

Why Optimizing Maintenance, Repair, and Operations (MRO) Inventory is Critical to Advancing Your Enterprise Network

Despite its criticality and complexity, MRO is an area where most manufacturers still struggle to justify optimization investments. This primarily stems from companies focusing solely on their direct materials when it comes to materials management. However, MRO materials can make up anywhere from 5% to 30% of a manufacturing company's spending. Because MRO items aren't always needed during production, companies often stock up on essential parts that may not be used for a year or more. This can result in duplicate purchases or even obsolete and expired MRO supplies.

Leading analyst firm Gartner states, **"Through 2024, 50% of supply chain organizations will invest in applications that support artificial intelligence and advanced analytics capabilities."** Initiating your transformation with MRO materials management allows you to adopt innovative, resource friendly

technology with significantly less risk than one focused solely on direct materials. An intelligence driven MRO optimization solution allows you to improve your MRO strategy, infuse advanced decision support, and reduce overall risk while simultaneously fueling your supply chain maturity journey.

Furthermore, MRO optimization is a proactive method for addressing risk in your supply chain while serving as a great place to expand your supply chain intelligence journey. With better insights into your MRO stock and spend levels, your operations managers no longer need to buy spare parts on an ad hoc basis. Instead, they can create strategic MRO procurement plans that account for daily workplace needs, emergency repair situations, and excess on-hand inventory. This allows you to remove unnecessary risk, reduce procurement requirements, and eliminate wasted working capital across your enterprise network within a single platform.

MRO is a great place to start your journey



12



Visual Knowledge

• US • México • Puerto Rico • Costa Rica •
• Guatemala • El Salvador

More information:

www.visualk.com

Support Supply Chain Intelligence Maturity Journey

The disruption battering global manufacturing and trade has forced companies to rethink how they manage their supply chains. This has created a monumental shift from **'linear supply chains'** to **'supply chain eco-systems'** propelled and **supported by digital technologies**. This chart conveys how we see the evolution of supply chain.

Far too often, businesses rely on a combination of spreadsheets and manual business process to manage their MRO materials. While this is not intrinsically wrong, they are highly prone to error, and there are significant technology limitations in terms of speed, security and collaboration and most companies have moved beyond this phase for most of the supply chain management processes.

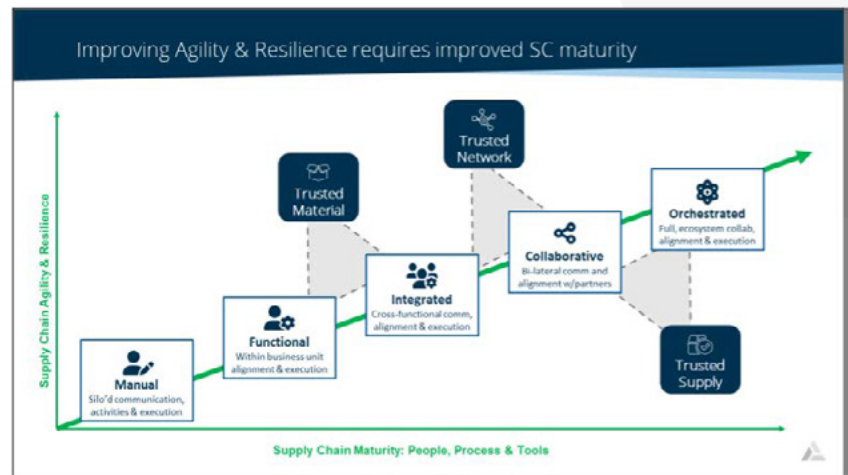
Most organizations spend a great deal of time in the 'functional' stage, which is generally supported by ERP systems. This stage delivers a foundational supply chain plan and executional processes, with the ERP providing a common system of record for transactions. Unfortunately, this data is often siloed within specific enterprise departments or functions, often with individual facilities managing their own, and does not consider enterprise-wide inventory, capacity or MRO spend.

More advanced organizations have moved their MRO management to an Integrated Supply Network model, where the consideration of data and information from beyond a single facility to incorporate the broader enterprise network for the first time.

As organizations become more mature, organizations engage in sharing of data within an enterprise to collaborative communication and alignment with key suppliers to establish a "value network."

The highest level of maturity operates as a "digitalized eco-system" - a fully connected eco-system on a shared cloud platform with increased reliance on probability-based decision support to pave the path towards autonomous procurement.

Artificial intelligence and machine learning takes a central role for supporting improved maturity – serving



as a anticipating, predicting and automating response mechanism. Purpose-built supply chain intelligence such as Verusen's Trusted Material, Trusted Network and Trusted Supply ensure increased agility and resilience by helping customers to mature their people, process and tools, providing key building blocks to orchestrated ecosystems.



Advancing your enterprise network's maturity requires a roadmap that involves every facet of your manufacturing operations and a variety of technology solutions to support optimization initiatives. With the advanced capabilities purpose-built solution providers like Verusen offer today, your organization can make incremental improvements quickly while realizing fast value on your investment.

Supporting your digital transformation with a purpose-built MRO materials management solution allows you to adopt innovative, resource friendly technology with significantly less disruption than one focused solely on direct materials. An intelligence driven MRO optimization solution allows you to improve your manufacturing strategy, infuse advanced decision support, and reduce overall risk while simultaneously fueling your supply chain maturity journey.



Optimizing MRO Supply Chains with AI



Visual Knowledge

We provide solution to your information needs

We help companies to focus on core, revenue-generating activities, delivering value to customers. By using HxGN's software and our services to automate operations, streamline processes and access real-time business information anytime, anywhere, growing businesses realize breakthrough performance improvements.

Our goal is to deliver lasting return on investment, long-term sustainability, and the flexibility to adapt and grow. We understand that one size fits all software doesn't meet your business requirements. That's why we focus on provide software for key verticals that have specialized needs.

20+

Years of experience

20+

Countries

50+

Professionals

150+

Active customers

Contact Us

11877 Douglas Rd STE 102335. Johns Creek, GA 30005, US

+1 631 887 4826 | +502 3001 0368 | +503 2268 6407

More information and other systems:

www.visualk.com