

In Trading Improves Business Productivity by 40%

Enhances Quality Control Systems and On Time Delivery Schedules



Overview

Country: India

Industry: Furniture Manufacture and Export

Customer Profile

Founded in 1996 by its Vikram Jain, In Trading Private Limited was set up to supply Indian wooden furniture and furniture related accessories to the US and United Kingdom.

Business Situation

Time constraints, monitoring high quality levels, supply chain processes, fund-flow and accurate material requirement were some of the reasons that In Trading deployed an IT infrastructure within existing systems.

Solution

In Trading commissioned Progression Infonet Private Limited to implement the Microsoft Business Solution - Navision, which would enhance overall business efficiency and streamline processes within the organization.

Benefits

- Better financial analysis
- Optimized inventory management
- Enhanced business performance
- Increased business productivity
- Better cutting plans
- Operational transparency

“Microsoft Business Solution - Navision provides us with transparency on processes. We have increased our productivity by at least 40%.

Vikram Jain, Managing Director, In Trading Pvt. Ltd

Situated just outside New Delhi in the State of Haryana, In Trading Private Limited (In Trading) was founded in 1996 by Mr. Vikram Jain. In Trading is an exclusive manufacturer, supplier and exporter of Indian wooden ethnic furniture and furniture accessories to Europe and the US. In Trading manufactures a large range of wooden furniture using Indian hard woods such as sheesham, maple, oak, teak and mango. The company has an established customer base in Europe and the United States, in addition to several clients in the Far East, Middle East and Africa.

Growing business demands as well as the competitive market scenario within the furniture industry led In Trading to evaluate and deploy Microsoft Business Solution – Navision. The deployment of Microsoft Business Solution - Navision has led to cost savings and higher productivity. The solution allows the organization to continuously monitor the supply chain, fund-flow, Work In Progress (WIP) amongst other business processes.

“The greatest input Navision has given has been the total transparency and insight into our own production processes which have highlighted inefficiencies and consequently streamlined our operations in a manner which have increased our productivity by at least 40%.

Vikram Jain, Managing Director,

Situation

According to market experts, the demand for furniture is likely to expand exponentially in the next few years. Liberal policies for foreign equity participation and foreign direct investments have given a further boost to the sector. The largest markets for Indian furniture are the United States, Germany, France, United Kingdom and Japan.

According to the ICON Group, the market potential for furniture is expected to reach US\$ 240,007.40 million by 2005. Europe will be the largest market at 45.45%, followed by North America and the Caribbean 27.62% and then Asia with 15.34% of the world market. In essence, if a firm targets these top 3 regions; they cover 88.41% of the worldwide demand for furniture.

The Indian furniture market is estimated to be worth Rs 350,000 million. Within this, the wooden furniture accounts for Rs 60,000 million. Branded furniture is still in its infancy and volumes are negligible. Of this the imported furniture market is currently worth Rs 6000 million and is growing at 3% to 5%, each year, according to industry analysts.

Business Situation

In Trading currently operates from a single location in the industrial town of IMT Manesar, which acts as the manufacturing facility and corporate office for the company. The manufacturing is done in a mechanized, assembly like manner. In Trading supplies wooden furniture and furniture related products to the best-of-breed department stores, chain stores and retail outlets in Europe and the US. The turnover of the company is over Rs 150 million.

Competitive prices, large production capacity, committed business dealings and

timely deliveries add to their reputation in the international market. Today the company has over 400 skilled workers and 20 administrative staff to ensure smooth management of its processes.

Over the years, In Trading has thoroughly understood the business from the use of solid wood in its furniture assembles, production nuances, packaging, storage, shipping and distribution systems. The company has realised that for effective profitability, quality control systems and delivery scheduling, a vigorous process of backward integration is needed. Today the company has specialised departments that excel in each to supply furniture anywhere in the world.

Prior to implementing the new solution, In Trading was using Tally as the financial and inventory package and a home-grown solution for payroll management. The company evaluated products such as ESS (Eastern Software Systems), Fourth-Shift and other local solutions as well. The technology infrastructure prior to implementing the new solution consisted of a LAN with five PCs connecting to the Internet via an ISDN data line.

This solution did not allow the organization to track inventory or its orders to completion. The lack of information made it difficult for the management to take effective business decisions.

Also, with the market growing exponentially, In Trading wants to grow its business by 500% over the next three years to capture a greater share of the market. To do this, the management realised that it required a solution that would scale to meet its business requirements, bringing transparency and accountability in its processes.

Also, the increased pace of businesses and competitive market scenario had reinforced the need for an efficient financial process at In Trading.

Solution

In trading was faced with the challenge of meeting delivery demands on time and maintaining stringent quality levels. It decided to implement a cost effective business solution that would monitor all business processes and provide adequate information so that the management could take correct business decisions on the fly.

In Trading decided to implement Microsoft Business Solution – Navision to bring about transparency and streamline its business processes. Progression was primarily chosen as the partner for In Trading due to its openness and clarity with which it proposed to streamline the production process as well as inventory control and accounts.

“Microsoft Business Solution – Navision was easy to customize, adaptive to implementation and provided the perfect fit for In Trading,” explains Vikram Jain, Managing Director, In Trading Private Limited.

Solution Overview & Implementation

Microsoft Business Solution – Navision has been implemented at a single location. Progression Infonet deployed the Finance, Inventory Management, Manufacturing, Capacity Planning, Sales and Receivables, Purchase and Payable as well as Pay Roll modules successfully.

The customisation required was done along with the deployment as a parallel task. The data from Tally and the payroll solution were migrated using interfaces

Though the solution has been implemented at a single location, it is being accessed

globally by In Trading employees and management over static IP. Today, the system has seven concurrent users and 35 named users.

Progression's implementation has been a critical component that has allowed the organization to benefit from Microsoft Navision as a comprehensive business solution. Progression ensured that impediments during implementation were resolved even though it faced resistance from operating staff.

Benefits

In Trading's business has dramatically improved with the implementation of Business Solution – Navision by Progression Infonet Private Limited. It has allowed the organization to enhance quality control systems, production processes and on-time delivery scheduling.

Better Financial management

Microsoft Business Solutions - Navision makes it easy to access financial information within the company, spot trends and gain insight into ongoing business activities. By implementing the Navision Business Solution, In Trading is able to tag general ledger and budgets. This enables management to drill down to find relevant information quickly.

“We are able to carry out sophisticated financial analysis which was not possible in our previous solution,” comments Vikram Jain, Managing Director Private Limited.

Optimized Inventory Management

With the help of the new solution, the management now has access to accurate information. Parameters such as wood in stock, seasoned wood available, size of raw materials etc. is available online. This has allowed the organization the clear view of its

business thereby reducing the need to buffer stocks at each process.

Enhanced Business Performance

Microsoft Business Solution – Navision has enabled In Trading to help run their business in an organised manner. The company can now on track to meet its growth objective of a turnover of Rs 600 million in the next 3 years.

Increased Business Productivity

With better information systems in place In Trading has been able to streamline business processes, thereby improving business productivity. Single Order processing from receipt till shipment can now take as little as 3 working days as opposed to 10 days earlier.

Operational Transparency

Last but not the least, the organization has been able to create transparency in its business operations. This allows the management to track various parameters such as production timing and timed output.

Future Plans

Progression Infonet is building a cut planner for the organization which will enable In Trading to reduce wastage and standardize cutting plans for each design type.

About Progression Infonet Private Limited

Incorporated in 1995 as a modest systems integration facility, Progression has evolved to be an Enterprise Solutions Company. The team has grown from 8 in 1995 to 100 today, and the company is continuously

expanding their fast growing customer base, maintaining consistent profitability since its inception.

About Microsoft Business Solutions

Microsoft Business Solutions, a division of Microsoft, offers a wide range of integrated, end-to-end business applications and services designed to help small, mid market and corporate businesses become more connected with customers, employees, partners and suppliers. Microsoft Business Solutions' applications optimise strategic business processes across financial management, analytics, human resources management, project management, customer relationship management, field service management, supply chain management, e-commerce, manufacturing and retail management. More information about Microsoft Business Solutions can be found at www.navision.co.in or <http://www.microsoft.com/BusinessSolution/s/>

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Software

Microsoft Business Solution - Navision

- Finance
- Manufacturing
- Capacity Planning
- Inventory Management
- Sales and Receivables
- Purchase and Payable
- Human Resource

Windows Server System

- Windows Server 2000

Hardware

- Compaq Sever (PIII, Single Processor)
- Compaq, HP desktops (Pentium III and IV)