

# Casestudy





## Challenges of ERP implementation in a valve manufacturing industry A success story

### Synopsis.

- Challenges of ERP implementation at our client:
- Separate legacy systems exist for production, human resources, finance and supply chain.
- The client has multiple business units.
- Very complicated engineering process with lots of intermediate items.
- CRM, sales and distribution is handled manually.
- Authorization systems do not exist.
- Existing software is not cut out for current level of operations.
- BOM

## Overview of the company.

VAAS Group commenced operations in 1980 as a trading house focusing on high quality industrial valves. Promoted by a valve technocrat, the philosophy of the group has always been to provide the user with the optimum solution to their valve needs rather than just sell valves. This has resulted in a loyal customer base for all the products VAAS is associated with. Another facet of the group has been their pioneering role in bringing the best international valve technology to the Indian customer.

Our client is the largest knife gate valve manufacturer in India with a market share of over 70%. The present customer base includes virtually every major user of knife gate valves in India, besides customers in many overseas markets. They presently export to over 35 countries and they include Australia, Indonesia, Singapore, New Zealand, Pakistan, South Africa, Botswana, Canada, Namibia, Spain, Bangladesh, Peru, Philippines, Swaziland, Saudi Arabia, Ghana, Chile, Slovenia, Egypt, Thailand, Malaysia, Mexico, Kuwait, Russia, Dubai, Nepal, Israel, UK, USA and Vietnam.

## Issues and Findings.

### Legacy system

Legacy systems encapsulate the existing business processes, organization structure, culture, and information technology.

#### Problem areas:

- Fragmented business functions and units.
- Inaccurate and delay in accumulating financial data for reporting.
- Inadequate data flow from marketing/distribution offices. as sales and distribution functions are handled manually.
- Lack of total control due to authorization system not being in place.







### Case Analysis

- ▶ The companies various business functions like accounting, manufacturing order processing, etc are fragmented
  - ▶ Lack of accurate sales relate data
  - ▶ Lack of correct financial data for financial reporting

### Discussion

ERP software attempts to integrate business processes across departments onto a single enterprise-wide information system. The major benefits of ERP are improved coordination across functional departments and increased efficiencies of doing business. Data redundancy is reduced making data transparent since everyone uses the same data.

The implementations of ERP systems nurture the establishment of backbone data warehouses. ERP systems offer better accessibility to data so that management can have up-to-the-minute access to information for decision making and managerial control be it for sales purposes or financial reporting or for any other business activity.





## Solution and conclusion

Roadmap provided an ERP software which fully integrates business solution that gives the organization a complete control over planning, manufacturing and all facets of management including accounting ,supply chain management, fixed asset management ,costing and budgeting .

Roadmap' s CM (Cash Management) in particular provided efficient and timely processing of payments. Integrating cash and bank statements allowing easy and quick reconciliation.

Roadmap's ICM Inventory Control Management facilitated inventory management by bringing suitable controls to reduce inventory costs. It helped track obsolete items, slow moving items enabling the organization to eliminate shortage and excess inventory investments. Also providing accurate availability/non availability status bringing the entire inventory in one platform facilitating timely production which was one of the key concerns of the organization.

Our CRM and Sales and distribution modules facilitate to provide accurate and timely sales data in their rapid growth environment. With the help of this data evaluation and effectiveness of marketing programs becomes easier with a high level of accuracy.

Sales personal are made aware of their date of opportunity ,this data can be used to stay focused on their most promising opportunities. Step by step sales milestones can be created which can be followed like a checklist to make sure that sales are handled in a consistent manner.

