



Asian Conglomerate synergizes business operations through ERP deployment

Highlights

This diversified Asian conglomerate, a Super Brand in its home country, having operations in several key industry sectors witnessed exponential growth by delivering excellence in products, services and value to its customers.

With a strong portfolio of global brands & a network of over 20 subsidiaries and divisions, the Business group demonstrates market leadership in multiple areas of business; including farm equipment, marine engines, office automation, power tools, batteries and pharmaceuticals.

Given the assortment of various businesses, each involving multiple disciplines, the Business group was facing issues arising out of decentralized operations. This resulted in lack of visibility of critical group level business information to the top management and delayed decision making. The group needed an enterprise-wide solution, one that enabled integration of operations across units and facilitated consolidation at group level.

After a detailed evaluation of various global & local solutions, the business group selected Microsoft Dynamics AX as their ERP solution and Alletec as their implementation partner. The immense depth of features and functionalities in Dynamics AX suited the business needs of the group, and Alletec's depth of experience and solutioning capabilities convinced the business group to make their choices. The solution integrated operations, provided critical business information in real time, facilitated greater monitoring and control over processes; thereby enabling the conglomerate to make swift business decisions.

Brands owned	~24
Sectors covered	<ul style="list-style-type: none">▪ Agricultural Equipment▪ Power Generation▪ Tools▪ Consumer Electronics▪ Plantation Services▪ Business Automation▪ Marine engines
Subsidiaries/divisions	20+
Service	200 touch-points
Annual Turnover	US\$ 225 million

Business Situation

The Conglomerate was facing the typical scaling up challenges and perplexing complexities as it grew at a rapid pace. A detailed analysis of the business situation by Alletec brought to fore a set of business pains. These included:

- Operational inefficiencies within business units, caused by lack of automation, fragmented information and work duplication.
- Little or no synergy within business units, resulting in lack of transparency across the business units and various levels of management.
- Inability to monitor operational results across business units in real time, leading to ineffective or delayed decision making – hampering growth.

Alletec Business Solution

After a thorough examination of the Business Group's current situation and in-depth analysis of its business needs, Alletec recommended Microsoft Dynamics AX as the appropriate solution for enterprise-wide implementation.

- Alletec recognized the pain areas and adopted a systematic approach to ERP implementation. The approach was to identify the key focus areas to be addressed and design a two-phased ERP implementation plan to cover divisions & subsidiaries separately for implementation. Lastly, Alletec mapped an extended service support strategy for the client.
- Alletec customized the solution to address key issues including the need for division-wise P&L, data consolidation and accurate reconciliation, automation of inter-divisional sales, Landed cost revalidation and Warranty. Monitoring dealer-wise credit limits and division/sub-division wise Sales, Collections, Returns & Check bounces was also made easy.



Benefits

The deployment of Microsoft Dynamics AX enabled process automation and facilitated integration of operational data across business units. Some of the immediate benefits the group started to experience include:

- Better control of operations at the Divisional, Sub-divisional, Cost/Profit centre and Product group level resulting in greater accountability at each level.
- Better tracking & control of receivables, payables and inventory.
- Efficient warranty tracking to determine the validation of extended warranty and make a bill/not to bill decision.
- Effective decision making at operational level due to availability of division wise P&L reports on real-time basis.
- Integration of Payroll, Cash Management and Auto Bank Reconciliation procedures.

Results

- Visible synergies among business units.
- Centralized monitoring of business operations and availability of reliable data reduced the latency of critical business decisions.
- Remarkable operational efficiencies within business units.
- Improved Dealer Management, resulting in filtering, and more satisfied Dealers.

For more information on Microsoft Dynamics AX, get in touch with us:
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