



GLOBAL SUPPLY CHAIN SOLUTIONS

IMPROVING END-TO-END OPERATIONS WITH SAP® BUSINESS ONE

“Prospects and customers know we have the proper workflows and controls in place because we’re running SAP Business One.”

Philip Odette, Chief Operating Officer,
Global Supply Chain Solutions Inc.

QUICK FACTS

Company

- Name: Global Supply Chain Solutions Inc.
- Headquarters: Farmers Branch, Texas
- Industry: High tech
- Products and services: Managed materials solutions
- Revenue: US\$50 million
- Employees: 30
- Web site: www.gscsinc.com
- Implementation partner: Vision33 Inc.

Challenges and Opportunities

- Improve business processes by enabling consistent and efficient workflows
- Increase operational efficiency by replacing outdated and unreliable software

Objectives

- Implement world-class enterprise resource planning (ERP) software to integrate business processes and information
- Establish a scalable and flexible IT foundation to support growth
- Automate processes to free up resources for value-added activities

SAP® Solutions and Services

SAP® Business One application

Implementation Highlights

- Use of implementation best practices
- Company-wide use of new software
- Guidance on proper sponsorship, staffing, and focus

Why SAP

- Support for core business processes without customization
- Trusted brand
- Lower implementation costs compared to other vendors’ solutions

Benefits

- 66% reduction in reconciliation time
- 45% reduction in time to develop reports
- Reduced time to generate reports from hours to minutes
- Access to accurate and up-to-date information across company for informed decision making
- Higher customer satisfaction through accurate invoicing
- Improved order cycle time and cash flow
- Freed resources to focus on strategic initiatives
- Ability to grow without adding resources

Existing Environment

- Custom-developed ERP software
- SystaiNet™, proprietary Web-based tool
- Peachtree financial software



Managing another company's supply chain and materials is no easy feat, so imagine doing the same for multiple companies. That's the specialty of Global Supply Chain Solutions Inc. (GSCS), an outsourced material management company that counts many well-known companies among its customers. Unfortunately, disjointed processes began causing issues as the company grew. "Our internal operating system, along with Peachtree financial software, had served us well for some time. But it was clear we had outgrown them," explains Philip Odette, chief operating officer for GSCS.

Committed to delivering high levels of customer satisfaction and expanding its business, GSCS strives to seamlessly and effectively manage its customers' supply chains from end to end. This requires an efficient and consistent workflow across all business processes, from initial quote to customer invoice. GSCS was able to achieve this vision by replacing its outdated enterprise resource planning (ERP), inventory management, invoicing, and financial software with the SAP® Business One application.

Disconnected Processes Cause Headaches

Effectively managing more than 600 bills of materials (BOMs) with an average of 75 line items each requires keen visibility into inventory throughout the supply chain and integrated end-to-end processes. GSCS' internal operating system and Peachtree software had served it well since 2000, but process issues were magnified as the company expanded. These problems were evident via SystaiNet™, the company's proprietary Web-based tool for end-to-end

supply chain visibility and information. "We were finding information discrepancies," says Jesse Powell, director of business systems for GSCS.

Lack of integration between the company's various software packages caused a host of issues. Keeping its order management software – built on a Microsoft Access database – and financial software reconciled was challenging. "Our employees found themselves consumed with manual tasks as they entered the same data in multiple systems," says Odette. To compound matters, the Access database began randomly deleting records because it was over capacity.

Furthermore, the SystaiNet™ portal – based on an SQL database – was loosely connected to the Access database. When the connection was unreliable – as it often was – GSCS employees would have to manually enter data in the portal. "Not only were our employees duplicating efforts by entering the same data in multiple systems, we were also increasing the likelihood of data errors," says Powell.

Struggling to Satisfy Customer Expectations

Being unable to manage BOMs, inventory, and replenishment processes from a single place also led to problems. GSCS struggled to ensure the right amount of inventory for production requirements, understand its inventory investment, and predict the pace at which it would consume inventory. "We were forced to pore over spreadsheets to try to get a grasp on this information," says Powell.

GSCS improperly invoiced some of its customers using its internally developed order management and invoicing solution. In one case, it failed to invoice a customer, and in another, it overinvoiced. "Whenever we had invoicing or execution problems, our customers would question the integrity of our systems. We knew we needed an industrial-strength ERP solution to support our business processes," explains Odette.

Choosing a World-Class Solution

GSCS outlined the key requirements it needed to address in choosing a new ERP solution. These included scalability to support a growing business, the vendor's competence and understanding of GSCS' business, cost, and implementation timeline. "We wanted a solution that would help us operate as efficiently as possible, so we considered software that midmarket companies turn to when seeking a world-class solution," explains Powell.

After a thorough evaluation, GSCS chose SAP Business One. "While other solutions would have required a fair amount



“While other solutions would have required a fair amount of customization, SAP Business One met our core requirements without additional work.”

Philip Odette, Chief Operating Officer,
Global Supply Chain Solutions Inc.

of customization, SAP Business One met our core requirements without additional work. Plus the implementation costs were lower compared to the other solutions,” says Odette.

Another key factor playing into the decision was the approach of the implementation partner. GSCS chose Vision33 Inc. for its well-defined implementation process – based on the ASAP methodology – and solid business approach. “Vision33 understands what it takes to run a business and is sensitive to the distractions that implementations can cause. It helped us make sure we properly sponsored, staffed, and focused on the implementation,” explains Powell.

Gaining a Solid Grasp on Processes

Now that its processes are tightly integrated, and 27 of its 30 employees are using SAP Business One, GSCS is running its business as efficiently as it had envisioned. The most dramatic change has been in the company’s ability to reconcile and explain potential issues. “It used to take a dedicated team of employees to reconcile inventory issues. SAP Business One helps ensure automatic reconciliation, eliminating the need

Now GSCS not only has a solid grasp of its inventory, it can also properly bill due to integration between its inventory and invoicing processes. “With all processes managed through SAP Business One, there’s no possibility of us failing to invoice,” explains Odette. Similarly, there’s no chance that GSCS will over-invoice. “Because everything in SAP Business One is connected – all the way from the initial order and purchase order to the sales order – our financial team cannot possibly overinvoice for anything,” continues Powell.

In addition, GSCS has improved its planning and financial management. SAP Business One provides insight into inventory on order and which company in the supply chain owns the inventory. “This enables us to effectively plan inventory and order cycle times, which in turn improves how we manage our customers’ supply chains and our cash flow,” says Odette.

Enjoying Faster Access to Critical Data

Previously, GSCS had to rely upon specialists to aggregate inconsistent data from different software platforms to

couple of hours for our employees to build a report and verify that it was providing the expected results. Now we can just push a button to generate a report,” says Powell.

For example, GSCS managers can now access a daily cash flow report in mere minutes, whereas it used to take three hours per day to create this report. Similarly, a weekly revenue report that took a few hours to produce can now be accessed with one click. “We can even produce reports that we couldn’t previously generate. This provides us with better insight into how we run our business. Plus we can now spend more time executing on data instead of trying to figure it out,” continues Powell.

Offloading the IT Team

In addition to realizing a range of business benefits, GSCS’ IT staff is reaping the benefits of SAP Business One. Where IT staff previously spent the majority of its time analyzing data and trying to troubleshoot issues, it now dedicates most of its time to developing new functionality in SystaiNet™. “Instead of maintaining a problematic system, we are now focused on increasing our capabilities,” explains Powell.

Furthermore, Powell’s team can now easily determine which employee entered data into the ERP software. “In the past, employees would change information in our systems, and if you didn’t know who to ask, you couldn’t be certain why a change was made,” says Powell. SAP Business One automatically traces each transaction, enabling Powell and his team to identify who made changes and when.

“SAP Business One enables us to employ controls that ensure a more stable business environment in terms of our transactions and processes.”

Jesse Powell, Director of Business Systems, Global Supply Chain Solutions Inc.

to look for and evaluate discrepancies,” says Powell. In fact, GSCS has reduced its reconciliation time by 66%.

develop reports. Now each report can be created in 45% less time on average than before. “It would typically take a

In addition, GSCS can now limit employee access to functionality needed to perform daily work. "Our employees used to have access to every function, whether or not they were trained on how to use it. SAP Business One enables us to employ controls that ensure a more stable business environment in terms of our transactions and processes," continues Powell.

Pursuing Future Growth with Confidence

With SAP Business One in place, GSCS is confident about the future. "Our SystaiNet™ tool is our key differentiator. With a stable platform to support it, our visions of where SystaiNet™ can go are

limitless. It's easy now to implement enhancements that will make our market differentiator that much stronger," explains Powell.

"We are no longer limited by our systems' capabilities. This enables us to fully evaluate any potential opportunity," says Odette. In addition, when GSCS talks to prospects and customers, there's no longer a question about the integrity of the company's systems. "You can't underestimate the amount of confidence you instill by running your business on a world-class platform. Prospects and customers know we have the proper workflows and controls in place because we're running SAP Business One," concludes Odette.



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