



Keep Your Technology Roadmap On Course: Three Ways to Drive Toward the ROI You Want

Advanced manufacturing technology should be a means to an end, not the end itself. Here are three ways to drive toward the ROI you want.

Right now, there's a lot of hype around Industry 4.0, the Industrial Internet of Things (IIoT), and artificial intelligence (AI). There's a feeling among many executives that they must rapidly adopt the latest in digital technology and analytics, or risk being left in the dust of their competitors. Let's face it, no company can afford to fall too far behind the curve in this era of digitization. But while there's value in being an early-adopter, rushing into full-on digitalization or automation without regard for value, ROI, or how it aligns with your organization's guiding principles isn't advisable either.

One way to gain some perspective on the situation is to remember that, for most businesses, advanced technology should be a means to an end, not the end itself. In other words, only invest in solutions that can drive real business value, solve a core

business challenge, or improve the way you serve existing customers and reach new ones.

Can Technology Make You Faster or More Agile?

At TBM, our philosophy has always been that success in manufacturing hinges on speed: the shorter the lead times, the more flexibility and agility a company has to better respond to new opportunities and customer needs. If advanced technology can increase efficiencies, streamline operations, or help you take action more quickly, then it's probably worthy of consideration. But if it merely adds more capabilities or data that the organization doesn't need to optimize the way business is done, then it's likely not going to deliver the expected ROI.

While we believe speed and agility should be the ultimate goals of businesses and their tech investments, there are three guiding principles we suggest using to evaluate the worthiness of a new technology. Keeping these principles in mind can help you create a technology roadmap that can get your business where you want it to go faster:

1. People Are an Appreciating Asset

Investments in technology are no doubt necessary in business today. But the reality is, what's revolutionary right now will sooner or later need to be replaced or upgraded. On the other hand, investments in people often have a longer-term ROI. As you consider which technologies are best for your business—such as analytics, AI, or machine learning—be sure to keep the role of your people in mind.

Even in a full lights-out factory, someone needs to be responsible for care of assets and process. That someone must have historical, first-hand knowledge of process and equipment in order to validate that the technology is, in fact, improving the way work gets done. In other words, you will always have a need for skilled operations people who can 'go and see' how new technologies are manifesting themselves on the shop floor. These people must work hand-in-hand with the data scientists. Their historical knowledge helps put full context around tech-generated analysis and assumptions, ultimately ensuring solutions work as intended at the point of impact.

It's possible that the roles of your operational people may need to be redefined, and in some cases, people may need to be upskilled to work within higher-tech environments. These should be key considerations as you explore where to invest your technology dollars.

2. Creativity Before Capital

Problem-solving has always been an Achilles' heel for businesses, and advanced technology is not likely to solve that. Businesses need creative thinkers who can strategize on how to overcome obstacles and what processes will be needed to make the organization more responsive. It's people who must ultimately connect the dots between the story the data is telling and what's actually happening on the shop floor, and it's people who must design and implement the right solutions in response. [Cloud-based operations management software](#) can facilitate creative discussions that drive appropriate actions for continuous improvement by delivering KPI data, analytics and problem solving capabilities to the right people at the right time. This out-of-the-box thinking can be the foundation for adding technologies that enable people to continually improve processes and solve problems in better, faster, more efficient ways.

3. A Bias for Action

Investing in new technology is one way to take action but implementing groundbreaking automation solutions is often a major undertaking that requires significant time and resources. From our perspective, taking smaller steps in shorter order is often a better way to achieve the end goal. Companies can sometimes use more established, existing technologies to test the waters, measure impact, evaluate what works, and iteratively build on solutions from there. Read this article on a [phased approach to digital transformation](#) to learn more.

Technology Changes. Foundational Principles Endure.

In the era we live in, there will always be new and emerging technologies that

promise to transform the way you do business. And it can be tempting to get caught up in the rush and excitement of what's next. To stay grounded, rely on the principles that remain constant in your business—people, creativity, and action. Use them as a gauge for making smarter technology investments and building the technology platform that supports your strategic goals. When you do, you'll be more likely to get the return you want, and you can position your business for even greater speed in the process.



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Bill Remy is the former CEO of TBM Consulting Group and currently serves on the TBM Board of Directors. His career expertise includes deep knowledge of operational performance improvement, site transitions, acquisition integration, new product development and supply chain management.