Choosing the right shop management system isn’t easy. This is why we created this sample RFP, consisting entirely of actual questions from real RFPs submitted to Exact JobBOSS.
SHOP MANAGEMENT SOFTWARE REQUEST FOR PROPOSAL

A GUIDE TO SELECTING THE RIGHT SHOP MANAGEMENT SYSTEM

WHAT IS SHOP MANAGEMENT SOFTWARE?

Shop management software is designed to increase efficiency and productivity in the office and on the shop floor, and contributes to key business initiatives by tracking detailed information such as status of quotes and orders, inventory levels, on-time delivery performance, employee efficiency, and work center capacity planning.

Effective shop floor managers use shop management software every day to keep their fingers on the pulse of production activity by having instant access to all aspects of the manufacturing process. Order changes, work-in-progress management and scheduling conflicts are easily accessible when shop management software is used to provide visibility into all shop floor activity.

In essence, shop management software should allow you to quote, process, track and cost orders, manage material and outside services, enable real-time labor tracking and efficiency reporting, schedule production, and support your entire business with an integrated accounting solution – all within an atmosphere of constant change.
WHEN CONSIDERING A SYSTEM, MAKE SURE IT PROVIDES THE FULL RANGE OF FUNCTIONALITY REQUIRED BY YOUR BUSINESS.

■ QUOTING

Can your system quote multiple quantities and automatically calculate pricing for new parts without the need for a part/estimation or engineering master?

YES  NO

Business reason: Custom, make-to-order manufacturers need a system which streamlines the quoting process and reduces the steps necessary to create quotes for new work. Extra steps in the quoting process increases the time required to respond to customer RFQs and may hinder your ability to respond in a timely manner and win new work.

Answer:

Does your system have the ability to quickly regenerate quotes on part history of similar parts by allowing for the ability to copy from previous jobs or work orders?

YES  NO

Business reason: Visibility to previous cycle times for similar parts is critical to re-quotting work that is similar. Up-to-date part history at your fingertips allows your company to instantly respond to customer requests to quote similar parts.

Answer:

Can your system easily transfer a quote directly to a job?

YES  NO

Business reason: Creating work orders or jobs to manufacturer a part that you have won is essential to reducing the time from receipt of order to release to the shop floor. Efficient work order/job release is imperative to shipping on time. Eliminating duplicate data entry is key.

Answer:

■ PROCESSING THE ORDER

Can your system handle quick-run jobs, blanket orders, complex assemblies, time and material jobs and split jobs?

YES  NO

Business reason: Job shops and custom manufacturers are known for their ability to respond quickly to customer requirements. For many shops, no two jobs are alike. The ability to generate different types of work orders and easily split orders is imperative to increasing your ability to respond to changing customer requests.

Answer:

Can your system easily make changes when a job is in process?

YES  NO

Business reason: The ability to make changes (with minimal effort) when a job is in process supports your ability to quickly respond to customer change requests. It can mean the difference between shipping on time and losing future work because your shop cannot respond quickly enough.

Answer:

Can your system generate a shop traveler automatically with all job requirements?

YES  NO

Business reason: Generating a shop traveler is key to manufacturing the part correctly the first time. It provides all of the information about the part in one consolidated packet with the ability to link the latest part documentation including the latest revision of the part right to the job. It will reduce the cost of rework and scrap.

Answer:
SCHEDULING THE JOB

Can your system schedule by a job's due date, material availability, or work center capacity and globally reschedule all jobs based on actual job results?

YES  NO

Business reason: Effective and flexible scheduling that can account for material availability, current work center load, and actual job performance when re-generating a schedule is crucial.

Answer:

Can your system easily let you view shop loads vs. capacity?

YES  NO

Business reason: This eliminates running your shop purely based "on your gut" or intuition. It allows you to quickly isolate bottlenecks or see available holes in the schedule where you can slot in more work.

Answer:

Can your system generate dispatch reports and isolate jobs running late?

YES  NO

Business reason: It reduces the time lost in the schedule not knowing what to work on next. In addition, it can help to isolate jobs running behind or running late so the shop foreman can react before it is too late and while there is time to rectify the problem.

Answer:

Can your system automatically schedule material purchases and outside series to a job's operation requirements?

YES  NO

Business reason: It can help your shop reduce the cost of carrying excess material as a safety buffer and increases the efficiency of those who need to create purchase orders and is critical to lean material management.

Answer:

LABOR REPORTING

Does your system log all employee direct, indirect and overtime hours against jobs?

YES  NO

Business reason: It's pretty simple. Direct hours make you money and indirect/overtime hours could lose you money. Shop owners and managers are often tasked with reducing direct to indirect labor. Having a system that allows you quick visibility to direct, indirect and overtime hours can help you better manage this key business indicator.

Answer:

Does your system easily track scrap and rework and reason codes?

YES  NO

Business reason: Reducing scrap and rework is a key lean initiative and directly contributes to overall company profitability.

Answer:

Can your system evaluate employee performance?

YES  NO

Business reason: Knowing which employees are most efficient doing different types of work is critical to company profitability. Visibility to inefficient employees allows you to also develop employee training programs targeting specific reasons for that inefficiency.

Answer:
MATERIAL CONTROL

Does your system provide full inventory management for raw stock, hardware, supplies and finished goods?

YES  NO

Business reason: How a shop manages raw material and the visibility of different sizes of the same type of raw stock is critical and can help to eliminate excess purchasing.

Answer:

Does your system provide you with time-phased material planning based on purchase orders and work orders?

YES  NO

Business reason: Managing your purchase of material to when it will be consumed will typically save a shop 30-70% in additional carrying costs.

Answer:

Can your system provide the flexibility to either buy materials direct to a job or to stock?

YES  NO

Business reason: Visibility to commonly consumed material to consolidate material purchases may in the end save you significant dollars. Having a flexible system that allows you the visibility of both direct buy material and inventory purchases is critical to take advantage of these cost savings.

Answer:

Can you view purchase history and stock levels online with your system?

YES  NO

Business reason: Visibility to material requirements, purchase history, and current stock levels allows you to better manage your material levels, reduce expedite charges, and track those vendors who provide you material at the best price on a consistently on-time basis.

Answer:

SHOP VIEW, SHOP STATS, SHOP ALERTS

Does your system have an executive dashboard that shows current business information and activities?

YES  NO

Business reason: Shop owners don’t have time to wait for data or even to run a lot of reports every day to know the overall health of the business. Visibility to those key business indicators that quickly provide insight into which areas of the business are running well and those areas that are not allow you to focus your energies on the areas which need your attention.

Answer:

Can you view customer, production, vendor, and financial, statistics and data in one place?

YES  NO

Business reason: Customer, vendor, production and financial performance are the key areas that directly impact a shop’s profitability.

Answer:

As events and changes occur, can your system send pop-up alerts and instant messages via email, mobile phone or pager?

YES  NO

Business reason: Automatic notification increases awareness of job status and can identify areas for improvement.

Answer:
**SHIPPING THE ORDER**

Does your system let you stay on top of upcoming deliveries with delivery and backlog reports?

**YES  NO**

Can your system handle over-shipments and under-shipments?

**YES  NO**

Can your system track customer returns?

**YES  NO**

Can your system generate pack lists with documentation to the customer?

**YES  NO**

Can your system analyze delivery performance to improve on-time deliveries?

**YES  NO**

**Business reason:** Knowing which orders need to ship is critical for maintaining the on-time delivery performance required by your customers.

Answer:

**Business reason:** Customers are constantly changing their delivery requirements—sometimes right up until you ship.

Answer:

**Business reason:** A key quality indicator for every shop is the number of parts your customer returns. How you deal with the parts and rectify the problem quickly and easily once they arrive is critical to managing and maintaining customer satisfaction.

Answer:

**Business reason:** Customer shipping requirements are as unique as the customer. An incorrect pack list or shipping document could lead to a return or a reject based on incorrect documentation and a delay in invoicing and payment.

Answer:

**Business reason:** On-time delivery performance is still a critical metric for whether your customer awards you more work in the future.

Answer:

**ANALYZE COSTS**

Does your system let you know what every job, with the ability to compare estimated to actual labor, material and outside service costs?

**YES  NO**

Can your system isolate problem jobs while in process?

**YES  NO**

Can your system keep part history for repeat jobs?

**YES  NO**

**Business reason:** Because every job (sometime even for the same part) may yield different results depending on who worked on the job or the cost of material or outside service, it is critical to be able to review actuals to estimates on each job and isolate those issues so they are not consistently repeated.

Answer:

**Business reason:** Visibility to projected costs before a job gets out of control is imperative to managing a profitable manufacturing business.

Answer:

**Business reason:** Online part history quickly aids in re-quoting a part (or similar parts) and allows for quick analysis of part cost and profitability trends.

Answer:
CUSTOMER RELATIONSHIP MANAGEMENT (CRM)

Can your system organize and simplify the process of managing customer relationships?

YES NO

Business reason: This helps maintain alignment between all the aspects of the business including estimating, customer service, and sales.

Answer:

Can your system identify top customers and see pipeline quotes?

YES NO

Business reason: Visibility to most profitable and most “growable” customers is the foundation for current profitability. Nurturing new potential customers helps to ensure future growth.

Answer:

Can your system record customer conversations, set follow-ups and manage activities?

YES NO

Business reason: Insight into every customer interaction ensures activities are coordinated and correct expectations are set with the customer.

Answer:

AUTOMATED WORKFLOW

Can your system automate your business process from quote to cash?

YES NO

Business reason: One of the reasons shop management systems are so widely adopted is because of the ability to automate current processes in order to streamline, adjust and improve communication internally and with customers.

Answer:

Can your system immediately improve efficiency, accountability, and compliance?

YES NO

Business reason: Shop management software that enforces standard business workflows offers immediate results and increased accountability.

Answer:

Does your system allow me to gain visibility and control of my processes both within and outside of manufacturing?

YES NO

Business reason: Business issues may arise beyond the scope of manufacturing and the shop floor. Visibility and control of these business processes through automated workflows assures everyone is on task and focused on those priorities which are critical to business success.

Answer:

TOTAL QUALITY MANAGEMENT (TQM)

Can your system manage my quality related business processes?

YES NO

Business reason: Total Quality Management helps to reduce risk through visibility and control of quality issues throughout the manufacturing process.

Answer:

Does your system meet ISO9000, Six Sigma, and other unique industry and vendor-specific regulatory requirements?

YES NO

Business reason: Your customers are requiring compliance to ISO, AS9100, FDA, and other industry quality initiatives. A quality management system integrated with your shop floor system provides your company seamless control and management of these compliance and risk initiatives.

Answer:
INTEGRATE BEYOND JOB CONTROL

Can your system integrate with the following applications?
- SolidWorks
- Microsoft Excel, Word, Access, SQL
- QuickBooks
- UPS WorldShip

Business reason: Manufacturers today utilize different solutions to control unique aspects of their business. Your shop floor management solution should seamlessly integrate with these applications to reduce data entry errors, reduce duplication of effort and increase efficiency.

YES NO

PRICING, IMPLEMENTATION, SERVICE & SUPPORT

Can you prove full transparency of pricing and any additional costs that may be incurred from implementing a shop management solution, including but not limited to, training, support, etc.?

Business reason: Transparency of pricing means shop owners/managers can budget more effectively and won't be surprised with unexpected costs after the initial sale.

YES NO

Do you provide a dedicated customer advocate and training program to help go live?

Business reason: A dedicated customer advocate aids in short implementation time, meaning shop owners/manager can get up and running quickly for fast results.

YES NO

Do you have an online support and best practices center? Can other product users contribute? Is it monitored by a staff member?

Business reason: A valuable web self-service area is essential to getting the most out of the product, accessing helpful resources, and interacting with experts and customers.

YES NO

Please provide a typical timeline for implementation?

Business reason: The faster you implement shop management software, the faster you can achieve ROI on your purchase.

YES NO

Can you provide details of any available, optional services that your company provides?

Business reason: Services will help you make the most of your shop management tool when moving past the basics, or when you need business process help.

YES NO

How frequently does your company have new product releases and how is training done on new features and functionality?

Business reason: Shop management software is an evolving technology. Your company should be able to take advantage of all features of the shop management solution and be communicated regularly via multiple communication options, such as email, phone, customer portal posting, etc.

YES NO

For more information visit www.jobboss.exactamerica.com
What should I look for in a shop management software product demo?

Every shop management system demo will be a little different. Regardless of the path the salesperson takes, make sure the system you select makes you feel confident about these six critical areas of shop management software.

1. I can easily create customer quotes, enter orders, track labor, manage outside services, and track material costs with this integrated solution.

2. I have all the functionality I need today, but still have plenty of room for growth.

3. This system will give me visibility to which types of orders make money and which ones do not.

4. My employees will be able to improve their efficiency and be more accountable.

5. My customers will see improved on-time delivery performance and improved product quality because of this system.

6. I saw ways to automate my shop’s manual processes, reduce duplicate data entry and felt confident this system provides the structure and control to manage my business.

For more information visit www.jobboss.exactamerica.com
10 STEPS TO SUCCESSFUL SHOP MANAGEMENT SOFTWARE IMPLEMENTATION

1. **Plan carefully.** Once you’ve selected the shop management system that is right for you, planning the implementation is your shop’s most important next step. Your software vendor should provide a documented plan, as well as a point person to provide guidance, oversight and assistance throughout the process. The plan should include detailed information about what your vendor will do and what is expected of your company to get the new system up and running. It should also include a mutually acceptable timeline for each step in the transition, including process review, training, system setup, data conversions and establishing a go-live date.

2. **Select the team and empower team leaders.** A shop management software implementation project requires diligent internal oversight and dedicated team members to ensure success. Select a cross-functional team led by a team leader who can help plan the training and implementation for each specific area of operation, and determine how, when and by whom these activities will be carried out. With your team working together, you can prevent miscommunication between disciplines that could negatively impact the implementation process. This will also provide the end users with a knowledgeable team of fellow employees that can provide answers to their questions and resolve issues.

3. **Be open to change.** Assess the policies and procedures in place in your organization to see how your day-to-day operations will work within the structure of the new system. It may be necessary to make changes to your established routines in order to best utilize the new shop management software and take advantage of the efficiencies you hope to gain.

4. **Get end user buy-in.** It is important for the end users of the shop management system to be on-board with the change in software and or procedures as early in the process as possible. Explain the benefits that you expect to attain in the context of each employees’ WIIFM (what’s in it for me) and how the new shop management system will individually help them do their jobs more efficiently.

5. **Ensure your staff is prepared.** It is quite possible that some of your staff, while being well-qualified for their jobs, may be unfamiliar with using computers or software systems. Be sure to assess the level of computer or software experience for each staff member that will be expected to use the new system and provide additional training on computer skills where necessary.
6. **Ensure your hardware meets specifications.** Nothing hinders the implementation of new shop management software quicker than technical difficulties. Make sure that your hardware and operating system meet the vendor's specifications. If you plan to implement new hardware, network or other technology, it is best to have it installed, tested and in use well in advance of the shop management software implementation. Lack of preparedness will delay implementation and affect staff buy-in of the new system.

7. **Identify "super-users".** As you begin the implementation process, identify shop management software users among your staff who are most comfortable with computers, with the new software, and with change in general. Recruit them to be “cheerleaders” for the new system and to help their co-workers adjust to it and any other changes that may be occurring. You may even want to provide them with advanced training so they can act as an additional resource to the other users and assist your team leaders.

8. **Don't skimp on training.** It is critical for all end users of the shop management software to be properly trained in order for them to feel comfortable and help minimize any resistance to change. Carefully consider the most effective way to provide your staff with initial, as well as on-going training. Understand that some users may need refresher training in certain areas once they get the basics down. It is also important to provide proper training for new hires who join your organization after the initial implementation. Users must be knowledgeable and confident in the features and functions in the shop management system in order for your organization to realize the full benefits.

9. **Be sure your expectations are realistic and have a fallback plan.** Have a clear understanding of exactly what benefits you expect to gain from your new system and the amount of time it may take to get there. In addition, expect problems to arise, despite careful planning, and be prepared to address them. Be sure you have internal or external resources available to handle technical issues with your hardware or connectivity. Coach your team leaders in dealing with internal issues with your staff and their acceptance of new or revised policies and procedures. Talk to your shop management software vendor to determine the best way to address unforeseen issues as they are identified.

10. **Listen to the frontline users.** The people who are using the shop management system every day are your best resource for measuring the success of any software implementation. Provide a means and encourage them to provide feedback. Be open to their suggestions for ways to improve internal business processes. Pay close attention to any complaints to effectively determine whether it is really a software issue or if the issue could be resolved with additional training or services, or a more complete discussion of how things work and why.

The common thread among all of these steps is communication. The more people understand, the easier it will be to get everyone working together to execute a smooth transition and take advantage of your new shop management software has to offer.