Case study

Synopsis
Challenges of ERP implementation at our client:
- Integrating functional modules.
- Integrating legacy systems.
- Web enablement, integrating various offices from different geographical locations.
Overview of the company

Our client is the first company in Asia to manufacture Automobile Service Station Equipments. Having sensed the huge potential and requirement in the field of servicing automobiles, our client established a R&D Centre to carry out Research on key products, like Computerized Wheel Alignment Systems, Computerized Wheel Balancers, Pollution Checking Equipments, etc.

In 20 years, the Company has established manufacturing set up to produce high quality Garage Equipments. Our client has its Manufacturing facility at Pondicherry, India, located 160 kilometers south of Chennai.

Our client holds 40 percent market share in India. Products not manufactured or being imported and distributed in the domestic market.

The Products of our client has been approved by all leading Car Manufacturers and Tyre Manufacturers – MARUTI, TATA MOTORS, HYUNDAI, FORD, MAHINDRA & MAHINDRA, SKODA, EICHER, HINDUSTAN MOTORS, APOLLO TYRES, J.K. TYRE, GOODYEAR, BRIDGESTONE, CEAT, HPCL, IOCL, BPCL, IBP, RELIANCE, ESSAR, etc., shows the investor confidence in our quality and service.

On becoming very successful in Indian Market, our client has entered the Export Market in the year 2005. Today our client is exporting to more than 12 countries and aiming to export to more than 50 countries by 2010.

Today our client is emerging as a truly global player in the automotive aftermarket with clear vision and goals towards Total Customer Satisfaction.
Issues and Findings

Legacy system

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

Problem areas:

- Fragmented business functions.
- Physical inventory & inventory data are fragmented.
- Inaccurate and delay in accumulating financial data for reporting.
- Inadequate data flow from marketing/distribution offices.

The focal point of our study is an ERP software which has a built-in workflow processes that is tailored specifically to tightly integrate functions crucial to the organization such as accounting, manufacturing, order processing and other financial data required to bring together accurate and timely data for decision making and reporting in priority.

Case Analysis:

- The companies various business functions like accounting, manufacturing, order processing, etc are fragmented.
- Inventory & inventory data are scattered due to which inventory is not optimized and obsolete goods lie in abundance.
- Lack of correct financial data for financial reporting.
Discussion

With an integrated ERP system organizations can closely monitor receivables through proper controls to reduce the number of days of outstanding receivables, resulting in more cash inflows. Credit and collections can be managed more efficiently. Everyone uses the same data reducing redundancy and making data transparent and avoiding duplication. Improves planning and scheduling practices resulting in significant inventory reductions and inventory carrying costs, including costs of warehousing, handling, obsolescence, insurance, taxes, damages, shrinkages. Overstocking and obsolescence can be avoided by calculating the accurate inventory turnover.

Solution and conclusion

Roadmap provided an ERP software which is 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.

Implementation

For integrating marketing/sales offices across geographies Manatec will have to host the ERP server in the web through static IP address supported by a secured firewall.