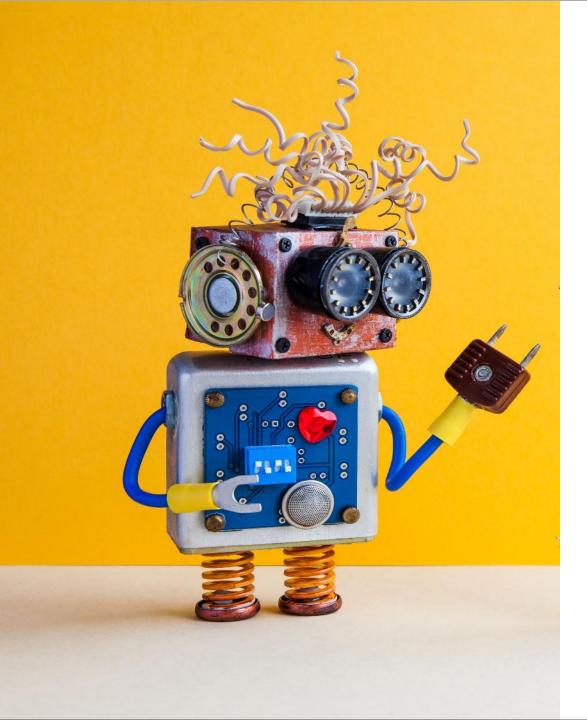


#### Technology Audits MES / ERP,...



 JOIN our RG Smart Community Scan WeChat Code now





### **rg** experience

# Thank you!

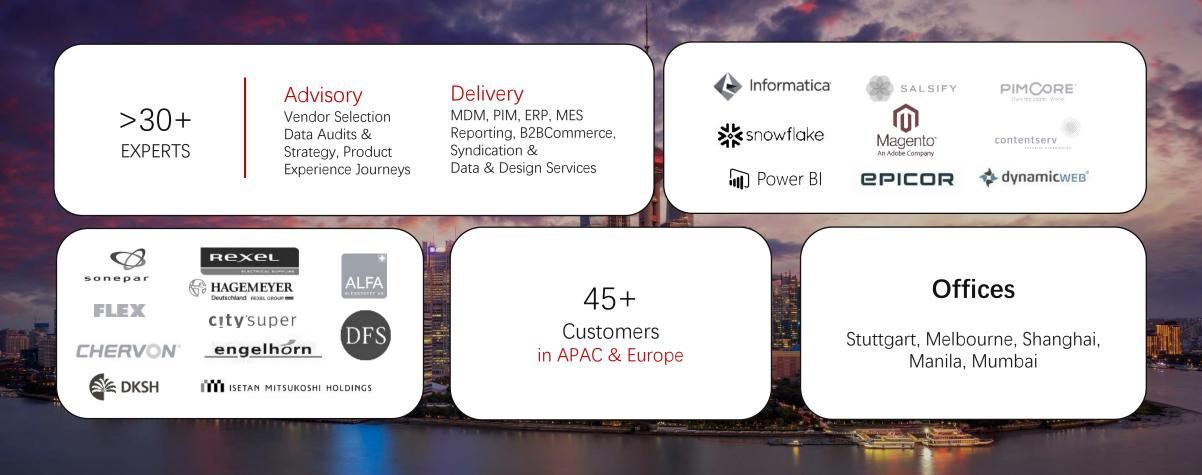
### Sascha Reppel

Managing Director RG.Experience Asia Email: <u>Sascha.Reppel@rg-experience.com</u> Phone: +131 67121008



### Who we are RG. Experience







# **Digital Transformation** – Why should u care?

In order to address the challenges that arise as a result of COVID-19, which of these digital transformation areas should your organization be focusing on?

**Build Digital Trust** 33% **Optimize Operations** 32% **Explore New Business Models** 28% New Remote Office and 28% **Collaboration Capabilities** Strengthen Software Capabilities 25% for Digital Innovation Improve Working Environment 22% to Attract Talent 10% 15% 20% 25% 30% 35%

Focus on ROI:

"2024 is a year for safe bets only! This year we will only *invest in technologies that will enable us to reduce cost*." –CIO, IDC Advisory Board