

ERP Case Study: Dairy Management

Bourntec twofold Solution Reduced Manufacturing Costs by twenty Percent for a leading Dairy Manufacturer

Customer Benefits

The Bourntec Global ERP Implementation helped end client to:

- Reduced manufacturing inventory by 20 percent
- Automated all business and functional processes thereby increased overall operational efficiency
- Improved internal business processes and enabled organizations to improve customer satisfaction
- Enhanced warehouse Sales and Inventory management
- Increased management control and enhanced better decision making
- Increased management visibility

Client's Business

The Client is a leading player in the dairy and food industry in Hyderabad. Our client offers a wide range of dairy and food products including all Milk products, foodservice cheese, fine foods and other baked items etc. to the food and hospitality industries across India. To support its impending growth, Client wanted to integrate its operations with an Enterprise Resource Planning (ERP) solution. It also needed item tracking and expiration management capabilities to better manage its range of dry, chilled and frozen produce.

Bourntec allowed the client to improve its sales and distribution system, warehouse management and inventory control. The company also gains the capabilities to meet accounting and tax legislative requirements. Increased management control and visibility enables more informed and faster decision making.

The Situation

Established in Hyderabad, India, end client is the leading manufacturer of dairy and food products in India competing with several global players in the food industry. These include several largest dairy products and manufactures. Client's dairy plant manufactures a varied range of dairy and food products including dairy ingredients for food industries such as cheese, milk fat and cream, milk powder; foodservice cheese from all regions of the country; foodservice milk cream and butter.

A leading player in the dairy and food service, client aims to be the "first choice suppliers of all food users in the country". Their market leadership is evidenced by the numerous accolades they have received from the Official Agencies and the Government of India.

As one of the fastest growing dairy manufacturers, the client was operating in a highly competitive environment. In this context of, the client needs to meet the demands of fast-changing consumer preferences and tough competition from other players. Our client recognized that to become a major industry player, it faced a number of problems with its existing information systems which had to be resolved. Essentially, the system's user interfaces were cumbersome, it was difficult to integrate it with other company systems, and proving to be expensive to modify and maintain due to the legacy technology used.

Choosing a System

To sharpen its competitive edge in the fast-growing and competitive marketplace, the client's management saw the importance of replacing its existing core system with a quality Enterprise Resource Planning (ERP) package to support its impending business and integrate it with the rest of its systems. Thus, Bourntec was engaged to design a system that would address the long-term business and IT needs of the client. Keeping many challenges in mind, Bourntec initiated a review of its existing system and notified several challenges to be addressed such as:

Client commissioned a comprehensive survey of the ERP implantation vendors and selected BOURNTEC for four major reasons: 1) a 100 percent Microsoft specialists, 2) an easy and quick implementation of ERP module experience 3) excellent support, and 4) Scalable and cost effective than other competitors.

The Solution

Bourntec leveraged its considerable technical, management and domain expertise to map a solution that would best fit all the challenges presented by the client situation/

Redesigning the business process presumed a thorough understanding of the existing processes. In order to achieve this understanding, Bourntec formed two close partnerships - one with the business end of the client to understand business processes, another with IS to understand the technology and infrastructure of the enterprise.

Coordinating disparate contributing agencies is often crucial to resolving problems. Working with this end in view, Bourntec set up a governance structure among the client, and ERP modules for the early identification and resolution of issues in this manner.

- > The business processes in sales and Distribution was re-designed in a manner that incorporates best-of-breed practices. The processes were also designed scalable enough to accommodate changes easily
- > Enabled the deployment of newer SD, CRM and Inventory Management modules across the corporate infrastructure of the client. Considering the size of the client and the scope of its activities, this was a complicated exercise in itself, Bourntec conceptualized, defined and implemented the solution

- > Bourntec implemented the Finance, Sales, Purchase, Warehouse Management, Order management System of ERP and assured the client of their ability to meet its day-to-day demands
- > During the implementation, Bourntec team worked well with the client's internal project team to understand their business needs and quickly overcome any issues that arose during the implementation
- > Bourntec developed solution to define and manage various master entries such as divisions, departments, inventory, locations, reason codes for products return, expiry return, expenses reasons etc to control inventory costs, as well as monitor the utilization of resources
- > Bourntec has implemented cost effective ERP solution that are customized to suit client diary manufacturing industry requirements

The Technology

- > Technology : Visual studio .Net framework 2.0
- > Database : Microsoft SQL Server 2005
- > Operating system : windows XP service pack2
- > Web server : Internet information server 6.0
- > Hardware requirements:
 - RAM : 1GB
 - HD : 80 GB
 - Processor : P4