



About Intellisoft Technologies

Intellisoft Technologies is a leading technology-solution provider for business all over the world. Our software development centres on-site and offshore, efficient consultants and result oriented approaches guarantee that our solutions meet the ever evolving demands of business environments. We don't seek pride in a long clientele list. We, rather, focus on earning the client's trust which sets the stage for building an enduring business relationship



Client Profile

One of the leading manufacturer of basic and medical pillows, comforters and mattresses based in India. With several satisfied customers in the USA, Europe, Australia, Japan and Middle-East, this manufacturer caters to the needs of industries that include hospitality, health care, basic bedding and fashion bedding.

With an annual turnover of nearly 100 million USD, this manufacturer of bed products provides exceptional value and comfort through its single piece line flow and near-zero defects



The Business Errors

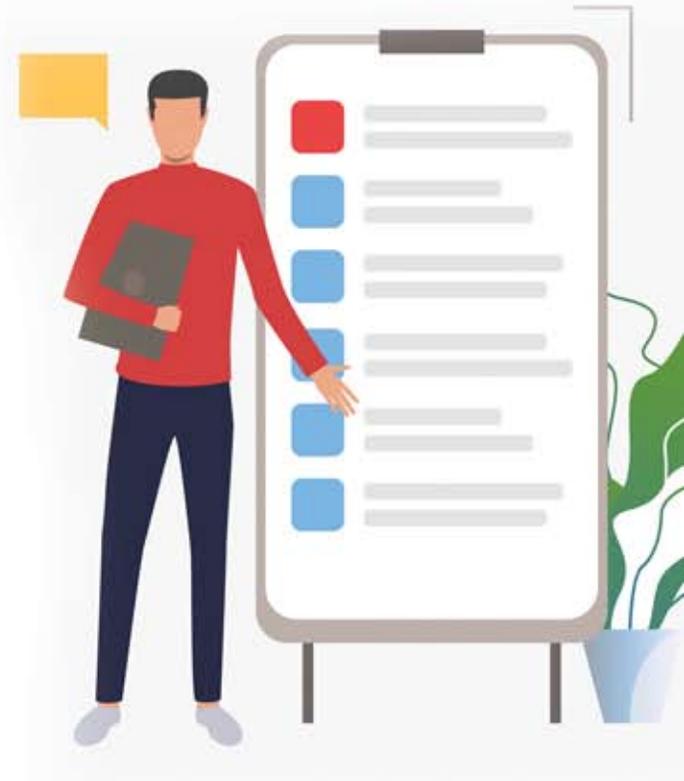
Inventory and procurement formed the basis of this process-oriented, make-to-order business. And, finance department was, undoubtedly, another crucial department. But, when they approached Intellisoft Technologies for our support, their major concern was the lack of integration between the departments of Operation and Finance. Manual intervention was adding greater burden and complicating the system even further.

While an indigenous software was being used for their inventory management system, a popular financial accounting package served the purposes of the Finance department. Their development was based on their own requirements and were a far cry from the requirements of the market.

The manufacturer always followed the 'Make to Order' process. They ordered raw materials without checking the status of the existing inventory. At the end of every month, they could ascertain the quantity of the raw materials. But, they failed to estimate its value. Determining the inventory break-up in terms of value was not possible in the existing set-up. Thus, knowing the monthly consumption of materials was also challenging.

The orders of this manufacturer used to be delivered in a phased manner that stretched to about 4 months. The management wished to know the profits earned from each order. Due to disintegration of data, the product costing methodology was not systematic and determining the profits earned through each order was hard.

The traditional practice of the employees in the finance department was to arrive at the consumption data using the leftover stock at the end of the month. This did not give clear insights into the inventory status and consumption pattern. Tracking of rejected and reused items was completely overlooked



The Task for Intellisoft

The senior management of our client was looking for a smart, integrated ERP solution. Intellisoft Technologies had to offer a solution that integrated operational and finance data



Challenges Faced

Resistance from the users who were unwilling to unlearn and learn newer techniques of handling data. Transition was difficult for them to accept. They would defend their incapability citing that it is a unique industry that cannot use a software with a rigid set of rules

Our Modus Operandi

Intellisoft decided to take up the data integration process in two phases.

PHASE 1: Operation Level Departments:

Intellisoft Technologies focused first on streamlining the activities related to the departments at the Operational Level – Purchase, Inventory, Sales, Production and Planning. This is because a majority of data was generated at the operational level and flowed from it.

PHASE 2: Finance Department:

The Finance department was using a renowned accounting package that focused purely on financial aspects, without integrating data between operation and finance. Treating data as silos gave the management very little insight into the profits derived from this process-oriented industry. Intellisoft Technologies streamlined the General Ledger, Accounts Receivable (AR), Accounts Payable (AP) and the general Cash Flow Management System



Technology

- Oracle E-business (R-12)

IMPACT

By executing the Oracle ERP solution, Intellisoft Technologies assisted the management in receiving the right information at the right time. We initiated the process of tracking the inventory system in an organized manner. When the existing stock was known, the employees engaged in a better material requirement planning process, rather than opting for bulk, new purchases.



Once Phase 1 (The Operational Model) got successful, the management insisted the finance team to adopt the Integrated ERP tool as well. Within one year of the implementation, the turnover of the organization increased - without any dedicated, additional effort for the same. The management witnessed a rapid ROI with the guidance of Intellisoft Technologies. The Oracle ERP solution implemented by Intellisoft Technologies supported both the internal and external financial transactions of the Mattresses product manufacturer

Positive Outcomes

- Profitability was measured in terms of :
 - Efficiency
 - Profits from a specific product
 - Profit from a specific order
 - Profit gained due to a delivery
 - Gross Profit
 - Net Profit
- A clear insight into the Orders VS Actuals (Inventory management).
- Trends were being distinctly established based on which informed decisions could be taken.
- The senior management got more time to concentrate on business development strategies as the operational issues were addressed by Intellisoft Technologies.



Although the net profit is still determined manually, the inputs for this process are provided by the ERP solution that was executed by Intellisoft Technologies