

Edge Manufacturing

Software Selection the Easy Way

With the help of meaonline.net, Johns Manville's staff made major software purchases and saved on consulting fees in the process

By Gerald Lazar

When there's a big contract in the offing, you can usually expect the consultants to come running. And when a company such as Johns Manville, the Denver-based leader in the building materials industry, starts shopping for a complete sheaf of manufacturing and management software, you'd expect the experts wanting to offer advice for a price to come out of the woodwork.

But when Johns Manville began its major acquisition effort in the summer of 1999, the consultants never arrived.

The reason: Johns Manville was able to locate, evaluate, and select its software vendors using its own staff—

thanks to the wealth of information it used from Managing Automation Software Guides (MASG), a division of Thomas Publishing Co., of New York. The company's online products—MASG.com and meaonline.net—

helped Johns Manville's software selection process move forward quickly and smoothly.

"I look at its technology as a knowledge base for researching essential software packages," says Kris Hauer, senior manager, Plant Level Systems, Johns Manville, who was the Information Technology program manager in the major research and acquisition project. "The online service helped us avoid using a third party selection partner," Hauer adds.

Tools of the trade

MASG offers two online products: MASG.com, a free site where users can research vendors in the manufacturing enterprise market, and meaonline.net, a formerly paid service that is now free to qualified users. Meaonline.net can be accessed through MASG.com.

Meaonline.net is a powerful software selection tool for the manufacturing enterprise market. The

Shopping List

What Johns Manville was looking for

- Advanced Planning and Scheduling
- Enterprise Asset Management Systems
- Manufacturing and Execution Systems
- Warehouse Management Systems

technology helps users reduce the amount of time it takes to research products by providing quick access to a database that contains detailed information about more than 700 vendors and products. Meaonline.net requires Microsoft Internet Explorer 4.0 or higher.

The meaonline.net database lets prospective buyers find vendors, build custom specifications, rank products according to those custom specifications, compare vendors side by side, and develop and issue RFPs. Subscribers can access the database from anywhere they have the use of the Internet.

When users combine the resources of the free, public MASG.com site with meaonline.net, they can identify vendors, obtain background information on potential suppliers, and keep up to date with the latest industry news. Collectively the web site and database provide a useful tool for buyers to find, evaluate, and compare enterprise-wide software packages.

Imposing order

Johns Manville found itself in a challenging position in 1999. The company had purchased numerous plant level and scheduling systems over the years without an overall plan, Hauer says.

"The [software] purchasing was decentralized selection. Individual plants and divisions went out and selected what they felt was needed," Hauer explains. This involved more

than 30 locations making their own purchasing decision.

Moreover, purchasing decisions were primarily made based on information gleaned from industry reports, consultant recommendations, and the knowledge of the plant operators. What was lacking, Hauer says, was one vision.

Choosing The Best:

Johns Manville's Criteria for Selecting Vendors

- Software functionality
- Price
- Knowledge of the industry
- Ability to integrate with Johns Manville culture
- Ability to provide implementation services

"What we had was an assembly of different systems, software at different release points, and some internally developed systems," Hauer says.

Although the systems all worked, they just weren't efficient for the manufacturing giant. The multiplicity of systems "increased the complexity of supporting those systems," says Hauer. "Standardization opportunities existed on anything from reports to potential benefits."

Hauer joined Johns Manville in June 1999 to improve the situation. An industry veteran with experience in both production and consulting, Hauer joined Johns Manville to help drive the selection and implementation of a suite of plant-level systems.

By July 1999, Hauer was part of a team of about 20 Johns Manville staffers as they prepared to go on a shopping spree. And the company had quite a shopping list. Among the software applications the company needed was Advanced Planning and Scheduling, Manufacturing Execution Systems, Warehouse Management

Systems, and Enterprise Asset Management Systems (including purchasing and maintenance). The company is a firm believer in the best-of-breed approach to software selection—it wants the best functionality it can find, rather than relying on one vendor to provide

a wide variety of functionalities. Meaonline.net became a crucial tool to identify the best in each software category.

Research begins with meaonline.net

The 20-member team was divided into groups of four or five, with each group assigned to a specific product segment and each with a team leader. Every team had access to meaonline.net, the online database.

"We combined the database information from meaonline with such things as Gartner Group reports, standard industry literature, and the experience of team members with the various systems," says Hauer.

The database provided the team leaders with a wealth of information.

The database provided the team leaders with a wealth of information, he adds. Querying the database enhanced their knowledge of industry-leading software—providing software specifications and data about the vendors in each category.

During several weeks of intense initial research, team members used meonline.net as an integral tool. The depth and breadth of the database impressed the team. The software, for example, identified several software packages that Hauer and his teammates were less familiar with, pulling them out of the database based on the criteria selected.

"We were able to develop our long list, looking at the industry far more broadly than we could have without it," says Hauer. "It brought up some vendors we wouldn't have thought of

to look at the data in the way that made the most sense for the team members. "We already had a format for an RFP, and it was one that wasn't an exact match with MASG's," Hauer says. "We were able to extract what functional requirements we needed from the packages easily. It was pretty easy to configure."

Using the long list, the team then generated a "medium list" of a half dozen or so candidates based off the RFP responses.

"To produce that short list, we did almost a blind demo," says Hauer. "We didn't give [the vendors] a world of knowledge about our company. We were testing their industry experience." Vendors visited the company and made presentations that were focused on industry requirements.

The teams used the results of the demonstrations to identify two or three candidates for a site visit. "We let them visit one of our facilities to do a two- or three-day assessment," Hauer says, explaining that

this allowed them to better tailor their sales presentations to the challenges of Johns Manville.

While the vendors were checking out Johns Manville, Johns Manville was checking out the vendors—doing

due diligence to make sure the vendors were representing themselves accurately.

"We visited the vendors' clients to verify assessments and to check on their customers' concerns on the

"Reports from market research firms provide similar rankings, but meonline provides a lot more detail... In fact, a lot more detail than any other source."

value received," Hauer explains.

The finalists returned and made a more thorough presentation. "This included their implementation plan, and the cost associated with the software and implementation," he says. "We got the pricing for both a pilot project and a total rollout to all 30 plus facilities."

Following these presentations, the teams selected a vendor in each of the four categories. The software implementation process began in November 1999.

Overall, the acquisition cycle was swift. "We were on average able to complete the process in three months," says Hauer, adding that the timeframe is impressive when compared to acquisitions of this magnitude that can drag on for a year or more. Hauer credits the MASG software as a major reason for the speed and efficiency of the software search.

Detail-oriented

Hauer speaks highly of meonline, especially when comparing it with other resources available.

Knowledge is Power:

Resources for Evaluating Software Vendors

- MASG's Online Services
- Market Research Firm Reports
- Business to Business Publications
- Vendor References
- Personal Experience
- Consultants

Sometimes a vendor would surface that we weren't familiar with. And a well-established vendor might not come up on top of the list," Hauer recalls.

The software's flexibility served in good stead, allowing Johns Manville

This tool, plus the other things we used to augment it, let us get the information we wanted.

"It gave us a real wealth of information and established quickly a method for getting things done," says Hauer. "Reports from market research firms provide similar rankings, but meaonline provides a lot more detail than those reports can provide."

Hauer also points out that an interactive tool like meaonline lets the user choose how to view the information.

Consultants are certainly interactive—but they are expensive and can be time consuming. Besides, says former consultant Hauer, you don't always know what you're getting. "Consultants may be good at the process, but they may not have all the knowledge of the specific packages that you might want," he says.

"Certainly, we didn't use meaonline alone," says Hauer. "But this tool, plus the other things we used to augment it, let us get the information we wanted."

Shopping for the best

Johns Manville could have gone out and bought one manufacturing software suite. But that was not the direction the company chose.

"We were going for the best-of-breed, rather than a complete ERP package," says Hauer. That plan would give the company excellent capabilities, but it certainly made shopping more complicated. Rather than just looking for one vendor to provide everything, the company had to evaluate vendors for each sector—their

individual capabilities and how well they would work with other vendors' software.

"We had strong support from upper management for that approach," he says.

The company looked at a number of issues to make its decision. "We looked at functionality, at vendor references, and its knowledge of our industry," says Hauer. "We evaluated the company's ability to team with us, and to fit into our cultural environment. We did consider price too," he adds. "But it was not the primary

Benefits of meaonline.net

- Breadth of Coverage
- Flexibility
- Speed
- Ease of Use

consideration. We weren't 'low-balling'—we wanted the best."

To conduct the kind of in-depth research Johns Manville needed, Hauer and the team used MASG.■

Gerald Lazar has been writing about the high-tech industry for more than 15 years, including some of the earliest stories about MRP II. He has contributed to books on best business practices and computer security.

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For More Information

For more information about meaonline.net, contact Managing Automation Software Guides. The telephone number is 800-647-1908 or 212-629-1114. Inquiries via fax should be sent to 212-629-1159. Information requests via electronic mail should be sent via the Internet to masg@tpmnet.com. Information is also available at the Managing Automation Software Guides web site. The address is: www.masg.com