



## When is a Good Time to Upgrade your JD Edwards System?

By John Paulson, Sr. JD Edwards Consultant / Manufacturing Specialist

I often speak with executives who find it a challenge to decide on whether to upgrade their JD Edwards software now or wait. It's not just an IT issue, it's a strategic business decision, a collaborative effort across the enterprise to understand the requirements, the value of the upgrade, and the risks associated.

Understanding your business requirements for an upgrade, and creating the upgrade strategy is a critical and complex task that will maximize the return on your upgrade investment.

### **Some basic questions to ask of your upgrade initiative;**

- What are the business drivers for the upgrade?
- What is the impact and risk to the business with the upgrade?
- What critical functionality will be received with the upgrade?
- What is the risk to existing software modification requirements?
- What is the expected ROI with the upgrade and new functionality?
- What is the impact and risk to the business staying on the existing version?

I have seen various reasons clients consider an upgrade; software systems issues, user frustration, fear of losing vendor support of the older existing version, a need to upgrade technology platform, added value of functionality, or to better position for the upgrade path to Oracle Fusion Applications.

### **Upgrade Strategy**

Develop a detailed five to seven year upgrade strategy and plan that fits your business needs, based on current and future business requirements, the role that technology and applications play in your operations, the value you will receive of the investment, and more.

You will need to weigh the relative importance, and potential benefits associated with the additional application functionality, technical / functional advances, and cost.

In addition to identifying the benefits and cost of upgrading, you want to ensure you have the right level of support through the life of your current, and target releases.

You will want to understand the policy time coverage and the retirement dates of the software version and your alternative options for support.

Since 2001, CTCI's JDE Resource Service has provided consulting on Oracle's JD Edwards implementations, upgrades, upgrade assessment, best practices, strategic planning, training, and outsourced JDE support services to companies throughout the United States.

To find out how CTCI's JDE Resource Service can assist your organization with your JD Edwards needs and improve your operations, call us at **1-877-828-0074** or email [info@jderesource.com](mailto:info@jderesource.com)



## Lets Talks about Lean Manufacturing and JD Edwards (cont.)

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6. Once the team mapped out the future state, you can begin scheduling improvement (Kaizen) events to chip away at the waste in the process. Once the specific improvement initiative is completed, monitor, and move on to the next improvement initiative and begin the cycle again. It's a never ending process.

Small successes to start are important. For instance, spend a week attacking your finished goods inventory, and trim down the waste there. Later, spend a week reducing work-in-process inventory, then a week improving the flow in your process by moving machines or processes around. As you work through these events, you will slowly and deliberately make progress toward your ideal future state. And remember, give credit where it is due.

With JD Edwards EnterpriseOne Lean Execution, you can implement lean practices to one manufacturing line, or even one feeder line at a time. JD Edwards EnterpriseOne Manufacturing lets you run your plant based on your requirements utilizing the EnterpriseOne mixed-mode manufacturing functionality for process, batch, or discrete environments, or a combination of the three.

One important lean element is to eliminate "push" production for a "pull" system. In other words, you should strive never to produce finished goods to fill a forecast or warehouse minimum/ maximum, but only to fill actual customer orders (the ideal situation). When you base all of your production on the pull of a customer order, you eliminate waste, excess inventory and many other issues. Start eliminating the maintenance burden (waste) associated with work orders by utilizing JD Edwards multilevel back-flush engine. Utilizing JD Edwards multi-level back-flush engine will move you in the right direction for lean improvements.

Features in JD Edwards EnterpriseOne Lean Execution include;

- Complete end item and related sub-assemblies through a single user request
- Material and labor reporting for all levels of components with multi-level backflushing
- Based on 'Pull' production, not 'Push' production
- Integrated mixed mode flow manufacturing
- No work orders required
- Native to JD Edwards EnterpriseOne Manufacturing Management Modules

While working through your lean initiative tasks, an important thing to understand when reducing inventories; many problems will rise to the surface. For instance, quality issues that are shrouded by excess inventory will rise quickly to the top as these inventory buffers are exhausted. The important lesson here is to understand that each new issue is a learning opportunity, where you solve the problem by digging to the root cause to avoid the same problem from arising again in the future. Establish standardized work-flows to build quality in the process.

A critical element of a lean manufacturing system is the need for constant and consistent preventative maintenance. Again, when you eliminate buffer stocks from every stage of production and finished goods, a single breakdown of a machine can be catastrophic. These situations are averted by an aggressive total preventative maintenance program, which proactively keeps all systems running in top form to avoid breakdowns.

If you would like to learn more about how to bring lean practices into your operations, and how to leverage your JD Edwards system with lean manufacturing, contact John Paulson at [jpaulson@jderesource.com](mailto:jpaulson@jderesource.com).

At CTCI's JDE Resource Service, we have the lean manufacturing specialists on board who can provide guidance and knowledge transfer at any level required to get your lean manufacturing team in the drivers seat and moving forward.

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