Seven ways cloud will help African manufacturers

By Jeremy Waterman
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Whatever the size or specialty, manufacturing companies across Africa are under pressure to grow revenues, reduce costs and increase profitability.

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Yet many of them are constrained from achieving these goals by years of under-investment in technology. Struggling with legacy systems and manual processes, they lack the business insights, streamlined business processes, and supply chain integration that will allow them to accelerate growth while reducing their cost basis.

With margins under pressure, many African manufacturers have not had the appetite for large-scale enterprise resource planning (ERP) initiatives. They have feared that the consulting and infrastructure costs would be prohibitive, that the implementation cycles would be long and disruptive to their businesses, and that they would end up with a new set of monolithic applications that would not be able to evolve alongside their businesses.

A new era of enterprise applications

Luckily, however, we are seeing a new class of cloud-enabled business management solutions coming to the fore. Such enterprise applications are flexible and modular to cater for the complexities of a global business. Designed for mobility, the cloud, self-service business intelligence and other current technology trends, these applications are leaner, more focused, and more agile than the ERP systems of the past.

Here are seven benefits we see in these solutions for manufacturing companies:

1. Completeness and integration

A good cloud-based business management platform will allow a manufacturer to automate and accelerate processes and reporting, control performance, and improve insights for smarter decision-making within one comprehensive solution. These applications enable manufacturing companies to integrate business processes with business management solutions more effectively so they can improve productivity.

2. Industry-specific functionality

The modular nature of a modern, cloud-based application suite means that it's easy for manufacturers to plug in integrated functionality to support industry-specific processes like regulatory compliance, quality assurance and supply chain management.

3. Ready for the web and mobility

With a cloud-ready platform, manufacturers can enable a better, more personalised user experience with secure web and mobile accessibility from anywhere and on any device. That applies to everyone in the business from a truck driver to a shop-floor supervisor to the CFO and CEO.

4. Flexible configuration and scalability

A new age enterprise applications suite will support complex organisational deployment-multi-company, multi-site and warehouse, and multi-manufacturing modes-in a scalable, simple-to-manage solution. Modern cloud-based systems make it relatively quick to get a new country, division or subsidiary up-and-running with a business system tailored to its needs, yet able to provide consolidated reporting information for head-office.

5. Rapid deployment

The speed of deployment is another plus. With a modular, cloud-based solution, manufacturers can quickly go live with functionality that addresses their most immediate pain points. Rather than focusing on the technical nuts-and-bolts, companies can instead work on process improvements.

6. End-to-end visibility

Most manufacturers suffer from a lack of business visibility across the company and the supply chain. This missing insight makes it harder to optimise business processes. A robust cloud platform will give them insight into what is happening throughout the business, across suppliers, contractors, partners, and customers, complete with multi-language and multi-currency capabilities.

7. Cost

Enterprise applications have traditionally been expensive, not just because of licensing costs, but also because of expenses such as hardware infrastructure, integration, customisation, implementation and support. The cloud turns the cost of the application into a monthly subscription fee. The capital outlay is lower and the operating cost may be lower, too. This lowers the barriers of entry to business management solutions for manufacturers that are struggling with a lack of budget.

ABOUT THE AUTHOR

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