

# 5 Ways an ERP Makes Baked Goods Manufacturing Easier



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What About You?

From bread and tortillas to cookies and crackers, there is no shortage of bakery options on grocery store shelves. Consumers need only concern themselves with things like their favorite brand, variety and quantity, as well as if their selected choice meets their dietary restrictions.

Bakery Manufacturers/Owners, on the other hand, are concerned with so much more. As the manufacturer of these products, you must pay attention to every detail from ingredient sourcing and tracking to production scheduling, packaging and labeling, order fulfillment and food safety. It's a lot of moving parts that need to work together consistently and successfully.

Some baked goods manufacturers manage all those parts manually, keeping track of things like production schedules and delivery routes in disparate spreadsheets. Others have implemented software to automate some of the processes, but still keep everything siloed.

Then there's the manufacturers that have implemented Enterprise Resource Planning (ERP). Their operations are smooth, connecting everything from the shop floor and production to distribution to accounting. If you haven't yet delved into ERP and are curious as a baked goods manufacturer how your unique set of challenges will be addressed, let's discuss.



#### Food Manufacturing Unique Challenges

The truth is baked goods manufacturers that haven't invested in an ERP aren't as efficient as those that have. ERP connects all your disparate systems and spreadsheets into one place. From there, you can manage your inventory, production schedules, sales and orders, financials, and more. Along with real-time connectivity, an ERP can automate manual processes and reduce time spent on administrative tasks.

As a result, you have better inventory control and real-time visibility to your ingredient levels, reducing waste and ensuring timely reordering. What's more, an ERP also enhances quality control by helping you standardize recipes, track ingredient sources and monitor production.

And with important regulatory compliance and food safety regulations to adhere to, you can't leave anything to chance. An ERP system provides traceability features and maintains detailed records of your ingredients and production processes. Finally, as your business experiences growth, an ERP welcomes the increased complexity in your operations without the need for a major system overhaul.

Given that broad overview, let's now look at five very specific and unique challenges baked goods manufacturers face.

# Production Scheduling



You know that timing is everything when it comes to bakery production, and each step in the process needs to be precisely coordinated to ensure that products are delivered fresh and on time. When one cog in the wheel gets out of line, the result can be chaos.

In addition, allergens and cross contamination are always a concern with food products as your customers' health is paramount. As such, allergen cleanouts are a part of your life, but if you don't account for them in your overall production schedule, you wreak havoc on your entire operation. Then, the race is on, and you're left scrambling to catch up, costing your business both time and money.

An ERP can be enormously helpful and take the guesswork out of managing your bakery's operations. Have a production cleanout you didn't anticipate? No problem; you can easily adjust all the schedules in real time and stay on track. At the same time, an ERP maximizes your production hours and ensures every step is accounted for, resulting in a production line running like a well-oiled machine. It's efficient and helps reduce your costs, and just as important, ensures you get your products out the door and on the shelves on time and up to your highest standards.

## Managing Food Safety Standards

As a manufacturer of perishable goods, it's critical you maintain high-quality standards, otherwise, your business will suffer. Many manufactures have a manual process for quality testing, which is not only painstakingly cumbersome but also prone to errors. They may also manage quality checks and lot tracking separately from the actual production, adding a layer of difficulty in ensuring every batch meets quality standards.

Imagine having the ability to perform and record quality checks while products are being made; that's what an ERP system brings and is one reason why it is so integral to a food manufacturer. It automates what's done manually and streamlines quality management by integrating real-time data collection directly into the baking process so that quality testing and lot tracking are seamlessly integrated on the shop floor.



#### Sales and Order Fulfillment

Orders are the lifeline of your business and every sale that's made starts the clock. Because yours is a perishable product, you can't afford to have any delays. If you don't have a streamlined process, things can go off the rails quickly, resulting in wasted product and disappointed customers.

Knowing details like the precise location of all your products and ingredient levels and having your production schedules align and adjust as orders come in, are just a couple of examples of how an ERP helps you.

It provides a snapshot of real-time production scheduling, seamlessly tracks every order, monitoring inventory and adjusting schedules as needed, in real time. No more worrying about inventory shortfalls or order fulfillment.

Optimizing every step from order intake to delivery with an ERP increases your fulfillment speeds and accuracy, which keeps your customers happy.





## Direct Store Deliveries



Do you have integrated systems that allow your customers to order more products on the spot as your delivery team drops them off? If your drivers can't easily check their inventory to confirm they can fulfill the order while having enough product for downstream orders, and if they can't invoice the customer for the additional products, panic can ensue. If drivers need to return to the warehouse to update the system and generate an invoice, subsequent orders are missed, and the entire team falls behind schedule, leaving customers unhappy.

But, with an ERP system, you'll always be at ease. Your delivery fleet becomes a mobile warehouse, with each vehicle acting as its own store. Your drivers are able to adjust inventory, fulfill orders, update the system and generate new invoices. All on the go, in real time without needing to return to the warehouse. Streamlining your processes with an ERP enhances the customer experience by improving scheduling accuracy and direct delivery while keeping your bakery running smoothly.

# **Real Time Connectivity**

Having one place from which you can see everything about your inventory, production and sales makes your life easier. Let's say you get a rush of orders in the morning, and if you don't have the ability to quickly see how that rush will impact your inventory and production schedule, you could be in trouble. Sure, you can spend some time checking the disparate systems, but those precious minutes throw off your entire morning, delaying production and your deliveries, not to mention the delay in your realization that you're running low on key ingredients.

Then there are the trucks. Do you have an easy way to know where each truck is at any given time? And of course, there's the quality checks on the shop floor, and the time your employees take to manually capture critical quality management data during the baking process.

An ERP system saves you time by providing a single view of all your connected systems helping you manage orders and delivery, adjust production schedules, conduct integrated quality checks and ensure every product meets your standards before leaving the bakery, all from one platform.



# What About You?

By now you see how an ERP addresses some of your unique problems as a food manufacturer and helps your baked goods operation run smoother and more efficiently. Of course, you could have other challenges that we haven't addressed that an ERP can solve, too.



If you're ready to explore ways to automate and streamline your bakery operations, <u>please give</u> <u>us a call</u>; The Attivo Group can help you select, implement and optimize your ERP system. With a broad base of ERP systems, we help find the right solution for your business needs.





