



# The Top Two Necessities for IIoT Success

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Over the years, many of us more seasoned manufacturing veterans have read article after article about how transforming your factory to include the latest smart technology will increase productivity, reduce operating costs, provide greater access to data, and allow for better decision making. In fact, a quick google search on “technology transformation” resulted in 48,500,000 hits on the topic. I’m sure the majority of those articles extrapolate the positive impact a technology transformation will bring to the plant floor. And for the most part I agree.

However, my advice on what latest technology is worth investing in to transform your factory will only be worthwhile if your operation first has a culture that encourages innovation and change and second, employs tech-savvy talent.

Without them, you may find yourself eating the cost of a technology that is highly under-utilized. Not an easy thing to hear, but the reality is, without these two primary factors implementing a successful application of technology that, over time, can transform your manufacturing facility will be an uphill battle.

## Necessity #1: A Truly Innovative Culture

A technology transformation is more of a corporate strategy for change rather than just applying smart products here and there. Much of the success or failure of your technology transformation investment will be attributed to the digital IQ of your organization’s leaders and their teams. The makeup of the leadership teams will need to be completely on board with a technology investment and plan a robust transformation strategy in order to make use of the information the investment will provide.

It’s important to keep in mind also that departments and budgets not generally associated directly to manufacturing output, like Information Technology (IT),

***59% of manufacturers reported that IIoT will help them better understand machine health and predict and prevent equipment shutdowns.***

- Plant Engineering 2020 State of Industrial Maintenance Report

will be moving to the forefront. IT leadership will need a seat at the same operational table to discuss long-term technology investments and the implementation strategies involved to ensure synergy across the entire business, corporate and plant level. This is why it is so important for your organization to embody a culture that promotes innovation, continuous improvement, and on-going training. There are many ways this can be done, and regardless of the transformation strategy you choose, succeeding over the long term will require a committed and focused shift for most companies.

## **Necessity #2: Talent for the 21st Century**

Much like the technology companies who are developing smart products of the future, manufacturing companies will find themselves needing a new talent strategy. One where they attract the tech-savvy millennials, as well as invest in their existing workforce to build the necessary skills to stay competitive. In light of a recent skills gap study by Deloitte, it is clear that many companies continue to struggle selling the younger generation on a career in manufacturing.

While bridging this gap with new talent will continue to be a priority for the entire manufacturing sector, companies looking to be ahead of the digital



transformation curve need to make this a strategic priority, from the top down. By doing that, it will put pressure on your Recruiting and HR departments, but long term it will pay off by having the skilled talent when and where you need it.

Bottom line, true digital transformation requires a shift in strategy to develop an entirely different business model that places technology at the core of its strategy and culture. It can be achieved if the right steps are taken, but many organizations still have years to go before fully embracing what it takes to make it a successful reality.