



THE AUSTRALIAN MIDDLE MARKET MANUFACTURER'S GUIDE TO INDUSTRY 4.0

How to use 'incrovation' to adopt Industry 4.0



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What does Industry 4.0 mean for you?

There is a lot of buzz about what the 'next industrial revolution' looks like and the potential it holds, but the journey looks different for every organisation and so may the end destination.

For middle market firms, revolutionary digitisation can feel aspirational, not inspirational. Cutting-edge technologies like artificial intelligence, robotic process automation or in-line 3D printing might seem like distant dreams for manufacturers that are still focused on migrating to the cloud or just dipping their toes into shop floor automation.

However, stagnation is a death knell in today's manufacturing environment. Technology, competition and shifting consumer expectations have changed the game, and middle market manufacturers can't afford to sit back and watch how it's going to play out. Manufacturers in China and India are investing in automation and innovation to better compete on a global scale and cater to growing customer demand for speed, convenience and customisation.

As Germany — where the term 'Industry 4.0' originated — shows: about a quarter of Germany's GDP growth comes from its manufacturing sector, and they've lost only a small fraction of manufacturing jobs compared to peer industrialised nations.

Australia's own manufacturing landscape is performing much better than many may be aware. The Australian Industry Group's (Ai Group's) Performance of Manufacturing Index (PMI) measures perceived changes in activity levels across Australia's manufacturing sector from one month to the next.

Anything above 50 signals that activity levels are improving while a reading below 50 suggests they're deteriorating.

Activity levels in Ai Group's PMI highlights that the industry has had a healthy expansion trend for nearly 3 years until June 2019, when it dropped to 49.4. However, buoyed by strong international demand for our exports, the manufacturing index promptly bounced in July 2019 back to 51.3.

While Australian manufacturers are continually working hard to thrive, various uncertainties are on the horizon such as recent high energy prices and energy policy, drought conditions, global trade disputes, the fluctuating dollar, declining consumer sentiment and the Royal Commission into misconduct in the banking, superannuation and financial services industry.

Continued growth in this sector will in part be more sustainable the more Australian manufacturers are prepared to adapt to new technologies and innovate. It's not time to bemoan the end of Australia's manufacturing sector. The race to innovate is far from over—and reclaiming the crown may ultimately come down to the industry's middle market.



Industry 4.0 and the middle market maturity continuum

Middle market manufacturers are arguably in the best position to take advantage of the changes that Industry 4.0 is introducing. More money than the average startup means more funding and resources for innovation (and more room for smart risk-taking); less bureaucracy and red tape than the big boys means more flexibility, collaboration and faster decision-making.

Just look to Germany's mid-sized manufacturers for proof: according to [this Harvard Business Review](#) article, German middle market organisations issue five times as many patents per employee as large corporations. Clearly, the middle market can't afford to think of Industry 4.0 as an idea just for the big guys.

But the manufacturing middle market is far from one big homogeneous group; it represents a wide spectrum of manufacturing capabilities deployed in different ways with different priorities and varying levels of technology and supply chain complexity. Nor do these manufacturers engage on an even playing field: new middle market entrants—untethered by traditional rules— they're starting out with the tools and technologies fundamental to competing in an Industry 4.0 world. Their more established competitors may now need to scramble, retrofitting just to play catch up. The keys to success are:

1. Establishing a clear, shared vision of the future 4.0 value chain environment of your industry and your company in that industry.
2. Developing a tailored, prioritised action plan designed to create momentum.

A plan that establishes the right starting point based on a realistic assessment of where you are right now will be critical. For example, the Industry 4.0 readiness of a 10-year-old, \$100 million electronic equipment manufacturer may look completely different from that of a 50-year-old, \$500 million family-owned steel manufacturer. The steel manufacturer may still have legacy IT infrastructure that isn't compatible with modern software applications and development processes. The electronic equipment manufacturer, on the other hand, may have built its workflows in the cloud from the very beginning.

While every organisation has a different implementation trajectory, real and meaningful progress is possible for them all. For some manufacturers, the Industry 4.0 journey might be evolutionary instead of revolutionary—and that's okay. Small, incremental innovations add up over time, and as long as these 'incrovements' are aligned with the overarching Industry 4.0 vision, what is evolutionary today may not be revolutionary when you look back five years from now.

Forget the jargon: Industry 4.0 = value creation

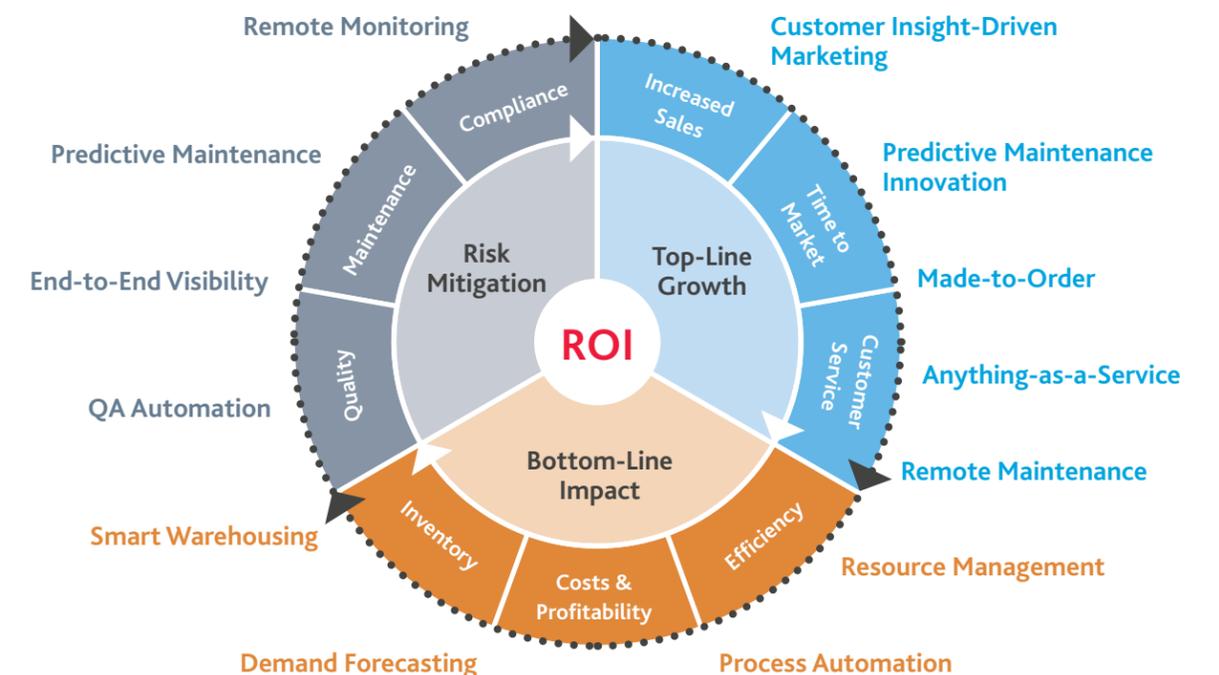
You don't need to be a tech whiz to turn the Industry 4.0 phenomenon to your advantage. The opportunity boils down to three areas of potential value creation: bottom-line impact, top-line growth and risk mitigation.

While value is created in different ways depending on where you are on the maturity continuum. Incremental value is available to every manufacturer—but it must be rooted in incremental improvements to your current capabilities. It can start with a single improvement initiative in a single functional area. Even small, functional change has ripple effects throughout the entire enterprise. These single, incremental improvements should ultimately be performed against the backdrop of your overarching Industry 4.0 vision, strategy and roadmap to drive tangible Return on Investment (ROI) enterprise-wide.

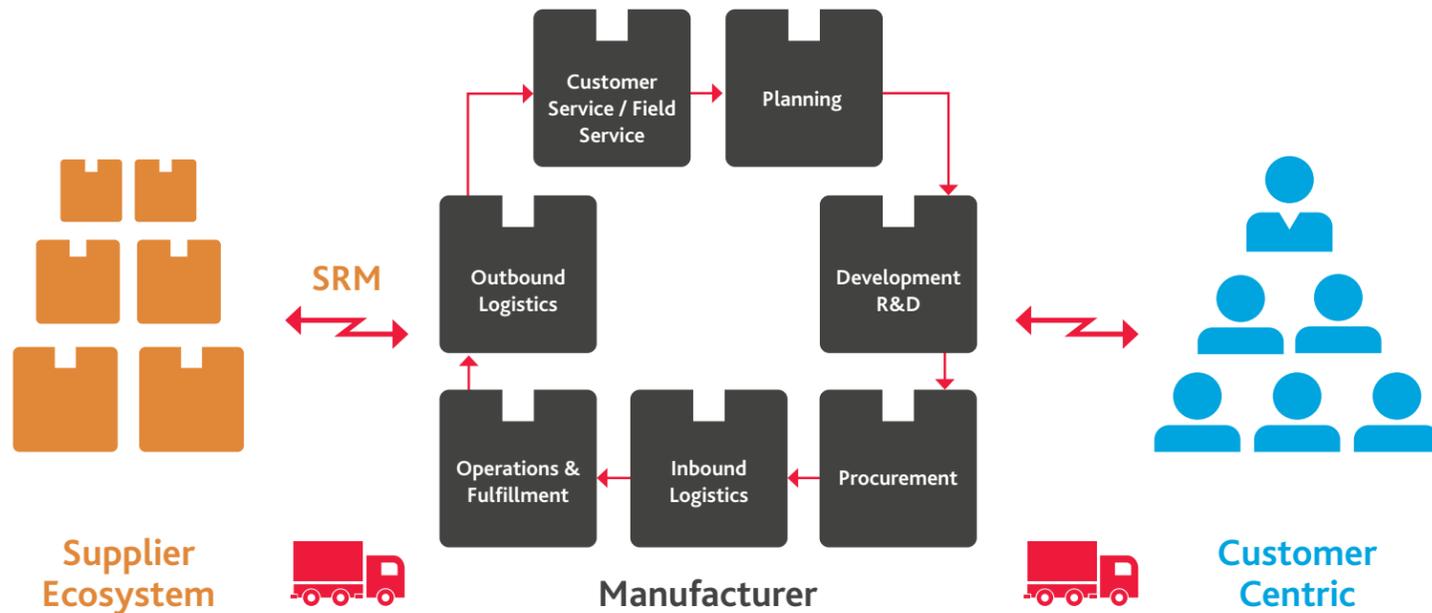
The key is to flip your thinking.

Instead of focusing on specific technology features or tools, let your goals for value creation lead the way. The real goal for your business isn't, for example, to have predictive maintenance capabilities; it's for that predictive maintenance investment to reduce your mean time between failures, optimise return on invested capital and, ultimately, preserve or enhance asset value. Start with your high-level objective—whether it's higher levels of performance agility, better inventory turnover or a reduction in production errors—and work backwards from there, asking the question, "How will information transparency, availability and automation unlock business value to this capability?"

INDUSTRY 4.0 VALUE CREATION



VALUE CHAIN INTEGRATION



Keep in mind that value creation opportunities will also evolve as you progress in Industry 4.0 maturity. Digitisation can fundamentally change the nature of your relationships with suppliers and customers, fostering collaboration and breaking down traditional barriers. The linear supply chain will morph into an integrated value chain of mutually beneficial relationships where suppliers and customers collaborate to achieve efficiencies and lower costs by exchanging information and securely integrating systems and processes.

The integrated value chain is predicated on a new level of transparency and information sharing, including constant, bidirectional communication and inter-company visibility into everything from inventory condition, supply status and shipping delays to future-focused factors predicting shifts in demand.

This flow of information and aggregated business intelligence across the supply network is often referred to as the digital thread, the lifeblood of Industry 4.0.

The real value of the digital thread comes from enabling faster speed to market and speed to decision, empowered by access to more relevant and timely information. This enables better business intelligence and greater intimacy with supplier performance and customer behaviour. This sets you up for synergistic co-creation of value, where savings and opportunities are generated and shared between business partner organisations, resulting in 'win-win' relationships.

Getting started: assess your Industry 4.0 maturity

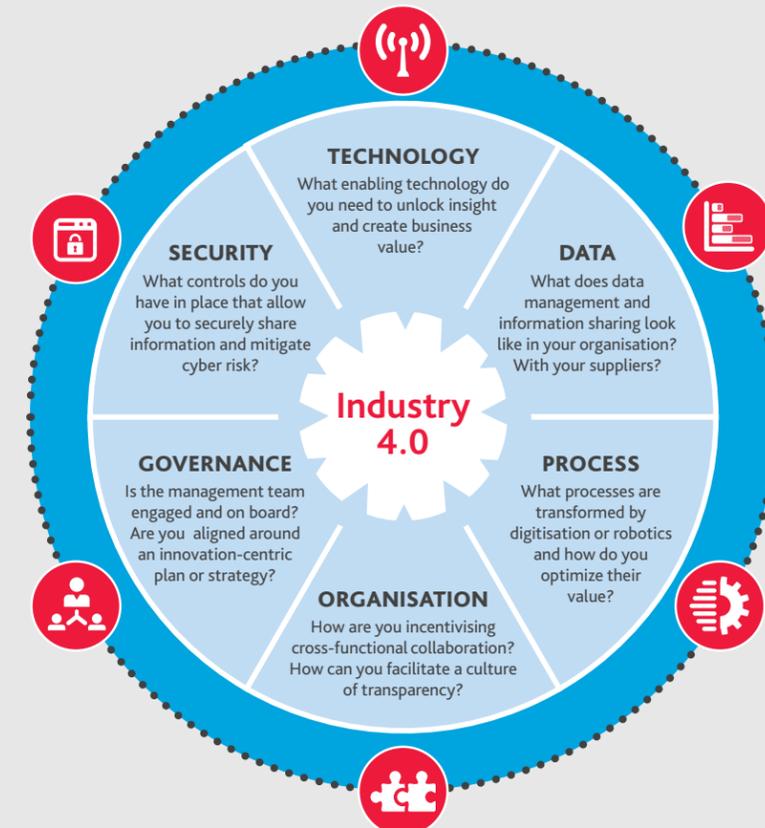
Before fretting about whether you need to invest in AI or predictive analytics, elevate the discussion: assess where your business is on the continuum of Industry 4.0 implementation readiness.

Do you have the foundational elements in place to start monetising your data or driving dynamic forecasting? If not, that doesn't mean it's time to throw in the towel. It's imperative to understand that every company can make advancements, but you can't run before you walk.

Change doesn't occur in a vacuum, nor does it happen overnight. For the middle market, the road to Industry 4.0 is less one of digital transformation than it is of intentional digital maturity linked to business value, where disruptive technology is one small part of broader systemic change.

Acknowledging that every manufacturer, especially in the middle market, is at a different point in embracing data and technology, BDO has developed an Industry 4.0 Maturity Model across six dimensions: security, technology, data, process, organisation, and governance. These six dimensions are interconnected—and will become even more intertwined as your organisation becomes increasingly digital—and support our view of an integrated, cross-functional approach to Industry 4.0 implementation. Clearly, each dimension unlocks several sub-dimensions, but the central point remains: this is much more than simply a technology opportunity.

SIX DIMENSIONS OF INDUSTRY 4.0 MATURITY



Define your vision

Once you know where you are today, you can define where you want to be tomorrow, next year and five years down the line.

Change is unpredictable and rarely linear. While setting a strategic vision can point you in the right direction, any milestones you set that are contingent on the success of prior achievements may need to shift or change entirely based on empirical feedback. As the external digital environment evolves, so, too, may your desired outcomes. Continuous Industry 4.0 strategy refinement is prudent and even necessary.

Instead of focusing on specific features or tools, define your vision and set KPIs based on value to the business. The end-goal of Industry 4.0 isn't flash. Regardless of your current maturity level, it's all about creating value from your data. Prioritise Industry 4.0

investments based on where you see the biggest gaps and greatest opportunities.

A significant catalyst to Industry 4.0 adoption is the consumer-technology-driven evolution of customer behaviours and expectations. The best enterprise technology innovations are those that are developed to solve existing customer challenges or provide your business with a competitive advantage to better serve them. Technology that is 'bleeding edge' but doesn't deliver value to the customer—or its benefits come at the cost of something else the customer values—won't truly move the needle. Rather than retrofitting technology to the customer, the customer can help your leaders set value priorities.

Set up your pilot

Iterative, incremental innovation in small pilots enables faster decision-making and implementation.

Once upon a time, Facebook's official motto was 'move fast and break things.' That motto may have worked in the early years of Facebook's growth trajectory and was even included in their IPO paperwork. By 2014, however, that philosophy of throwing spaghetti at the wall to see what sticks no longer worked for a company with \$2.5 billion in revenue. In April of that year, Facebook officially adopted a new motto: 'move fast with stable infra[structure].'

Facebook's shift in philosophy reflects the middle market's innovation dilemma: fail to act quickly, and you fall behind; act too fast, and you risk messing up. Failure is a necessary part of the innovation process. But to make failure profitable, you not only need to fail *fast*, you need to fail *smart*. For most middle market manufacturers, that means dreaming big, but starting small and scaling up what works fast.

That's where the three I's of innovation come in. Iterative, incremental innovation - coined 'incrovation,' in small pilots enables faster decision-making and implementation, as well as the ability to adapt or change course at any point. Think of each pilot as an experimental sandbox, where the goal is to learn quickly and apply those learnings to the next experiment and/or scale the solution.

Your Industry 4.0 plan needs to have built-in flexibility to respond and adapt to real feedback and results. Once you have discovered something that works well, you must be prepared to absorb, integrate and expand on these successes without the traditional organisational friction—bureaucracy, politics and change aversion—that's common in established businesses.

INDUSTRY 4.0 MIDDLE MARKET MATURITY MODEL

LEVEL 5 Adaptable Ecosystem	<ul style="list-style-type: none"> ▶ Data monetisation ▶ Inter-company planning & collaboration ▶ End-to-end process management ▶ Prescriptive analytics/robotics 	Consider new revenue streams and increase collaboration and value co-creation with customers, suppliers and vendors
LEVEL 4 Integrated Value Chain	<ul style="list-style-type: none"> ▶ Integrated performance management ▶ Formation of digital thread ▶ Process automation ▶ Predictive analytics 	Focus on third-party systems integration and end-to-end visibility, with heavy consideration given to controls and cybersecurity for information sharing
LEVEL 3 Integrated Enterprise	<ul style="list-style-type: none"> ▶ Collaborative planning ▶ Standardised ERP suite ▶ Consolidated business intelligence/data warehouse ▶ Vendor information sharing 	Integrate data with operations to automate processes, optimise performance and improve decision-making agility
LEVEL 2 Breaking Down Silos	<ul style="list-style-type: none"> ▶ Collaboration by exception ▶ Connected data & devices ▶ Share data upstream or downstream ▶ Pockets of process-level analytics 	Connect disparate data sources and operational systems to enable cross-functional collaboration and visibility
LEVEL 1 Stovepipe	<ul style="list-style-type: none"> ▶ Organisational and operational silos ▶ Islands of technology and data ▶ Manual and non-standard processes 	Explore IoT opportunities and focus on data governance and information sharing across the critical, high value processes

THE THREE I'S OF INDUSTRY 4.0 INNOVATION

INCREMENTAL
Renovation, not reinvention

ITERATIVE
Experiment, fail fast, respond and adapt

INTEGRATED
Cross-functional collaboration

How do you pay for it?

Embracing Industry 4.0 means investing time, energy and capital to implement advanced technologies and practices. Cost can be one of the biggest roadblocks to progress, particularly in the middle market. Pilot programs—even if you anticipate significant ROI in the long-term—may require reallocating budget or raising additional capital. For some manufacturers, it's a make-or-buy-decision between building new capabilities or buying through strategic acquisitions.



A very high level of tax compliance for the Research and Development (R&D) Tax Incentive has added another layer of complexity to these financing and budgeting considerations, as manufacturers scramble to manage the heightened scrutiny from AusIndustry and the ATO. Its impact goes far beyond the finance and accounting departments. Companies on the verge of major strategic business decisions, including those concerning Industry 4.0, all need to seriously consider the government's approach to industry assistance.

R&D TAX CREDITS

As at July 2018, the manufacturing industry contributed around \$100 billion to Australian GDP annually, employed around 900,000 Australians and contributed 23.5% of business expenditure on R&D.

The objective of R&D credits is to encourage exactly the type of efforts that are at the core of Industry 4.0. Qualifying activities don't need to be flashy or revolutionary, or even succeed. If companies are trying to make products, processes or software better, faster, cheaper or greener, they are likely to qualify.

For the transition to Industry 4.0, manufacturers often qualify if they are attempting to design, develop or incorporate sensors, transmitters, smart devices or other types of machine intelligence into their products or plants.

MANUFACTURING FOCUSED GRANTS

In addition to the R&D Tax Incentive, there are a range of other programs designed to assist the manufacturing industry.

Industry growth centres initiative programme

This programme aims to drive innovation, productivity and competitiveness through an industry-led process. It is a key component of the Commonwealth Government's Industry Innovation and Competitiveness Agenda.

A total funding pool of \$238 million is available over four years from 2017-18 to 2020-21.

Advanced Manufacturing Early Stage Research Fund (AMESRF)

This program aims to support small-scale and pilot research projects in advanced manufacturing, and benefit smaller firms and early stage research. It will provide grants to SMEs for rapid initial feasibility testing, allowing the projects to then move quickly to larger-scale research or commercialisation.

Grants between \$100,000 and \$400,000 are available on 1:1 matched funding basis. The grant amount will be up to 50% of eligible project costs. Projects must be completed in 12 months.

A total funding pool of \$4 million is available over four years from 2017-18 to 2020-21 with up to \$1 million available in annual funding allocation.

Entrepreneurs' programme – accelerating commercialisation

This program aims to encourage and assist small and medium businesses, entrepreneurs and researchers to commercialise novel products, processes and services. It forms part of the Entrepreneurs' Programme, an Australian Government's flagship initiative for business competitiveness and productivity at the firm level.

The program comprises the following activities:

- Commercialisation guidance: a range of services provided by a commercialisation advisor to help businesses achieve project objectives.
- Accelerating commercialisation grant: supports eligible commercialisation projects for up to 50% of the eligible expenditure, up to a maximum of:
 - \$250,000 for commercialisation offices and eligible partner entities
 - \$1 million for all other applicants.
- Portfolio services: A range of services to assist participants in the portfolio to achieve their commercialisation goal.

Manufacturing efficiency funding

This program aims to help manufacturing businesses save energy and money. It seeks to help manufacturers to:

- Upgrade energy monitoring systems
- Replace or retrofit old, inefficient equipment
- Install new energy efficient equipment
- Improve manufacturing processes.

There are two funding offers available providing funding of up to \$70,000.

Certain inputs to manufacture program

This program aims to improve the competitiveness of Australian industry by providing import duty concessions on certain imported raw materials and intermediate goods such as chemicals, plastics, paper goods, or metal materials and goods used in food packaging.

The program offers duty-free entry for imported goods which can help to reduce costs and improve productivity and competitiveness.



NEED HELP ON HOW TO ACCESS THESE GRANTS?
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Map internal and external cross-functional processes

When dealing with complex, multi-stakeholder systems, change doesn't occur in isolation.

Every action triggers a reaction, meaning functional change in one area will have effects elsewhere in the network—some of which may not be expected or good.

By the same token, the interoperability (or lack thereof) of external systems or inputs may impact the efficacy of the proposed functional change. As a result, an end-to-end process view of any solution will help you both mitigate the risk of unintended consequences and capitalise on the full process value of that solution.

For any Industry 4.0 initiative to succeed, organisations need to understand how systems information, processes and external entities interact and interface, where there are interdependencies, and how these elements cross borders and organisational boundaries.

While each pilot iteration can be worked on modularly—broken down into independent tasks to allow for concurrent progress on interdependent areas—testing must always consider cross-functional interactions and feedback.

Going back to our Industry 4.0 Maturity Model, think about all six dimensions as interdependent components of the planning process. Any change in technology will have corresponding implications for required data inputs, connected processes and security protocols, thus potentially introducing new vulnerabilities. The ability to enact the desired change is also contingent on how it is rolled out. Your Industry 4.0 roadmap should account for these relationships both within your organisation and across the boundaries with external entities, and test each initiative against them, adapting as needed along the way.

Engage external stakeholders

Your organisation's Industry 4.0 initiative will likely create ripple effects across the value chain and require external process and technology changes.

For example, if your focus is on traceability for supply chain resilience, do you include mandates on RFID tagging in your vendor contracts? If you want to improve demand forecasting through predictive analytics, do you have access to the data you need from your top 100 customers—and are their platforms compatible with your systems? Can your information systems communicate with your suppliers'? Equally important, can your customers' information systems communicate effectively with you?

Even if total value chain integration is a faraway goal, you still need to think about external interoperability and processes for collaboration. Sharing sensitive data to an external network is

easier said than done. Doing so requires a fundamental shift in relationships between suppliers and customers, and raises new questions about data privacy and information security.

When planning your Industry 4.0 evolution, you should view your key suppliers as an extension of your own organisation. You may even want to consider inviting these external parties into planning conversations. Collaborative planning with key customers and suppliers early on in your Industry 4.0 journey will help accelerate solution implementation and lay the groundwork for secure co-creation of value.

Prepare your people

Too often, organisations embark on a digital initiative but forget about the human element.

Even as processes become automated and artificial intelligence takes over data-driven decision-making, change still needs to start with people. Technology for the sake of technology is a wasted investment; you need your employees to understand why they need to leave the status quo behind, believe in the strategic vision and feel engaged in the process. Most importantly, they need to understand what's expected of them and have the resources, training and development to get to the new destination.

Another piece of the people puzzle is collaboration between functional areas that have historically operated in silos. Building cyber-physical systems that integrate software and information with physical processes requires the alignment of information technology (IT) with operations technology (OT). If the IT and OT departments aren't in constant communication and committed to learning together, it can become a bottleneck in the roll-out of new capabilities.

In some ways, Industry 4.0 is less about revolutionary technology than it is about a philosophy of continuous improvement, and that mindset is integral to success, bearing in mind that the journey is more like a marathon than a 100-metre dash. The hardest piece of this transition may be fostering a corporate culture that embraces constant experimentation and learning—one in which short-term mistakes and failures are expected and accepted in the pursuit of long-term innovation and value creation.

THE 7C'S OF CHAMPIONING CHANGE

- 1 **CONVINCE**
 - ▶ Make the case for change
 - ▶ Scope the change initiative
 - ▶ Win management support
- 2 **COMMIT**
 - ▶ Set your strategic vision and desired outcomes
 - ▶ Identify internal change champions
 - ▶ Establish ownership
- 3 **CODIFY**
 - ▶ Conduct a baseline assessment and identify barriers
 - ▶ Define operational, process, people and behavioural changes
 - ▶ Create an implementation plan
- 4 **CONVERT**
 - ▶ Lay out the strategic vision
 - ▶ Communicate individual expectations
 - ▶ Empower middle managers
- 5 **CATALYSE**
 - ▶ Equip employees with training and tools
 - ▶ Systematise reinforcement
 - ▶ Recognise and reward the wins
- 6 **CULTIVATE**
 - ▶ Clarify new roles and responsibilities
 - ▶ Develop and train for new skillsets
 - ▶ Invite employee feedback
- 7 **CHART**
 - ▶ Monitor and report on progress
 - ▶ Measure business and cultural impact
 - ▶ Create a cross-functional feedback loop

Racing forward without tripping

Industry 4.0 is the inescapable future of manufacturing—and the middle market is not exempt.

No manufacturer, regardless of size or ingenuity, is immune to technology disruption. The question companies need to ask themselves isn't whether they can afford to invest in the future of manufacturing; it's whether they can afford not to. And if middle market manufacturers play their cards right, they can come out on top of the industrial revolution by capitalising on the benefits of their relative size and market position.

While inaction isn't an option, risk must be weighed against opportunity. Technology can transform a business, but it can just as easily destroy it. There are essential building blocks for each maturity stage of Industry 4.0 that must be firmly embedded into the business before advancing to the next level. Experimentation is a necessary part of progress, but if you're focussed on speed over smarts and skip the basics, those shortcuts may come back to haunt you.

The middle market race to get ahead should be measured, tied to incremental milestones and checkpoints, with a careful eye toward risk management and scalability. Start with an honest assessment of your organisation's current Industry 4.0 readiness and set flash aside in favour of ROI and continuous improvement.



NEED HELP MANAGING YOUR RISK IN THE FACE OF INDUSTRY 4.0?
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Industry 4.0 middle market planning checklist

A roadmap to Industry 4.0 begins with a plan. We recommend you seek advice from your local BDO adviser to assist you with preparing an actionable plan.

ASSESS YOUR INDUSTRY 4.0 MATURITY

- Where is my organisation on the continuum of Industry 4.0 maturity?
- Where are there gaps in my organisation's evolution to the next level?
- What are my customers' and/or employees' biggest needs?

DEFINE YOUR VISION

- What do I want my organisation to look like five years from now?
- Based on where my organisation is today, where do I see the biggest opportunity to create value?
- How can I enable a competitive advantage for my customers?

FIGURE OUT FINANCING

- How much do I want to spend?
- How will I fund this initiative?
- What additional resources or investments does this initiative require?

SET UP YOUR PILOT

- What pilots offer the most reward with the least risk?
- What are the anticipated benefits?
- What KPIs will I use to quantify success?
- How do I track and report on progress and at what cadence?

MAP CROSS-FUNCTIONAL PROCESSES

- What are the adjacent functional areas potentially impacted by this initiative?
- What are the process flows that may need to be changed or updated?
- How might this initiative impact my suppliers or customers?

ENGAGE EXTERNAL STAKEHOLDERS

- What's the best way to engage my external stakeholders and value chain partners?
- Do I have access to the third-party information I need?
- Where do I need to shore up new third-party security vulnerabilities?

PREPARE YOUR PEOPLE

- How can I rally the entire organisation behind this initiative?
- How do I communicate change to the organisation?
- What training do my employees need?

MONITORING AND REFINEMENT

- Have I set-up checkpoints to monitor my progress?
- How can I continuously refine my plan?

Manufacturing in Australia

The first industrial revolution began in Great Britain in the mid-1700s. Nearly 300 years later, we stand on the cusp of the fourth industrial revolution. The global race to innovate is on.

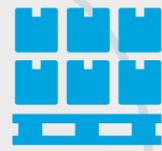
The sector at a glance



27%
of annual export earnings



872.5k
in employees

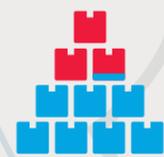


\$121.6B
in exports

The middle market and manufacturing

Shortly, BDO Australia will be releasing the 2nd *Growth Index Report*, in collaboration with Ibis World, featuring insights of the dynamic mid-sized business market in Australia. Collaborating with Ibis World, we have analysed financial results of almost 1400 businesses, with revenues ranging from \$10m to \$1bn per annum.

The 2019 edition is showing some interesting trends within the Manufacturing sector. Accounting for nearly a third of businesses surveyed it is clear that the Australian mid-sized Manufacturing sector is dynamic and poised to take advantage of significant growth opportunities over the coming years. Some of these findings include:



Manufacturing and Wholesale businesses comprise almost a third of the market (27%) by number of organisations



On average these organisations have generated compound annual growth rates for the 3 years ending 2018 of 3.4%



Net profit margins for these organisations show a positive growth trend, from 1.9% in 2014 up to 4.3% in 2018

Sources: The Australian Industry Group: *Australian Performance of Manufacturing Index June 2019* (https://cdn.aigroup.com.au/Economic_Indicators/PMI/2019/PMI_June_2019_24203s.pdf);
The Department of Employment, Skills, Small and Family Business: *Labour Market Information Portal Manufacturing* (<http://lmip.gov.au/default.aspx?LMIP/GainInsights/IndustryInformation/Manufacturing>);
The BDO Growth Index (<https://www.bdo.com.au/en-au/growthindex/index>)

How can we help?

Adoption of Industry 4.0

Industry 4.0 has disrupted manufacturing with automation, digitisation and new materials. This continues to impact products, supply chains and push manufacturers to shift business models towards customer-centricity. To remain competitive, manufacturers must innovate their product, product lines and supply chain solutions. They must also continuously challenge and review their operations and strive to deliver cost efficiencies.

For middle-market manufacturers, the road to Industry 4.0 may seem overwhelming however, through a holistic approach and incremental changes, middle market manufacturers can adopt industry 4.0 more readily.

At BDO, our specialists provide practical and strategic guidance by helping you identify and leverage key competencies in your existing manufacturing business. With deep sector experience, we help manufacturers improve their day-to-day business performance, manage their risks and enable their people to deliver on 4.0.

Whether it is providing strategic advice, accessing funding or preparing your people; we can assist your manufacturing business to adopt Industry 4.0 principles for continued growth and improved customer experience.

Our goal is to help our clients succeed and grow. We help address critical issues that affect the industry and your business by combining extensive industry experience and specialist knowledge; along with building long-standing relationships with clients and industry stakeholders, to truly identify and respond to the needs of our clients.

Our team of experts work together to offer a holistic approach to your manufacturing business. BDO's manufacturing team can provide a complete range of services including:

Audit

- Financial Statement audits
- Internal audits
- Compliance audits
- Accountability code reviews

Tax

- Research and Development Incentives
- Grants for manufacturers

Risk management

- Risk management framework design
- Governance reviews
- Board training and education programs
- Internal audit
- Technology risk

Consulting

- Strategic planning
- Restructuring
- Amalgamation facilitation
- Business improvement and optimisation
- Pre-lend and debt facility reviews
- Due diligence and feasibility

People Advisory

- Change management
- Leadership Development
- Culture Change
- Human Resource Effectiveness
- Performance and Reward systems

Technology

- Data capability assessment
- Digital strategy
- Data Analytics
- Project advisory
- Transform to Cloud
- Technology risk (security, risk assessments, resilience etc.)



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