IFS

Five ways your Manufacturing ERP might be setting you on a road to nowhere

Manufacturing never stands still. Product lines shift, service models evolve, and evolving regulation can reshape operations. At the same time, customers expect faster response times, tailored service, and real-time visibility into how and when their orders are fulfilled. These expectations push beyond the limits of traditional ERP systems, demanding more agility, automation, and intelligence from your technology stack.

To try and stay ahead of this curve you're likely automating more of your operations, connecting machines, suppliers, people, and logistics partners through IoT to streamline production and delivery. At the same time, regulators, stakeholders, and customers are demanding deeper transparency: granular data on sustainability, compliance, and performance is no longer optional.

To stay competitive, manufacturers must be able to reconfigure processes quickly, collaborate with external partners, and deliver a frictionless customer experience. These capabilities used to be aspirational. Today, they're achievable, thanks to embedded technologies like AI, IoT, and AR/VR that are now part of modern ERP platforms like IFS Cloud.

Customers have grown accustomed to instant updates, predictive service, and seamless digital experiences in their personal lives. They now expect the same from their industrial suppliers. And yet, some ERP vendors still lag behind, dropping products, ignoring innovation, and leaving manufacturers stuck with outdated systems and no clear path forward.

1. Disconnected Systems Stall Innovation

When an ERP vendor supports multiple products, often acquired through mergers or built for different markets, they end up with a fragmented portfolio. Each product has its own architecture, data model, and development roadmap. That fragmentation creates serious problems for manufacturers.

Instead of investing deeply in one platform, the vendor spreads R&D across several. So instead of a unified AI engine or a consistent IoT framework, you get isolated features that only work in one product. Which means that predictive maintenance might be available in one ERP, but not another. Automation tools may be built for one workflow, but not scalable across your operations. New capabilities take longer to roll out or never arrive at all.

Manufacturing thrives on consistency, speed, and precision. Fragmented ERP portfolios slow down decision-making, complicate compliance, and make it harder to respond to market shifts. You need a platform that evolves with your business, not one that's stuck juggling legacy systems.

2. Product Consolidation Leaves Customers Stranded

ERP vendors often grow through acquisition. While this can bring new capabilities into the fold, it also creates a tough reality: not every product survives. Over time, vendors consolidate their portfolio, prioritizing one ERP platform while sunsetting or deprioritizing others.

If you're on the "wrong" product that's no longer getting investment, you may face reduced support, forced migrations and innovation gaps. This leaves you stuck maintaining a system that's no longer evolving, while competitors move ahead with smarter, more agile platforms.

Manufacturers rely on long-term planning and capital-intensive systems. You can't afford to rebuild your ERP every few years. If your vendor can't guarantee continuity and investment in your platform, you're essentially building your digital foundation on quicksand.

3. No Clear Roadmap Means No Clear Future

When an ERP vendor can't clearly articulate where their platform is headed, it leaves manufacturers in a dangerous position: investing in a system that may not evolve with their business. A roadmap isn't just a product plan, it's a signal of strategic alignment, innovation velocity, and long-term viability.

Manufacturing transformation is rarely short-term. It involves multi-year investments in automation, digital twins, predictive analytics, and connected operations. If your ERP vendor doesn't have a clear roadmap: you can't plan confidently for future capabilities, you risk falling behind competitors and you may invest in customizations or integrations that become obsolete.

For manufacturers, this is a strategic risk. You need to know if your ERP will support new manufacturing models like remanufacturing or servitization. You need to know if it can scale and if it can integrate with emerging technologies and requirements like machine vision and sustainability tracking.

4. No AI Strategy, Just Buzzwords

Many vendors talk about AI, but few have a clear, scalable strategy for embedding it across the platform with industry specific use cases. Instead, they offer isolated features like a chatbot or a predictive widget that don't connect to core workflows or deliver real business transformation.

Manufacturing is ripe for AI-driven efficiency: predictive maintenance can reduce downtime, AI-powered demand forecasting can optimize inventory, and intelligent scheduling can balance capacity and labor constraints. But without a coherent AI strategy, these capabilities remain siloed or unavailable. You might get a flashy demo, but not a system that learns, adapts, and improves over time.

AI should be embedded in the manufacturing ERP's core, not bolted on. It should be able to help you make smarter decisions faster, automate routine tasks and spot risks and opportunities before they happen. If your ERP vendor can't show how AI is being scaled across the platform, and what their AI roadmap and offering is, you're not getting that AI transformation your business needs.

5. Lack of Industry-Specific Depth

ERP systems are often built to serve a wide range of industries. While that sounds flexible, it can be a major drawback for manufacturers. Generic ERP platforms typically lack the depth needed to support the complex, specialized workflows that define modern manufacturing.

Manufacturing isn't just about making things - it's about managing assets, coordinating production schedules, handling engineer-to-order configurations, tracking compliance, and optimizing supply chains. Without built-in support for these realities, you're left with two bad options – either customize extensively or compromise on functionality.

If your ERP has no support for shop floor scheduling, limited capabilities in asset lifecycle management, no native handling of engineer-to-order or make-to-order workflows, no ability to support remanufacturing, then it lacks manufacturing depth. When your ERP doesn't understand your business, you spend time and money trying to make it fit. That slows innovation, increases technical debt, and makes it harder to scale. You need a system that's built for manufacturing, not one that's trying to be everything to everyone.

Conclusion

Selecting a manufacturing ERP is not a lifetime commitment, but it is a commitment that will last 10 years or even longer. The right platform should help you scale, adapt, and innovate. The wrong one can slow you down, trap you in outdated processes, and leave you chasing promises that never materialize.

In a market where agility, intelligence, and industry depth are non-negotiable, manufacturers need more than marketing buzz, they need proof. Don't be afraid to ask tough questions, the answers will reveal whether you're choosing a platform that will evolve with your business - or one that might leave you stranded.

About IFS

IFS is the world's leading provider of Industrial AI and enterprise software for hardcore businesses that make, service, and power our planet. Our technology enables businesses which manufacture goods, maintain complex assets, and manage service-focused operations to unlock the transformative power of Industrial AI™ to enhance productivity, efficiency, and sustainability.

IFS Cloud is a fully composable AI-powered platform, designed for ultimate flexibility and adaptability to our customers' specific requirements and business evolution. It spans the needs of Enterprise Resource Planning (ERP), Enterprise Asset Management (EAM), Supply Chain Management (SCM), and Field Service Management (FSM). IFS technology leverages AI, machine learning, real-time data and analytics to empower our customers to make informed strategic decisions and excel at their Moment of Service™.

IFS was founded in 1983 by five university friends who pitched a tent outside our first customer's site to ensure they would be available 24/7 and the needs of the customer would come first. Since then, IFS has grown into a global leader with over 7,000 employees in 80 countries. Driven by those foundational values of agility, customer-centricity, and trust, IFS is recognized worldwide for delivering value and supporting strategic transformations. We are the most recommended supplier in our sector. Visit ifs.com to learn why.