Q&A with John Murphy, Director of Solutions Management, Infor

Understanding the most effective and efficient ways to manage its assets is a critical task for any manufacturing enterprise. John Murphy, Director of Solutions Management at Infor, recently spoke about the latest strategies and tools companies use to best manage their assets. Infor is a leading provider of business software and services, helping 70,000 customers in 125 countries improve operations and drive growth.

Q: Will you start with a little bit of background on asset management and where it stands today?

Murphy: In the 1990s, companies began to realize that a silo-based approach to asset management, although better than nothing, was inefficient. Asset management evolved into what we now know as enterprise asset management, where a company can take a holistic view (e.g. on-hand inventory) and share best practices across different plants, with respect to maintenance techniques.

Enterprise asset management (EAM) became mainstream in the mid-1990s and if we move to today, although it is a very mature industry, it’s just starting to go through a major transition involving automation, intelligence, and energy. For years, companies have maintained a status quo with their asset management strategy, and have done a decent job leveraging automation. But, they’re really just scratching the surface of the impact asset management can have on their

operational, financial, and environmental performance.

Also, more and more of our customers are moving toward incorporating advanced reliability and risk management techniques. They are trying to make better use of real-time information—including energy usage—to help them understand the health and financial performance of equipment. Turning the wealth of real-time information into intelligence is not easy, but when done right, it provides companies with an accurate perspective on when the equipment performance is starting to degrade, so that they can respond at the right time. In terms of investment: With the right asset management solution, a lot of companies can tap into the existing infrastructure that they already have in place—such as Supervisory Control and Data Acquisition (SCADA), building automation, and PLCs—to translate raw data into intelligence so they can capitalize and act on it.

Q: How much does ease of use factor into asset management solutions?

Murphy: From an end-user perspective, ease of use is paramount in the “do more with less” world we operate in today. It’s critical, and what that means is that the asset management solutions need to support the unique way every business operates. Asset management solutions need to be configurable, and at the same time be able to accommodate unique business processes, as opposed to forcing businesses to operate in a “one-way-suits-all” manner. This same principle needs to extend to the field and mobile devices as well. They need to be highly configurable and accommodating.

Technology can go a long way towards addressing ease of use by showing less information and only relevant information, as opposed to more information. Users want solutions that provide answers rather than just data, are very easy to use, and help them work on what matters most to their company, their performance, and their day. What EAM users are asking for is a comprehensive solution with a very simple, consumer-grade user experience. New technologies, such as smartphones and tablets, will go a long way toward delivering this experience.

Looking at ease of use from an IT perspective, running asset management in the cloud will go a long way towards lowering deployment and on-going administrative challenges. The one catch here is that EAM business processes need to operate in conjunction with other solutions, including enterprise resource planning (ERP) and finance solutions that are typically deployed on-premise. So a cloud solution will need to be highly flexible in the way it can interoperate with both cloud and on-premise solutions.

Q: Will you speak a bit more on reliability?

Murphy: It’s a very interesting and broad area, and although it’s been around for a while, it’s a set of principles that are underutilized but very beneficial. Take reliability-centered maintenance (RCM), for example. A principle of RCM is “all assets aren’t created equal.” You really have to understand the risk of that asset failing and the impact on the business if the asset does fail. Some assets have moderate impact on the business, so running those things to failure just might be

the way to go, as opposed to running maintenance on a monthly basis. Applying RCM will help a company align their asset management strategy with their business and their asset infrastructure. When done right, availability goes up and costs go down.

Asset management is all about helping companies cut costs. If you think about today for manufacturers, that has to be at the top of the list for them. How do they preserve their margin? It's about control and driving down costs. Asset management can be a central piece of that. Applying a reliability-based program not only helps you improve availability and reliability of your asset infrastructure, it will better ensure that your asset infrastructure can support the business and the growth of the business. At the same time, it will also help you put in place the right means and strategy, which means you're not spending more money than you should.

Q: Mobile technology has really started to evolve at the right time, allowing companies to leverage it to address specific needs. Manufacturers are starting to invest again, and it seems like a good direction to go. Would you agree with that assessment?

Murphy: Mobile was even a big part of asset management back in the 1980s. It's really important in this industry because of the types of users that you have. One of the challenges companies have with asset management solutions is usage and adoption of the system. Mobile technology makes it easier for technicians to enter information while they are out there on the job. It's a very simple user experience.

You also want your teams to be as productive as possible. You want your technicians to go out there, have all the information they need, have all the parts that they need to fix the problem.

Q: Where is the asset management industry headed in the future?

Murphy: Certainly you're going to see companies take that next step in their level of sophistication with asset management and begin to apply more advanced concepts, such as reliability and predictive maintenance.

Predictive maintenance is all about the machine telling you it's not feeling well. If you have enough information about the condition of the machine, it can tell you what's wrong and how to fix it. That gets to the spirit of predictive maintenance. We're seeing it playing a more prominent role.

Another trend—and we're really at the early stages of this major transition in asset management—is managing the energy efficiency of assets. Energy is a major cost for manufacturers, and it's the assets that are consuming the energy. Some companies are starting to blend energy management with asset management and monitoring energy consumption in real time.

If you look at a piece of equipment, you generally know what the energy efficiency is intended to be. Unfortunately, intended efficiency is not reality. But how do you

know and what can you do about it? If you know how much it is consuming, you can assess whether or not that piece of equipment is meeting a certain specification.

On the plant floor, there's a golden egg, if you will. There is a treasure buried under every asset and that treasure is basically energy efficiency. If companies can prevent energy waste, they can save a lot of money.

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