The smart factory: Building value across the organization

1. Make targeted investments in smart factory technologies

Start small and build on your successes, making the case for incremental investments.

- **To manage change:** 50% of companies have developed a dedicated team to manage their smart factory efforts, while 25% rely on an existing group tasked with achieving and deploying the new factory concepts.
- **20%** have engaged an outside consultant or management firm.
- **30%** have developed a central team or working group tasked with researching, developing, and deploying smart factory initiatives.

2. Foster teaming and collaboration, and develop a measurable plan

The average investment in smart factory initiatives (as share of global factory budget):
- **30%**
- **For Trailblazers, a cohort of respondents who are pioneering smart factory adoption, the average investment is 63%**.

3. Identify a leader

- **Production/operations leader (26%)**
- **CIO/technology leader (16%)**
- **Plant manager/field manager (13%)**

**Trailblazers tend to adopt multiple approaches, including developing a smart factory center of excellence and establishing ongoing communications with all stakeholders.**

4. Select the best use cases to address business challenges

Adopting smart factory initiatives can help drive efficiencies and propel growth. The top use cases in action include:
- **Quality sensing (50%)**
- **Plant management and energy consumption (42%)**
- **Smart conveyance (37%)**

5. Build up foundational technologies first

Start with foundational technologies, which can help lay the groundwork for success. The most adopted smart factory technologies tend to be foundational ones, including:
- **Data analytics (71%)**
- **Cloud networking (68%)**
- **Robotics (66%)**
- **Factory automation hardware (63%)**

It pays to get smart in the factory

Smart factory initiatives can ignite labor productivity growth and provide significant economic benefits.

- A $4 Billion manufacturer in 2018 could add $1.7 billion of revenue in 2030 through smart factory initiatives, or 17% more than average growth.
- That same company could see labor productivity increase by 30% over the same period.

The results depicted are from the 2019 Deloitte and MAPI Smart Factory Study.