# Maximising ROI:
# Smart IT Investments for Manufacturers

In today's ultra-competitive manufacturing landscape, investing in the right IT solutions is crucial. Leveraging the power of IT enables manufacturers to gain unprecedented real-time insights, optimise processes and make data-driven decisions – enhancing efficiency without compromising on quality.

Here are just some of the key areas where strategic IT investments can deliver the greatest ROI for manufacturers – and where your business should be focusing over the next 18 to 24 months.

## Automation and Robotics

Automation streamlines repetitive tasks, freeing up employees to take on other tasks. It can increase production speed, consistency and quality – driving up standards while enhancing efficiency.

It also minimises errors and downtime; on average, the latter accounts for nearly a quarter of manufacturing costs.

## AI and Machine Learning

AI/ML technology automates and optimises complicated manufacturing processes, saving businesses time, effort and money. It can improve demand forecasting, quality control and supply chain automation, reducing costs by identifying patterns and predicting outcomes.

Some manufacturers report savings of up to 20% in production costs and as much as a 50% decrease in downtime due to AI-powered predictive maintenance.

## Business Intelligence (BI)

BI can help manufacturers cut costs and waste by pinpointing cost-saving opportunities in production, sourcing and logistics. It can also improve forecasting and demand planning, as well as identifying bottlenecks and inefficiencies.

This is why a strong BI solution makes a good investment. BI solutions are also quick to implement and can be integrated with ERP and CRM systems to provide a common, standardised data model.

## Internet of Things (IoT)

IoT connects machinery and devices for real-time monitoring and optimises equipment maintenance through predictive insights. It can also boost efficiency by reducing waste and energy consumption.

A 2021 study from McKinsey estimates IoT technology could generate up to $1.3 trillion (£993 billion) worth of value in manufacturing by 2030, with 85% of this coming from reduced operating costs and 15% from savings on energy.

## Cloud vs. on-premises hosting

Cloud hosting can provide manufacturers with better scalability, flexibility and upfront costs. On-prem gives you greater control over data security and compliance, but at a higher cost than software as a service (SaaS) solutions: on-prem can be 30-60% more expensive than like-for-like cloud hosting solutions.

Evaluate your business's specific needs, goals and budgetary factors to determine the best hosting strategy

## Cybersecurity

Half of UK businesses report having experienced cybersecurity breaches or attacks in the last 12 months. Robust cybersecurity can safeguard manufacturing systems, networks and sensitive data, mitigating the risk of cyber threats such as ransomware, phishing and malware.

It also helps your business stay compliant with industry regulations and standards, reducing the risk of costly fines and damage to brand reputation.

## Enterprise Resource Planning (ERP)

The backbone of many manufacturing businesses, ERP integrates all functions into a single system. It enhances visibility across supply chains, inventory and production, and improves decision making with detailed real-time data and analytics.

According to one study, ERPs can cut operational costs by 23% and administrative costs by 22%. As part of Sentis's Spec and Select service, we can help manufacturers work out which ERP software they need and implement it for them.