

# From Manufacturing Digitalization TO INDUSTRIAL TRANSFORMATION

Lead the Industry with a Completely Connected Manufacturing Environment

Manufacturers of all sizes are focused on embracing the latest technology innovations. And yet, the majority of these manufacturers have yet to realize real value from their efforts. The key to becoming a leader and maximizing value is shifting one's mindset from mere manufacturing digitalization to industrial transformation (IX).

**IX leaders view technology as a catalyst to business benefits and unify IT and OT to drive solution selection and change over time. Let's take a closer look at what drives IX leadership.**

## SETTING APART THE LEADERS FROM THE PACK

According to LNS Research, the number of manufacturers that have not yet experienced the value of IX is far greater than those who are leading in their IX journeys.

**72%**  
of companies are  
**NOT YET SEEING VALUE**  
in their IX efforts.



**28%**  
of companies are  
**SEEING VALUE**  
in their IX efforts.

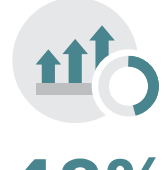
Several key characteristics differentiate those leading in industrial transformation and those who are stuck in the pilot stage of their IX journeys. **Specifically, IX Leaders are:**



**53%**  
more likely to extend  
transformation beyond  
the factory floor.



**85%**  
more likely to have  
executive sponsorship  
driving change.



**48%**  
developing opportunities  
for competitive  
advantages.



**52%**  
focusing on the greatest  
inefficiencies in our  
operations.

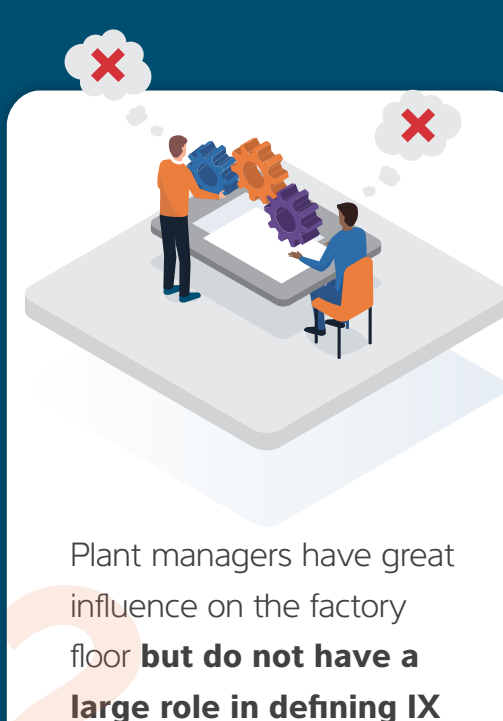
## ACKNOWLEDGING ORGANIZATIONAL DISCONNECTS

Organizational disconnects related to stakeholder involvement and sufficient budgeting have risen from **30% in 2012 to 61% in 2018**, presenting major challenges to companies with IX programs.

**Top Challenges in IX Programs Include:**



Companies have ambitious plans for digitalization, **but Chief Digital Officers are not empowered to execute them.**



Plant managers have great influence on the factory floor **but do not have a large role in defining IX programs.**

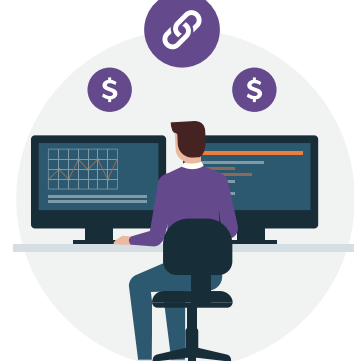


Despite executive buy-in appearing strong, **IX efforts are often difficult to execute due to under-funding.**

## THE POWER OF DOING MORE

IX leaders are extending efforts beyond the factory, taking on a larger functional scope, broader focus, and more diverse teams to maximize success in an Industry 4.0-driven world.

**Three Factors Driving the "Power of More" Are:**



A funding model that **supports joint and incremental funding** for a larger budget.



Implementation of **250% more technologies**—including, but not limited to, IIoT.

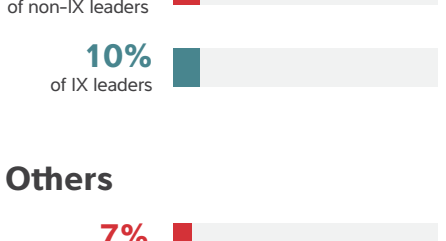
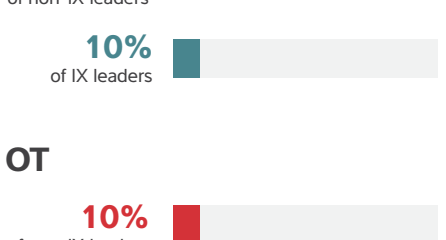
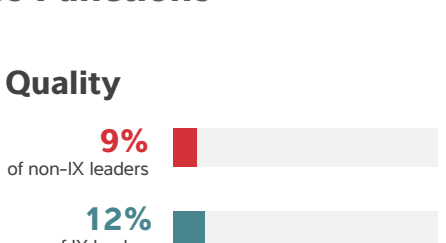
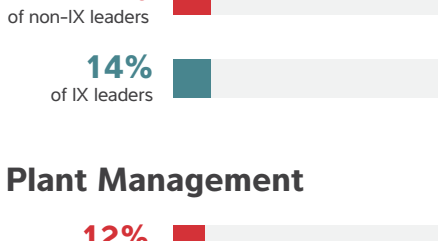
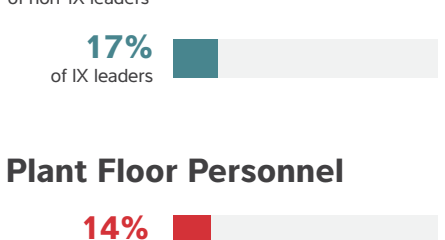
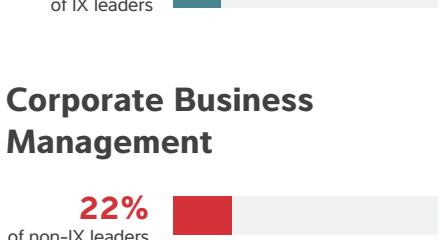
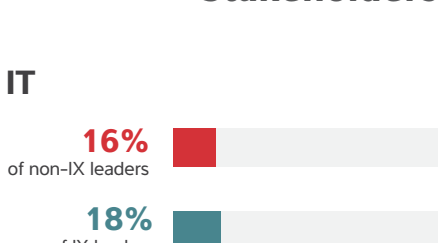


Broader teams with **third party specialists** and more SMEs.

### Executive Sponsorship, Coupled with Cross-Functional Buy-In

Many companies take a top-down approach to digitalization. While executive sponsorship is important, empowering frontline workers with more support provides greater subject matter expertise at the plant-level. IX leaders combine top-down and bottom-up initiatives to generate better results for the entire organization.

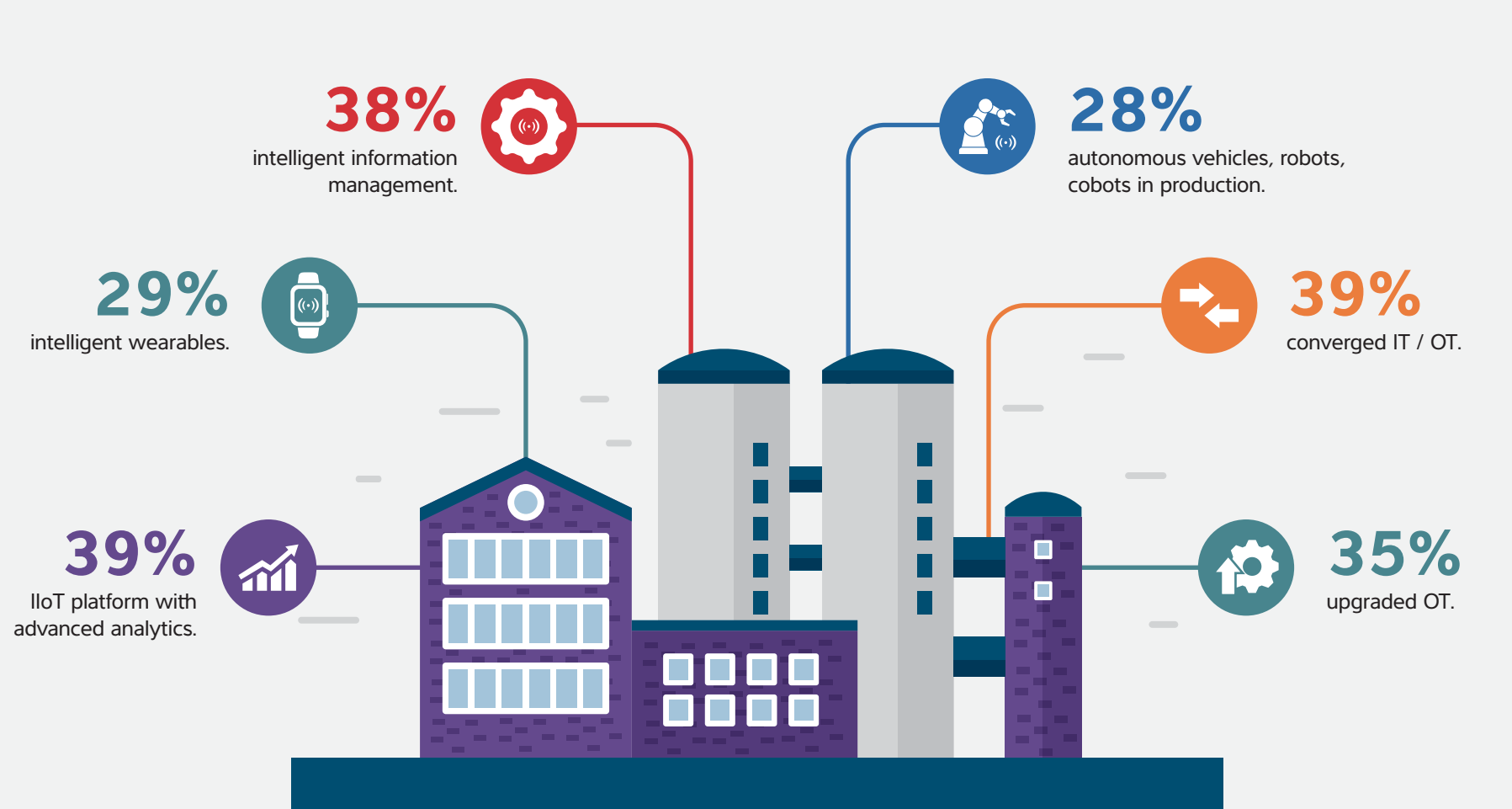
### IX Leaders Are More Likely to Involve Stakeholders Across Functions



## INDUSTRY 4.0, MEET INDUSTRIAL TRANSFORMATION

A common thread among IX leaders is strong IT / OT convergence, leveraging best-in-class solutions with a high degree of commonality across plants. IX leaders maximize success by ensuring every solution is tied to specific operational incentives and goals, deploying technology in all sectors of business for truly transformational results.

**IX Leaders' Use of Technology Includes:**



## HOW DOES YOUR IX SUCCESS MEASURE UP?

Whether you're in the planning phase or have already adopted IX initiatives, following are five pillars to help you evaluate your progress and achieve full Industry 4.0 potential in your factory.



### Adaptability

By enabling new business models and revenue sources, innovative adaptability helps achieve in-process production agility, optimized for your needs today and in the future.



### Connectivity

Proper architecture and standards help tear down barriers within factory environments that have multiple systems and sources of analytics, creating one, connected ecosystem.



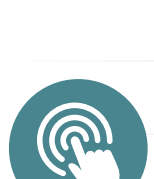
### Configurability

A flexible solution is crucial for long-term success. It is far easier to turn off capabilities you may not need today, than engage in extensive customizations in the future.



### Visibility

Visibility into factory processes via true drag-and-drop construction of real-time dashboards and reports helps contextualize data and convert it into meaningful and actionable insights.



### Simplicity

The value of every feature or comes down to simplicity. If a solution is not easy for employees to adopt and use, it will never achieve the intended productivity gains.

**Become an IX Leader with FactoryLogix®**

Aegis' FactoryLogix® MES technology connects the shop floor to the top floor, gathering critical intelligence from machines, devices, systems, and people to drive industrial transformation throughout complex digital manufacturing environments like yours.

Visit [www.aiscorp.com](http://www.aiscorp.com) to learn more.

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Metrics from LNS Research