

# The Connected Factory

## How Cloud Communications Optimizes Industrial Productivity



### Industrial manufacturing has always been a hardware-focused business

Shop floors covered with heavy equipment, walls lined with inventory, and storage bins filled to the brim with spare parts are all common features of a traditional factory. As manufacturers make a push to modernize their facilities with advanced automation and robotics, they've continued this trend, adding more and more machinery to the floor. But although the industry has a history of hardware, not everything requires a physical, on-premises system. In fact, in some cases it could be limiting growth and flat out hurting your business.

Outdated processes, superfluous equipment, and cluttered facilities all contribute to bottlenecks that negatively impact workflow and counteract lean manufacturing initiatives—not to mention incur lost profits down the road. And in an industry where margins are razor-thin, there's simply no room for this kind of waste; for manufacturers, reduced overhead costs and streamlined processes are worth their weight in stainless steel.

To offset costs, redundancy, and waste created by excess hardware and manual processes, more and more businesses are moving critical management operations to cloud-based solutions.

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### Optimizing processes in the Cloud

Cloud technology is no longer in the early adoption phase for manufacturers. In fact, companies looking to stay competitive and operate at their leanest consider it a must-have capability. A recent Boston Consulting Group survey<sup>1</sup> found that 80% of cost-sensitive manufacturing industries are prioritizing their digitization efforts and ramping up cloud-based solutions.

Industry 4.0, as these tech initiatives have collectively come to be known, is comprised of the continued trends of automation and data exchange in the manufacturing sector. This is largely fueled by the adoption of Software as a Service (SaaS) to provide a range of functions from employee scheduling and customer relationship management (CRM), to enterprise resource planning (ERP) and predictive maintenance technology.

<sup>1</sup> BCG, "Sprinting to Value in Industry 4.0", 2016

<https://www.bcg.com/publications/2016/lean-manufacturing-technology-digital-sprinting-to-value-industry-40.aspx>

In response to manufacturing's growing investment in IT, enterprise SaaS offerings are providing the steam to power industrial growth and optimize productivity. According to the International Data Corporation (IDC)<sup>2</sup>, manufacturing, along with financial services, will lead the way through 2020, generating a combined 30% of worldwide IT revenue as they push towards Industry 4.0.

The integration of SaaS programs removes many bottlenecks of manual processes and the lag time of relaying critical information through multiple parties, as well as eliminates the pricey overhead of deploying, upgrading, and maintaining on-premises systems. Their functionality isn't limited to operational efficiency, however; the most forward-thinking manufacturers are also implementing SaaS-based applications to optimize everyday employee productivity.

## Building a leaner workforce

Cloud-based CRM, ERP, and inventory management solutions support lean operations by giving you greater visibility into your daily processes and supply chain operations. But what about providing this same visibility into your employees? How can you ensure each individual's daily activities are as lean as your production strategy?

The answer lies in unifying your business with cloud communications, on a single platform that connects your employees to all of your business' critical data, applications, customers, suppliers, and one another.

Some business owners might balk at the idea of a leaner workforce, assuming it means layoffs or budget cuts are coming their way, but that's simply untrue. A unified cloud communications platform can trim the fat in other ways by facilitating better collaboration across teams, connecting a distributed workforce, and virtually eliminating costly system downtime. This empowers employees to work better together and increase their contributions to the business while lessening some of the headaches of traditional communication.

Cloud communications isn't a luxury to consider for the distant future; it is the centerpiece of an Industry 4.0 organization, and the key to driving productivity with a connected factory firing on all cylinders today.

## Connecting disparate locations

A connected factory not only communicates seamlessly within its four walls, but also across its entire network. In this industry especially, it's common to occupy a large corporate headquarters while remotely managing a constellation of scattered service centers, warehouses, or regional offices—an obstacle that can cause daily disruptions to production, confuse

customers and vendors about whom to contact, and waste time waiting to hear back from someone before making critical decisions.

Instead of isolating communications within silos and providing different contact information for different locations, the connected factory centralizes communications across all channels and locations, displaying everyone's real-time availability, and routing calls to the right person, no matter where they are.

## Reducing maintenance downtime

The constant connectivity of cloud can provide a line of defense against one of the biggest time and cost drains in the industry—equipment downtime. Because time is money, any time wasted during power outages or equipment downtime equates to lost profit.

Think about the last time you had an unexpected system failure. How long did it take to get ahold of the right person to respond and schedule a fix? How soon could they get out there? Was a replacement part readily on hand or did the hold-up take hours or even days away from regularly scheduled production? Nevermind that one piece of equipment—what other downstream processes were impacted as a result? Oftentimes, workers can be left standing around with nothing to do, or sent home altogether. All of these setbacks have real business consequences.

Now consider being able to connect to the person you need, whether inside or outside your facility, in a matter of seconds to coordinate a fix. Cloud communications keeps your factory and your people connected, even when production equipment is down or the power is out—helping plant managers make quicker decisions to get back up and running as soon as possible.

## Accelerating time to market

When adding a new team member or opening another location, any stoppage time is a disadvantage for your business. Simply put, a connected factory stays more competitive in the marketplace; it's poised for expansion and new product launches, backed by a flexible communications system that will evolve with it.

Cloud communications is essentially “plug and play,” which means simple deployment and configuration for every move, add, and change without the need for IT or vendor involvement. Connected factories eliminate the time spent waiting on new phones to be delivered and allocating technical resources to get them up and running, allowing the business to grow and penetrate new markets at lightning speed.

<sup>2</sup> IDC, “Worldwide IT Spending Forecast to Sustain Growth of More Than 3% Through 2020 Led by Financial Services and Manufacturing Industries, According to IDC”, Press Release - 2017 <http://www.idc.com/getdoc.jsp?containerId=prUS42298417>

## Reclaiming your IT team

IT teams can run pretty thin in the manufacturing industry, and if your business is on the smaller side, your people are already wearing enough hats. Hosted communications connect everything in the cloud, removing the hardware from your facility and the burden from IT's plate. Cloud's ease of deployment and options for centralized administration or local management help free up your IT department to work on more meaningful projects and showcase the true value they can bring to your organization.

Instead of worrying about maintaining an outdated system or losing sleep over unexpected outages that could halt business, your IT team can focus their efforts on product development and enterprise-level optimizations that will help you gain a competitive edge in the market.

## Empowering your sales force

Unless you're a distributor leveraging eCommerce for simple drop shipping, chances are the majority of your orders are complex and high touch, requiring heavy involvement from your sales team. Sales representatives, of course, are still the #1 way manufacturers are connecting with customers<sup>3</sup>, so it's critical these connections are both meaningful and efficient.

The connected factory extends seamless communications to customers and prospects, optimizing growth and productivity not only within the organization but also in the market.

Cloud-based communications facilitate rapid outbound dialing to prospects, streamline cross-channel conversations, and centralize critical customer data to ensure sales is always prepared with the most up-to-date information before any engagement—without taking time away from the phones to perform research or reference multiple databases.

Not only does cloud communications enable continuous calls from your reps, letting them develop a consistent rhythm and pitch, but the seamless integration of analytics also grants managers visibility into intricate call details—from interaction data and average talk time to detailed recordings of what's actually being said.

This information can then be used to train new reps on the most effective sales tactics, as well as to coach underperformers—ensuring your sales engine is always driving towards your business goals.

3 Four51 "3 Things You Need To Know About the Future of B2B eCommerce: a Recap from B2B Online 2016", 2016  
<https://public.four51.com/3-things-need-know-future-b2b-e-commerce-recap-b2b-online-2016/>

4 Accenture "Driving Unconventional Growth through the Industrial Internet of Things", 2015  
[https://www.accenture.com/us-en/\\_acnmedia/Accenture/next-gen/reassembling-industry/pdf/Accenture-Driving-Unconventional-Growth-through-IloT.pdf](https://www.accenture.com/us-en/_acnmedia/Accenture/next-gen/reassembling-industry/pdf/Accenture-Driving-Unconventional-Growth-through-IloT.pdf)

## Fine-tuning your business in the Cloud

Both manufacturers and IT departments are increasingly being asked to do more with less. As they look to optimize their facilities with limited resources, they're turning to SaaS programs to eliminate operational inefficiencies, outdated processes, and clunky equipment.

The industry's growing adoption of automation and cloud-based technologies like predictive maintenance have already increased productivity and reduced downtime by up to 30% and 70% respectively for some manufacturers, according to Accenture<sup>4</sup>. Why shouldn't you be able to achieve these results not only with your equipment, but your workforce as well?

The features outlined in this brief merely scratch the surface of how implementing a unified cloud communications system can optimize your business across departments—connecting your workforce, eliminating costly effects of downtime, and reallocating resources as efficiently as possible so your teams can get back to work.

Cloud communications isn't just a trendy tech add-on to consider for the future; it can be the centerpiece of your organization today, ensuring your business runs like a well-oiled machine.

## 8x8 solutions for manufacturing

**8x8 Virtual Office** is a cloud-based phone system, web meeting, collaboration, and video conferencing service in one, providing all your business communications needs in a single service.

**8x8 Virtual Office for Salesforce** embeds the Virtual Office panel within your Salesforce instance, allowing reps to call contacts with a single click and integrating their activity with Salesforce as your single source of truth.

**8x8 ContactNow** provides rapid, automated outbound dialing for your sales team, helping them make more successful contact more efficiently.

Find out how 8x8 can help your business. Call **1.866.862.2811** or visit **8x8.com**

