

Workflow: Packhouse Management

Toolkit 4.9

Systems Management

target audience

Packhouse operations managers.

what it is

Packhouses are becoming highly sophisticated facilities with expensive machinery, software, and systems. Often packhouses have built or acquired various systems which are not necessarily integrated. Newly developed packhouses have the advantage of acquiring far more integrated systems. Either way, systems management is becoming an important organisational capability and many packhouses employ a systems manager for the purpose of establishing and managing integrated software solutions which effectively support the operations, its hardware/machinery, and information flow.

This toolkit provides high level success factors for systems management.

why it is important

The more integrated a system is the more efficient it can be. But, a word of caution, integrated systems often promise much but perform poorly when they are not implemented properly.

Often, packhouses, and their ability to communicate between various internal systems, or with the supply chain (up and downstream), is fragmented and while this may function reasonably well, building bridges between these parts of the supply chain or between operational silos within the packhouse, will require effort, time, and money. Fragmented systems also do not produce reliable information easily. Most packhouses will have the opportunity to improve their systems management.

Whether you are considering the implementation of a fully integrated system, or whether you need to improve the way several systems “talk” to each other, systems management is a very important organisational competence.

The benefits of best practice in systems management include:

- Data and information accuracy and availability when needed for informed decision-making.
- Avoiding information conflict – producing one, trusted, version of the truth.
- Speed of decision-making.

- Avoiding supply chain delays.
- Data security.

success factors

- **Strategic or tactical priority** – Your decisions regarding systems management, the investment required, its level of sophistication, the expertise required, and cost/benefit mix should be considered from a strategic and tactical perspective:
 - Strategic is it translates into significant competitive advantage within the market and with clients.
 - Tactical if it will enhance your internal efficiency but will not necessarily be visible to your clients.
- **Process mapping** – You should undertake a detail process mapping exercise for all data and information requirements, both input and output, to fully understand your current processes, and your more ideal systems requirements and constraints, before prioritising what you require from your systems and may wish to change. See [Workflow 13 – Improvement Projects](#).
- **Bespoke or off-the-shelf Systems** – There is a risk in merely automating or digitising your current, manual data and information flow, because:
 - Your current system may not be very good, and you will merely build a clumsy system, and
 - Software systems follow different rules, and it may be better to buy a system that has been designed specifically for your required application.

Therefore, consider buying off-the-shelf systems that have been designed and “perfected” for a specific purpose. The implication may be that you have to change your approach and procedure and be led by the system (comply with the convention and logic of that system) rather than being able to manipulate the system to suit old processes.

More often than not, buying off the shelf and taking the pain of changing, beats cobbling something together, both in terms of total cost of acquisition and maintenance and time to commission and implement.

- **Expertise** – Modern packhouses are sophisticated industrial facilities, and you need the expertise to manage the whole system. The employment of industrial and electronic engineering and IT expertise is now a common requirement.
- **One version of the truth** – One of the greatest benefits of an efficient and integrated systems is that it produces one version of the truth which everybody can trust and work from. A lot of time is wasted when data and information is in conflict from various sources because:
 - People argue about it or hide behind it.
 - Rework and manipulation are required.
 - Information is available too late.
 - Decisions are poor.
- **Automation and AI** – The pace of technological development is such that AI (artificial intelligence) is increasingly being introduced and used now. AI enables systems to analyse and learn much quicker than people can. Automation and AI are not future considerations but must be factored into current decision making. The AI capabilities of technology will change your

processes and your organisation, and you need to access the expertise and advice to meet this challenge.

execution steps

See above.

assessment questions

Please Note: There is no minimum / maximum number of questions you can add.

1.	Do you have a clear strategic and/or operational business case for the systems you are investing in and maintaining?
2.	Do you have a detailed process map of your whole system, including your data requirements, and have analysed the gaps, constraints, and improvements you require?
3.	You have done the due diligence to support your decision whether to design a bespoke or set of bespoke systems, or whether an off-the-shelf system will be best?
4.	You have the expertise or are recruiting or developing the expertise you require to ensure effective systems management?
5.	Your system produces reliable, trusted, accurate information, in the format you or external parties need it, when required?
6.	You keep up to date, personally or through more knowledgeable advice, of the development in automation and AI systems and technology?