

A MANUFACTURING EBOOK

The Power of APIs for Connected Manufacturing

Industry 4.0: Connecting People, Processes, and Data

Contents

2 / Introduction

- **4** / Complexity Creates Challenges
- **6** / A New Era of Connectivity
- 8 / The Power of API-Based Integration

11 / Learn More

12 / About Jitterbit



Introduction

Industry 4.0 ushers in a new era of connectivity for manufacturers and with it, the promise of smarter supply chains, more efficient production, and faster innovation.

The Fourth Industrial Revolution, also known as Industry 4.0, is well underway. It's fundamentally different from its predecessors. The first, second, and third industrial revolutions were brought forth by key technological breakthroughs – the steam engine, the electrical grid, and IT automation. Industry 4.0 is shaped by what advanced technologies make possible: dramatic new opportunities in communication and connectivity.¹ Fourth revolution technologies including artificial intelligence (AI), analytics, the cloud, the Internet of Things (IoT), machine learning, mobile, and robotics have the potential to connect billions of people to each other, to smart machines, and to unimaginable amounts of data.

Manufacturers are embracing these new digital technologies to transform their operations, improve customer engagements, and secure competitive advantage. In fact, 87% of CIOs in the manufacturing sector have plans to adopt or have already adopted a digital-first business strategy.²

¹ The Fourth Industrial Revolution, Klaus Schwab, Founder and Executive Chairman of the World Economic Forum

² 2018 State of Digital Transformation, IDG, as quoted in Forbes, April 22, 2018

87% of manufacturing CIOs are adopting digital-first business strategies.² Digitization can take the form of instrumenting factory equipment with intelligent sensors, employing advanced analytics to improve operational efficiencies on the plant floor, or embedding artificial intelligence into interactions with supply chain partners and customers. Smart, connected technologies can transform how goods are designed, made, and distributed. But they can also transform business operations by enabling the organization to derive more value from newly digitized processes.

Meet rising customer expectations

It's been a decade since the iPhone first launched, helping to shape a new generation of savvy buyers who expect to get what they want, now, and by means of a delightful purchasing experience. Eighty percent of customers say that the experience a company provides is as important as its products or services.³ To deliver the products customers want, and the experiences they expect, manufacturers require seamless visibility into each digital touchpoint, at every stage of the customer journey.

Drive greater efficiencies

Smart manufacturing initiatives have taken center stage for both process and discrete manufacturers alike.⁴ Through the use of sensors, AI, robotics, and other Industry 4.0 technologies, manufacturers are able to do things like predict equipment failure and process-related losses, and then quickly prescribe corrective actions. New cloud-enabled applications are making it easier for engineering, production, and distribution to collaborate across geographies and silos. Mobile-enabled devices can help managers make faster, more informed decisions anywhere. The ability to aggregate data from multiple systems and sources, and deliver it to the right people at the right time is essential to IT modernization and process improvement.

Accelerate innovation

While efficiencies and operational goals remain the top drivers for digital transformation, many manufacturers are starting to prioritize initiatives around innovation.⁵ To remain competitive, manufacturers must deliver better products and get them to market faster. By making better use of data, manufacturers can better predict customer demand, quickly adjust to changes in the marketplace, accelerate the engineer-to-order process, and communicate more efficiently within an optimized value chain.

³ State of the Connected Customer, Second Edition, by Salesforce, June 2018

⁴ Worldwide Semiannual Digital Transformation Spending Guide by IDC, June 2018

⁵ The Innovation Paradox, Deloitte Insights, October 2018

Complexity Creates Challenges

Industry 4.0 encompasses end-to-end digitization and data integration of the value chain. ⁶ This requires the ability to capture, harness, and process data and insights across a landscape that is growing more complex by the day.

Information silos

Smarter, more efficient processes depend on access to data from a growing number of sources – cloud apps, legacy systems, connected devices, and more.

The Internet of Things is generating massive amounts of data, introducing new challenges in extracting meaning from devices, sensors, and smart machines.

The move to the cloud accentuates the silo challenge. More than a third (37%) of manufacturing IT department report being under pressure to migrate all applications and infrastructure to the cloud.⁷ This creates landscape complexity in connecting cloud and SaaS apps to legacy systems, a sprawling variety of data sources, and to a growing number of supply chain partners.

While each data silo contains important pieces of information, the integration of these data silos will help manufacturers gain a more complete understanding of their business end to end, from supply chain to customer.

Ecosystem complexity

Business agility requires streamlined communications across a growing number of value chain partners.

In today's global economy, manufacturers operate within a dynamic, interconnected production and procurement network, coordinating and collaborating with many different suppliers and producers across multiple countries. This requires a fundamentally different approach compared to traditional, linear supply chains of the past.

Manufacturers will need to streamline integration between ecosystem partners in order to gain the visibility needed to respond quickly to changes in the market or the supply chain. This could include pricing of materials, changes in labor agreements, inventory shortages, transportation delays, compliance issues, and more. According to recent research by KPMG, full supply chain visibility has risen to become the third most important strategic priority for manufacturers.⁸

Visibility into every stage of the extended value chain will become overwhelming without a scalable method to connect disparate systems, share information in an automated and standardized way, and gain insights from massive amounts of both structured and unstructured data.

⁶ Global Digital Operations Study 2018, PwC

⁷ 2018 Cloud Computing Survey, IDG

⁸Global Manufacturing Outlook 2018, KPMG

Digital disruption

5

Manufacturers, perhaps more than other types of business enterprises, face disruption in the form of newer, more nimble competitors that are unencumbered by physical plants, systems, and infrastructures built for an earlier era. To remain competitive, manufacturers will need to build intelligent systems that can respond quickly to changes in demand, produce quality products more efficiently, and innovate faster.

Artificial intelligence (AI) and machine learning play a pivotal role in Industry 4.0 and manufacturing. These disruptive technologies represent a big change for manufacturing companies, but hold great promise for increasing efficiency, reducing costs, and improving quality. The more data available to AI-infused business processes, the smarter they become at observing trends, spotting anomalies, and learning how to make decisions that benefit the manufacturing organization.

A New Era of Connectivity

Traditional integration strategies, including middleware, enterprise service buses (ESB) and EDI have long been used by manufacturers to connect systems and exchange information both within the organization and with external suppliers and partners. These methods will remain in place for the foreseeable future, as long as they continue to perform the functions for which they were designed.

Unfortunately, these traditional integration methods often can't keep pace with the speed and scale of modern IT landscapes. Not only are ESBs and middleware hard to manage without a dedicated and centralized IT group, but they also do not offer capabilities such as full multi-tenancy, B2B integration and support of IoT, or chatbots-related integration. As the number of cloud apps proliferate and as businesses increasingly rely on Anything-as-a-Service (XaaS) offerings, the limited reach of middleware becomes a liability. As Forrester notes, "hard-coded interfaces between applications cannot continuously evolve the way businesses need them to."

Today, API-led integration is enabling a quantum leap forward in how manufacturers share data and streamline processes across an increasingly complex landscape of systems, applications, and data sources – on premise and in the cloud.

	Manufacturing Process Automation	Manufacturing Process Optimization	Value Chain Optimization
	Pre 1990s	1990s - 2010	Post 2010
Production Methodologies	Lean Manufacturing (JIT, Kanban, TQM)	Agile Manufacturing	Personalized Production, Additive Manufacturing
Business Driver	Improve product quality	Economies of scale	Rapid innovation, horizontal and vertical integration
Systems	Custom	On-Premise Apps (ERP, MES, PLM)	Cloud, Social, Big Data & Analytics, Simulation, Cybersecurity. IoT, Mobile, Robotics, Augmented Reality
Enabler	Manual processes, Custom integration	Middleware (point to point) and EDI	API Integration

THE EVOLUTION OF INTEGRATION ENABLERS IN THE MANUFACTURING SYSTEMS LANDSCAPE

Integration methods used by companies have evolved over time. With the arrival of ERP, MES, and PLM systems, companies employed middleware to connect applications and allow data to flow from one application to another. However, with the advent of Industry 4.0 technologies and thousands of SaaS applications, companies require more sophisticated tools to easily surface data from these systems and orchestrate end-to-end business processes by moving data between them seamlessly.

The path forward

An Application Programming Interface (API) allows systems to communicate with each other through a documented interface. APIs allow companies to open up data to external third party developers, to business partners and internal departments within their company. APIs make it possible to compose applications, rather than build them from scratch.

For example, a manufacturer may want to track the location of a shipment to a customer, and make that information available to the customer. Using APIs, it can develop a customer service application that incorporates tracking and location services provided by the shipper.

"We live in an API economy, a set of business models and channels based on secure access of functionality and exchange of data," Gartner analyst Christy Pettey wrote last year. "APIs make it easier to integrate and connect people, places, systems, data, things and algorithms, create new user experiences, share data and information, authenticate people and things, enable transactions and algorithms, leverage third-party algorithms, and create new product/services and business models."

The Power of API-Based Integration

API-led connectivity is a modern approach to harnessing the value of all available data toward the goal of creating an optimized value chain.

Streamline product design and development

Eliminate communication gaps between engineering and manufacturing for faster time to market.

In the product design and development process, R&D requirements are translated into manufacturing specifications. These two functions need to communicate Bills of Materials (BOMs) and Engineering Change Orders (ECOs) quickly to limit their impact on manufacturing production. APIs between Engineering and Manufacturing Systems can automate and standardize the flow of information – structured and unstructured – and facilitate smooth and secure change notifications for faster time to market.

Connect ERP and the shop floor

Generate more accurate demand forecasts that can reduce inventories by avoiding overproduction.

Enterprise resource planning (ERP) systems contain information regarding inventory and customer demand, and manufacturing execution systems (MES) control what to build. By integrating these two systems, manufacturers can become more flexible, responsive, and efficient in meeting customized and changing demands. Through real-time information exchange between the business layer and the production layer using APIs, manufacturers can increase overall equipment efficiency (OEE), reduce cycle times, and provide management with the visibility needed to make better decisions.



Virgin Orbit uses Jitterbit's API Integration Platform to move data between MES, ERP, and PLM systems for faster scheduling, costing and allocating right amount of resources for manufacturing.

Jitterbit & Configero

Together we provide manufacturing enterprises with an accessible path to digital transformation focused on modernizing high-impact areas like sales, operations, field service and IT. The powerful combination of the Jitterbit API integration platform and Configero's consulting expertise delivers a comprehensive end-to-end solution to manufacturers.

Get Connected and Achieve a 360-Degree View of Your Value Chain

Salesforce, the world's #1 CRM platform, is helping to drive the digital transformation forward for manufacturers by delivering a highly open cloud solution that supports IT modernization. API-led connectivity offers a seamless way to bring together the legacy and on-premise systems that manufacturers have come to rely on with new customer-centric applications like Salesforce that enhance the value and visibility of available data from ERP, supply chain, inventory management, sourcing, and product lifecycle management systems.

Integration Technology + Expertise

Configero, a top-ranked Salesforce cloud alliance partner and system integrator, is helping progressive manufacturing organizations unlock the power of SaaS, cloud, and on-premise apps, data, and devices with highly scalable connectivity solutions. By leveraging the best-in-class Jitterbit API Integration Platform, Configero delivers product and application expertise to solve clients' IT challenges by automating and streamlining operations previously hampered by siloed, disparate technology environments.



A Collaborative Framework for Success

Configero's approach focuses on understanding company goals, objectives and priorities, and designing an integration framework that delivers immediate business impact across the manufacturing business landscape:

Maximize investments in legacy and on-premise applications

Deliver collaboration and transparency with distributor and supplier networks

Ensure compliance with security and audit requirements

Shorten lead times with automated proposal & guoting processes

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Improve data accuracy for better forecasting & demand planning

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Centralize knowledge to train and educate the next generation of workers



Position the business to leverage innovations in IoT



Mirion Technologies

10

Mirion Technologies is a global provider of radiation detection, measurement, analysis and monitoring products and services to the nuclear power, medical, military and homeland security markets.

With 13 operating facilities across North America, Europe, and Asia, Mirion had dozens of applications operating in silos, from legacy ERP, accounting and other back-office systems to separate Salesforce instances for different regions and multiple business intelligence methods. They sought to unify these core IT areas to:

- Design and build cloud-based data hub that every system in scope would be able to connect to, wherein, the data hub would serve as a central location for all data flowing from/to Salesforce, ERPs, and a unified Data Warehouse.
- Standardize and establish a platform for enterprise reporting.
- Increase account-centric collaboration across all divisions.
- Provide a true 360-degree view of customer and business intelligence.
- Implement enterprise analytics on Tableau that leverages data hub connectivity.
- Enable the ability for Salesforce orgs to share data between regions on-demand and in near real-time.

Configero designed and delivered a powerful global data hub leveraging Jitterbit Harmony Enterprise that resulted in a myriad of IT and strategic business benefits:

- Single source of truth by using one system
- Efficiency Gains: time saved through standardized business processes and reduction in duplicate work and process redundancy
- Ease of Use: Mirion can now manage the entire sales process with one system, driving consistent customer interactions throughout the sales cycle
- Revenue uplift by maximizing time spent selling and engaging in customer-facing activities
- Time to Deploy: time saved in deploying much needed business process changes
- Improved employee engagement and onboarding



Learn More

11

API integration is a powerful, modern approach for connecting people, processes, and data. To learn more about how Jitterbit can help you accelerate innovation, drive greater efficiencies in your manufacturing processes, meet rising customer expectations, and drive compliance, visit our website.

READ MORE

About Jitterbit

Jitterbit Harmony, the API Integration solution, enables manufacturers to rapidly connect SaaS, on-premise, and cloud applications and instantly infuse artificial intelligence into demand planning, production, and customer service processes.

Jitterbit helps businesses make faster, more effective decisions by enabling them to unify and exploit data from all sources through APIs.

Our intuitive API creation technology enables companies to reuse business-critical applications and data to bring new offerings to market in days, not months. Best of all, our team of industry experts work side by side with you to accelerate innovation beyond anything you previously thought was possible.

For more information, visit www.jitterbit.com or call 1-877-852-3500. You can also follow us on Twitter or read our blog.

About Configero

Configero is a top-ranked Salesforce Cloud Alliance Partner, delivering best-in-class consulting services and apps to help companies get the most out of their CRM technology investments. With deep experience in Salesforce implementation, optimization and complex integrations and migrations, Configero is a trusted advisor to organizations who understand that strategy and process should dictate their technology, not the other way around.

Configero's expert team of certified Salesforce resources applies a proven approach to leveraging the Jitterbit product suite to bring the power of the connected platform to build what's next.

For more information, visit Configero.com or call 1-855-CRM-HERO.



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