PwC’s Integrated Manufacturing Solution
Powered by Microsoft Dynamics ® CRM

Integrating data from the front office and back office so that manufacturers can operate more efficiently and deliver a better customer experience
The data challenge for manufacturers

To understand the challenges that many mid-sized manufacturers face today, consider the case of a sales representative trying to close a deal. He doesn’t use the company’s CRM system because he feels that it doesn’t contain information useful for his selling and he doesn’t have up-to-the-minute information on pricing or availability because that data is spread across multiple systems. He’s operating from spreadsheets. When he has the chance to close a big sale late in the month, he jumps at it. Yet by the time that order shows up in manufacturing, the production manager has already planned out raw materials, staff, and overall capacity for the coming month.

The new order is a large one, and for a high-value client, so the plant manager scrambles to bring in people for extra shifts, which requires overtime. The production manager also has to get expedited shipping on additional raw materials, which means a surcharge. Even with these moves, the order won’t be filled on time, meaning the customer isn’t happy and the sales rep has to offer a discount to retain the business.

Finance isn’t in the loop for any of these activities, so the CFO doesn’t understand why payroll is so high that month or—worse—why the margins on this deal have shifted from positive to negative.

This isn’t an outlier scenario. Manufacturing processes have improved dramatically over the past decade through techniques like Lean and six sigma, yet legacy IT systems have often not kept pace. Many companies still have disparate and disconnected IT systems, including their ERP and CRM applications. With little to no connection between systems, data is often passed around via email using spreadsheets. As a result, sales, operations, customer support and finance operate with different data sets, using different tools, with different views of who the customer is and what they need. This can result in decision making based on outdated or incomplete information.

These challenges are not limited to a specific department, but instead are spread across the entire value chain—sales and marketing, product support, production, distribution, logistics, finance, and operations—along with other internal stakeholders.

Internal and external consequences

**Internally**

Such disconnects can lead to critical inefficiencies. A lack of integrated data means that departments can’t collaborate effectively, leaders don’t have a clear picture of demand, and the company can’t bring new products to market in a timely way. Sales and operational planning takes place with one set of data, while finance uses another, leading to discrepancies that have to be hunted down and rectified. Labor, inventory, and logistics costs are all unnecessarily high (and unpredictable). Reporting processes are cumbersome and error-prone.

**Externally**

The stakes are much higher. In a business environment where information about products is readily available online and pricing differences are slim, manufacturers need to differentiate themselves on the customer experience they deliver — and customers have exacting standards. A company that falls short risks alienating those customers and potentially losing them forever. In a world of exploding social media, a company providing a poor user experience may suffer in terms of negative reputation and brand identity.

**Fundamentally**

Data is supposed to be a source of competitive advantage in helping companies offer a differentiated customer experience. Yet at many manufacturers, data itself has become a new problem, leading to crossed wires and missteps. However, for companies that can effectively link their IT systems and develop a reliable, accurate, and accessible source of enterprise-wide data, this challenge becomes an opportunity.
PwC’s Integrated Manufacturing Solution

PwC has helped clients address process and data integration challenges across multiple industries. As a result, we have a perspective and a starting point when we enter an engagement that enables clients to leverage our experience through structured approaches, templates and programmatic aids that help clients jump-start their time-to-value.

PwC’s Integrated Manufacturing Solution integrates a manufacturer’s Microsoft Dynamics CRM with key back office systems (such as Microsoft Dynamics AX) to deliver consolidated customer data to the sales organization from account management and finance, and offers accurate product catalog information and availability-to-promise (ATP) data from production. (For Microsoft Dynamics AX, the integration is pre-configured.) The solution also provides insights from the sales order pipeline to the production floor to serve as input for better planning and resource scheduling. For the Sales organization, PwC’s Integrated Manufacturing Solution enables tracking of key performance indicators, such as opportunity days in stage metrics and real-time sales forecasting. It also includes over 50 different visualizations and 15 custom dashboards accessible from within Dynamics CRM for multiple roles, from field representative to sales executive.

Through our solution, manufacturers can enable real-time collaboration, accountable forecasting and planning, profitable customer relationships, enhanced customer service, and efficient production management. While the solution is applicable for most manufacturers, it is particularly effective for those with $1 billion to $5 billion in sales, or similarly sized divisions of larger organizations. It is also integrated with Microsoft’s business intelligence, cloud, and mobile solutions.

PwC’s Integrated Manufacturing Solution helps manufacturers to:

- Build productivity into daily workflows with greater access to information using common and consistent data sourcing (delivered through mobile and the cloud);
- Establish measurable sales efforts and goals for greater accountability to projections;
- Enable leading indicators as part of the overall KPI mix to enhance the visibility and better manage in-flight opportunities and sales processes;
- Reduce order pricing errors with a single source product catalog;
- Introduce a more complete view of customers that includes financial health (credit, invoices, payments, and other factors), support interactions, and social and business insights (delivered through CRM);
- Link sales and operational planning with finance planning using a common set of data and product catalog;
- Provide more complete insights into the quote and sales order pipeline to the production floor, so that production can plan and schedule more effectively;
- Consolidate sales history and create an actionable sales forecast for truer demand planning;
- Make sales order status available for routine customer inquiries on shipment activity (often through a self-service portal);
- Relay available-to-promise (ATP) information to front line sales to communicate accurate shipping dates for greater precision during the sales order process, which better manages customer expectations and helps avoid over-allocated inventory and warehousing inefficiencies.

For manufacturers, the bottom line is more efficient internal processes, better collaboration across functions, a clearer picture of future demand, more accurate reporting, and greater ability to develop and roll out new products. Perhaps most important, manufacturers are also better equipped to use data to forge deeper ties with their customers and meet customer needs more effectively. In addition to integrating ERP and CRM, PwC can help clients leverage analytics, mobility, the Internet of Things (IoT) and leading practices for distribution, supply chain and retail execution.
Conclusion

Data can give manufacturers a competitive edge—in both internal efficiencies and a stronger customer experience—but it needs to be leveraged effectively. PwC’s Integrated Manufacturing Solution powered by Microsoft links a manufacturer’s back and front office processes, teams, and data, and can leverage leading practices in terms of process and technology as part of a larger business transformation effort. Building on an integrated Microsoft stack, PwC’s Integrated Manufacturing Solution can improve the performance of each individual platform, and generate enhanced benefits from an interconnected whole.

The PwC and Microsoft Alliance advantage

PwC has built up a body of expertise in Microsoft enterprise applications, including Microsoft Dynamics CRM and Microsoft Dynamics AX, and Microsoft SharePoint, as well as Azure for cloud–based services, Office 365, and business intelligence, such as Microsoft Power BI. Our teams have combined the power of Microsoft platforms with PwC’s business, technology, and strategy consulting expertise to drive transformative business solutions that meet the unique and specific needs of individual companies, particularly in the mid-market manufacturing space. PwC’s Microsoft competency offers the depth and breadth of experience leveraging Microsoft technologies and platforms and the global reach that comes from solving real business problems for organizations around the world.

About PwC

Anticipating problems, finding answers – some opportunities feel like impossible challenges. They’re so big and complicated that they require insights from lots of different fields. Every day, our people work with you to create the value you are looking for. We’re a network of firms in 157 countries with more than 195,000 people who are committed to delivering insight and quality in assurance, tax and advisory services. At PwC, we understand how critical business outcomes can be enabled through Microsoft solutions. With the combination of strategy, risk, and technology advice, we are committed to being the top business integrator, helping companies achieve their technology goals, make improved decisions, and capitalize on business opportunities. From strategy through execution, PwC collaborates with Microsoft in order to help clients align their technological resources and applications with their business objectives to address the customer, financial, operational, technical and regulatory challenges inherent to investments in transformative technologies like ERP, CRM, BI/Analytics and cloud.

To find out more about PwC’s Integrated Manufacturing Solution powered by Microsoft Dynamics CRM, please contact:

Rajesh Balaraman
Partner and Practice Leader, US Microsoft Alliance
Rajesh.Balaraman@us.pwc.com

Lisa Dion
Channel Development Director US East, Microsoft Alliance
Lisa.Dion@us.pwc.com

Mark Albrecht
Channel Development Director US West, Microsoft Alliance
Mark.Albrecht@us.pwc.com