

# Keys To A Successful Modernization



## BE THE CHAMPION

A Successful Modernization always begins with a "vision". The vision is driven by our desire to do better. "Better" comes in many forms:

- Implement emerging technologies
- Improve the system's performance
- Expand the system's capacity
- Make the environment more safe
- Address obsolete and/or unsupported components/systems
- Reduce cost of operation

And let's face it . . . it never hurts if we can make our job a little easier and look good doing it.

Unfortunately, the person with the vision is going to be the one with the passion to "champion" the idea and get it moving off dead center. Don't be afraid to be the champion. There are many ways of getting help.

## INVEST IN AN AUDIT

While you may have many valid reasons for moving forward, it never hurts to solicit the input of a professional. There are many companies that can assist you confirming your vision as well as identifying other factors that will strengthen your case. Additionally, these companies can also guide you in developing a business plan to assist you in securing the critical approval and budget you the modernization will require.

When shopping for an audit, you will find companies that offer their services for free while others will provide an audit for a fee. Be very careful in this area. "Free" without any other incentive is not always the best choice. Those that offer free audits are typically providers and likely include a statement that the final project will be awarded to their company. This is not necessarily bad, but the solution may be unique to the provider's products and services.

Research all alternatives to supplement your vision.

## THE RESULTS OF A MODERNIZATION AUDIT SHOULD INCLUDE:

- Data analysis of forecasted performance
- Observations of current technology practices including safety, obsolescence, support, features, performance, etc.
- Risk analysis of the current state
- Candidate technologies and practices that merit consideration
- Pros and cons of the alternatives
- Preliminary ROI of the candidate investment
- Potential implementation roadmap

At this point you may elect to progress to Detailed Design with the auditing partner or develop an (Request For Quote) RFQ for the marketplace.

## GATHER INPUT

There is no quicker way to success than making those who work with the system happy. It is probably obvious, but involving the operators, support staff, maintenance representatives, etc. is critical to the success of your implemented vision.

Take a moment to speak with members of your team and assess the need for change.

Below you will find some basic questions to get you started:

- If you could change one thing in your current process, what would it be?
- What is the most difficult thing for you to get done?
- What is the easiest thing for you to get done?
- How do you feel about change?
- What would make your job easier?
- Are you aware of any new technologies or practices that would help you in your job?

## SPECIFY YOUR OBJECTIVES

The next step is to document a project specification. This is the document that will be typically be attached to a Request For Information/Quote/Proposal. This document will take into consideration all of the information you have gathered so far and place the information in a logical order to accurately relay your vision. Components of this document should include, at a minimum, the following information:

- Information about your company
- Vision statement – high level scope of work
- Current system/operations
- Problems to be addressed
- Specific solutions (The Vision)
- Implementation strategies
- Schedule limitations
- Terms and conditions
- Responsibilities (Customer vs Vendor)
- Technical standard or requirements
- Contingency plan

Although it may not sound like a problem, you should give focused attention to the implementation strategy. This is the strategy that identifies the constraints associated with implementing the solutions and to some extent must be defined in the specification. Keep in mind, however, that you should allow some leniency in your specification to allow your respondents to provide their unique perspectives and expertise to the installation strategy. You might even be surprised that you will find one that far exceeds the other solutions.

The Request For Quote can be used to assist you in gathering critical information for your final specification. Be sure to target companies you have investigated to ensure their offerings and experience will match your vision.

The Request For Quote/Proposal will take into consideration the data you have gathered/refined as a result of the Request For Information. Additionally, the Request For Quote/Proposal will be the result of your executive approval.

### SECURE MANAGEMENT BUY-IN / EXECUTIVE SPONSORSHIP

You can gather all the information needed, document the vision, gain the approval of the operators, have the vendors ready to respond, but in the end you **MUST** gain management approval.

The hardest thing you probably need to do to secure your vision is to obtain the support of your management team. Of course, the biggest compliment you are going to get will be the approval of your management team.

If you have hired a third party to assist you with an audit, chances are they are more than willing to help you with your presentation. Take their advice, qualify it, and embrace it. You may even ask some of your peers to listen to your game plan and provide you with feedback.

When scheduling time with your management team, be sure that all critical players are available. Move through your plan and be sure to highlight the critical items. It is not necessary to cover all the details, but rather the items that are important to the management team such as:

- Increase productivity
- Reduce/eliminate downtime
- Improve employee morale
- Improve safety
- **SAVE MONEY**

Listen to their questions and be clear in your answers. If you do not know, do not hesitate to say so. Take in all their feedback and comments. It may be necessary to refine your specification to address their concerns.

Keep in mind that the business team is presented with many projects with competing value. If they ask questions, have a genuine interest in your vision. You have planted the seed.

Don't give up!

### DEVELOP RETURN ON INVESTMENT/MEASURE YOUR SUCCESS

The icing on the cake will be your ability to document the "return on investment" associated with your vision. The business team responsible for approving the project funds will have more of a tendency to give you the money if you are able to show them the anticipated savings associated with your vision. Typically identifying the money savings of a Modernization is fairly easy and may include:

- Reduced labor
- Improved productivity
- Reduced parts consumption
- Lower MTR
- Higher uptime
- Lower cost of support and services

While "SAVING MONEY" is always a good way to get approval, keep in mind, that there is a whole world of intangible items that can also go a long way. Examples include:

- Future business possibilities/expansion
- Employee morale
- Employees working on the right things
- Employee ownership
- Safety
- Lean practices

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