

## Five myths about ERP and EAM



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The goal of having one enterprise resource planning (ERP) solution for all business processes is still popular, but the idea is no longer practical, particularly in asset-intensive industries. For asset-intensive sectors such as manufacturing, mining, oil and gas, transportation and utilities, the cost of unplanned downtime can be significant – not only in a financial term – but also in the loss of customer, citizen or shareholder confidence in an organization.

### **Factors driving the asset management ‘rethink’**

Changing requirements in the areas of enterprise risk management, health, safety and environment, integrated operations, and asset life cycle management are increasing the pressure on an enterprise’s operations group to manage their assets to higher standards. These changing requirements also increase the demand for the best available solution for enterprise asset management.

Changes in technology, including the Internet of Things (IoT), inexpensive sensors, and cloud data, eliminates the need to compromise operational effectiveness. Platform-oriented strategies of the large enterprise software vendors and the adoption of standards-based architectures blur the boundaries between what is developed by large ERP vendors versus those with specific business critical functions.

### **Clearing the way: understanding common misconceptions**

Asset-intensive organizations use a multitude of physical equipment, machines, linear assets, vehicles, tools, and more. For organizations using SAP for ERP, there are different SAP applications for enterprise asset management, such as SAP PM.

However, using an ERP application to manage assets may leave your organization lacking in the areas critical to enterprise asset management: scheduling, workflows, standardization, benchmarks and key performance indicators, best practices, analytics, and predictive maintenance. There are better options to ensure your organization can maximize the useful life of your assets, minimize risk, and pave the way for predictive analytics.

There are some common misconceptions about the value, capabilities, and deployment of ERP solutions in asset-intensive industries. In the new ebook, several myths are discussed and demystified so that decision-makers in these asset-intensive sectors can better understand the real risk.

View the [ebook](#).



### **Leading enterprises are choosing the IBM market-leading EAM solution**

Hundreds of asset-intensive businesses are using ERP and EAM solutions together. Maximo solutions offer organizations an approach that prioritizes enterprise asset management processes, rather than basing their enterprise asset management strategy on an ERP platform.

Among its many uses, asset management is critical for asset-intensive organizations seeking to proactively service and maintain their million-dollar or billion-dollar base of facilities, assets, and equipment to minimize downtime and thus deliver the highest quality service to customers. With the workforce in many asset-intensive organizations now aging, asset management systems have become an increasingly important way to do more with less. Work management systems work hand in glove with asset management by helping utilities control the resources – human and material – required to get these critical jobs done.

View the full-sized [infographic](#).



## Disparate systems cause widespread organizational inefficiencies

The use of different systems and solutions can create widespread organizational inefficiencies across an organization. The complexities associated with multiple asset management systems from different vendors can prevent organizations from driving improvements at a macro level for two reasons. First, the use of disparate systems and isolated practices make benchmarking virtually impossible. Second, multiple systems and solutions can proliferate a non-validated state leading to potential compliance risks, obsolete software, and hardware, in addition to inconsistent usage.

## The value of a single EAM solution

In one customer example, Vision Care, a subsidiary of Johnson & Johnson and the world's largest contact lens manufacturer, standardized on IBM Maximo to reduce costs, drive continuous improvements, and share best practices.

For Vision Care to take advantage of standard processes, naming conventions and workflows, it needed a solution built on standards. Working in partnership with Banetti and G3P Consulting, Johnson & Johnson is in the process of standardizing on the IBM® Maximo® Asset

Management solution, rolling it out to 150 manufacturing facilities. The undertaking spans 35 countries, 10 asset management roles, and 10 different languages.

Standardizing on Maximo as the single enterprise asset management solution across all of its sites is helping Vision Care reduce costs while driving continuous improvements – maximizing return on investment for both its physical and human assets.

### **Learn more**

Uncover the “facts” behind the value of using ERP solutions as an enterprise asset management (EAM) tool. Learn more about the five myths behind the benefit of using ERP solutions as an enterprise asset management (EAM) tool.

- Read the [ebook](#).
- Discover how Vision Care standardized on Maximo.
- View the [infographic](#).
- Watch the webcast.