



Swiss Signage Specialist Company Overhauls Existing AX Solution to Match Changing Business Requirements

LITEX

“The revamped ERP system helps us better manage the subcontracting practice and has simplified project cost-time allocation. We can now ascertain project-wise profitability accurately and keep our customers happy with timely deliveries. “

Sasha Petschnig
Chief Executive Officer,
Litex

Highlights

Litex is a leading full service signage and branding solutions provider in Switzerland. It specializes in designing & commissioning of lighted signboards for auto, retail and oil & gas sectors. Recently, it underwent organizational transformations bringing about a major shift in its business model.

Switchover from a manufacturing based company to a primarily service based company required a closer supervision of operations. Microsoft Dynamics AX platform was a familiar ERP solution & was also regularly upgraded. However, the sub-optimal usage of Dynamics AX was leading to operational inefficiencies, thereby impacting the competitiveness of the company in the marketplace.

The need to align the existing AX implementation to the business needs of the company had become compelling in the light of new found business changes & growing intensity of competition. The company management also realized the need for a competent AX partner to realize its objectives.

Time-to-market being one of the most critical factors, the company needed to align with a solution provider who could not only provide quick response to the business needs, but also provide the much needed consultancy services. The company decided to collaborate with Alletec – a Microsoft Dynamics Inner Circle Member and Gold Competency Partner, servicing customers globally.



BUSINESS APPLICATIONS FOR DIGITAL TRANSFORMATION

Business Situation

Gradual evolution in the business model over years, combined with the rapidly changing economic scenario in Switzerland had caused the AX solution to have become out of step with the business needs. Litex, once a predominantly manufacturing organization had shifted to become a 'Projects' driven company. Major identified gaps were:

- The existing system was not geared up to handle outsourced manufacturing. This gave rise to challenges in getting pricing of various standard imported components causing delays in quotations and invoice creation.
- Project Management module wasn't integrated thus hindering activity-wise resource allocation & time sheet management. Due to this, the cost for services had to be bundled with the product, instead of being charged on actual time spent basis. Tracking project progress & project-wise expenses was also a problem.

Alletec Business Solution

Alletec's recommended a two-phased approach.

- In the first phase, Alletec's functional and technical consultants studied the business process of Litex in detail, understood the current operational challenges & future business needs. They also provided a quick-fix solution to certain short term problems & created a month-on-month future roadmap.
- In the second phase, the long term problems were addressed & a suitable approach for System Support & maintenance was agreed upon.
- The AX solution was appropriately reconfigured to run on project mode facilitating project management & improved operational efficiencies.

Benefits

The reconfiguration of AX solution filled the gaps & brought about desired improvements in business operations.

- Outsourced manufacturing ensured that in-house manufacturing was strictly limited to specific need based situations, which meant inventory levels were reduced to bare minimum.
- Project Management module allowed activity-wise expense tracking which in turn allowed accurate recording of project financials providing insights into project profitability.
- Role-based access to external entities ensuring greater control & enhanced security of systems & procedures.
- Project module forms the basis of process optimization and thereby enabling a reduction of interfaces within the processes.

"The team from Alletec instinctively understood the operational procedures & pains. They not only addressed our immediate business needs but flawlessly aligned the system to our future requirements as well. "

Mischa Scharnagl
Controller- Finance,
Litex



Results

- Project-wise expense & revenue tracking
- Optimized inventory levels
- Increased operational efficiencies & faster process flows. Less cash locked up in operations
- Very efficient and effective Management Information System – to rely on for Decision Support
- Reduced lead time which influenced not only the capital turnover but – more importantly – customer satisfaction