PCMC creates standard processes with Infor XA

Facts at a glance

Product: Infor XA
Industry: Equipment
Country: USA

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—Matt Gidley, Director of IT, PCMC

About the company

Paper Converting Machine Company (PCMC) specializes in the design and manufacture of converting machinery for the tissue, flexographic printing, and nonwovens industries that produce consumer products. PCMC's tissue converting product line includes equipment to perforate, emboss, print, and laminate layers of paper such as bathroom tissue and household towels. Headquartered in Green Bay, Wisconsin, PCMC is the largest operating division of Barry-Wehmiller, a global supplier of engineering consulting and manufacturing technology solutions. PCMC's customers fall into four market segments, and its manufacturing locations number four in the US and two in Europe. To learn more about PCMC, visit www.pcmc.com.

Setting the strategy

With the acquisition of PCMC by Barry-Wehmiller, management began re-evaluating its strategies and overall processes and systems to reduce time to market and operating costs. Growing demands of customers prompted PCMC to investigate ways to increase agility, speed, and yields regarding order changes. The company realized that its poorly defined, inefficient business processes needed rework, and its SAP enterprise resource planning (ERP) system needed to be replaced to match Barry-Wehmiller's standard approach. Given SAP's complexities, PCMC also knew it lacked the IT support and infrastructure needed to maintain existing investments. Matt Gidley, director of IT at PCMC, concludes, "With SAP, we would've had to make significant additional investments in hardware, software, and intellectual skills."

Getting business specific

To align with Barry-Wehmiller's systems, PCMC prepared to migrate from SAP to Infor™ XA. The company's critical issue was inconsistent execution of its business operations, which resulted in daily surprises, according to Craig Compton, vice president of operations for PCMC. The company focused on three key areas: (1) implementing standard daily work around its processes to ensure a clear understanding of daily business execution; (2) making processes visible to everyone; and (3) assigning process metrics to provide visibility into whether a process is running smoothly. "A process will go to its natural state of chaos when it's not managed on a daily basis," notes Compton. "We needed to create more predictable performance, and everyone needed to know how we executed daily business.

"When PCMC migrated from its homegrown operating system into SAP many years before XA, we realized it was one of our biggest whiffs. The problem was departmentalized implementation. Everyone focused on their respective departments instead of the overall business. The result was numerous disconnects and a lack of ownership. We struggled for eight years until we migrated to XA, and we approached it as an opportunity to improve business execution."

The first months of the project involved learning; the remaining time focused on documenting how to execute the business, then tailoring the tool to meet specific needs. "It was a great marriage between the operations team, our IT staff, and Infor XA to get what we needed," says Compton.

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Seeing results

PCMC users claim a wealth of benefits from using Infor XA. "It's easy to use with IBM® System i™," Compton adds. "When we implemented SAP, it was another foreign language—very complex, not intuitive. Infor XA has a Microsoft® Office® feel, so everyone could learn this tool quickly, adapt it to our business easily, and understand our new processes much more quickly than they did with SAP.

"Example: Before XA, my machine shop leader would say everything was 'going great.' Five minutes later, an assembly team leader would say, 'I don't have the parts I need!' In five minutes, there was a huge disconnect between two leaders in the same building. Today, my machine shop leaders can tell me the exact number of late manufacturing orders, the average number of days those orders are late, and the measures they're implementing to get those orders back on track. Infor XA allows us to get that information quickly and easily and put it in visual form so the team can react."

Compton contends that from order entry to product delivery, everyone has a much clearer understanding of PCMC's processes. "With our previous system, people didn't understand how their work impacted others downstream. Infor XA allows everyone to understand our entire business execution and improve processes, so we can continue our Lean journey—and we're very excited."

Gerry Hickey, mods/rebuilds value stream leader at PCMC, explains further: "Because information flows more quickly in XA, we can respond and move work much faster—to other divisions, from one facility or work center to another—and to connect with outside suppliers. We can quickly respond to a development project, to a customer change, or to something happening on the shop floor.

That is critical; we couldn't do that before XA. We've taken historical lead times down to a component level or machine level and reduced them, increasing our throughput and creating large-scale dollar savings," Hickey contends.

PCMC also used XA to create standard operating procedures along with many process improvements. "XA has helped us be more efficient as people move from one department to another and easily follow a standard operating procedure," Hickey says. "There's no learning curve, and there are no workarounds, as we saw with SAP."

Consistent processes have also led to more details, improved structure, and tested procedures with training documents that the company has developed. "With well-developed procedures in place, we're less vulnerable when someone is absent," says Hickey. He adds that a major benefit is its ease of use in every area—accounting, manufacturing, engineering, and purchasing. "It allows all users to get information in a few seconds—and they can sort the data in any way they want to see it. We used to laugh when we'd say we could get the information out of SAP—in just 26 easy clicks. In many cases, it took several minutes and sometimes we couldn't even get the information. Users on every organizational level say that it's user-friendly, and they like the flow of information in XA.

"XA has changed our culture, allowing us to help each other and use XA tools to improve our processes. XA's Integrator is so powerful that I can answer any question about my area within seconds. Using tools to simulate future work, I can react so much faster."

Girish Subbanna, project manager, Barry-Wehmiller International Resources, adds: "Infor XA provides more visibility to track resource use and labor transactions. We can look at our processes to see how we can leverage system capabilities, implement solutions, and execute business. Users can get much more information to resolve any issues in less time."

Gidley concludes: "For a mid-size manufacturer, Infor XA on IBM System i is the most cost-effective solution—a real workhorse—and its reliability is legendary. We're running two of the largest divisions of Barry-Wehmiller on a single IBM System i. Our up time is 99.9%."

Infor XA helped PCMC to:

- Improve process visibility across the entire organization.

- Develop standard operating procedures and process improvements.

- Reduce lead time, increase throughput, and gain large-scale cost savings.

Doing business better

PCMC plans to implement other Infor solutions. "We want to move off our current financial reporting solution and implement Infor Corporate Performance Management, and also enterprise asset management," says Subbanna. Gidley adds: "We'd also like to extend to our supply chain with Infor Supplier Exchange, and to convey daily metrics to users with Infor MyDay.

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