

## Elcarbo

[Industrial Supplies]

### Summary

As an engineering solutions company, Elcarbo Industrial Supplies (Pty) Ltd supplies abrasives and engineering consumables to the stainless steel, general engineering, woodworking, maintenance and boat building industries in South Africa. Through associations with world class brands, they have formed partnerships with their customers to ensure that the process is cost-effective, the product selection and application are correct and productivity is increased. Elcarbo implemented HansaWorld's fully integrated Enterprise Resource Planning (ERP) and CRM system. The result: better management control and fully automated business processes.

### Web Site

[www.elcarbo.co.za](http://www.elcarbo.co.za)

### Key Challenges

- Eliminate manual processing and duplication of data
- Much closer control of inventory due to large number of items
- Incorporate the software with company's mission- delivering the right product at the right price for the right improvement at the right time – meaning on time.

### Project Objectives

- Replace Predator to have real-time online information about all business processes.
- Get faster and more accurate management reporting
- Increase the level of control in the company

### Solution and Services

HansaWorld Enterprise (Accounts, Assets, Stock, Purchase and Sales Orders, Quotations, CRM, Calendar, E-mail, Production) UnilynX and HansaWorld consulting services

### Why HansaWorld Enterprise

- Ease of use
- Completeness of functionality
- Value for money
- Client/server technology allowing easy and fast access from local and remote locations
- Fully integrated production management system

### Implementation Highlights

- Smooth and trouble-free go-live
- Very good support from the supplier throughout the implementation process
- Achieved the project objectives



### System Replaced

Predator

### Technical Information

- Server hardware- Intel Server
- Client hardware- Entry level Desktop PC
- Server Operating System- Linux
- Client Operating System- Windows XP Pro and Windows 2000

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**Sonja Klopper, Director, Elcarbo Industrial Supplies**

### Elcarbo Industrial Supplies

Elcarbo has always been a family owned business, and was started in Johannesburg in 1991. Today Elcarbo also is represented in Cape Town, Durban and George with an overall staff complement of 54. Warehousing facilities span more than 2 000m<sup>2</sup>. Elcarbo supplies abrasives and engineering consumables to the stainless steel, general engineering, woodworking, maintenance and boat building industries.

Elcarbo had outgrown its existing systems, and needed to find solutions that offered improved management of stock and finance and in particular better management reporting. They chose HansaWorld Enterprise after an extensive critical examination of all Enterprise Resource Planning solutions on the market. Key reasons for the selection of HansaWorld Enterprise included:



- completeness of functionality - HansaWorld Enterprise addressed their key requirements
- evaluation of risk - Unilynx as a reseller deploying HansaWorld Enterprise software offered the highest probability of a successful implementation covering their key requirements
- value for money - HansaWorld Enterprise offered more functionality for a similar price to competitors.

According to Sonja Klopper, director and shareholder of Elcarbo Industrial Supplies, the company had identified a need for a system which would provide an online nominal ledger which would deliver month-end reconciliations and online inventory control. "Our business has a very large number of line items; close control of inventory is a key element in managing company performance," she says.

The previous system, in use for some time, had limitations in that the integrity of data was questionable, while reconciliations were a somewhat time-consuming manual process. "Additionally, the level of control afforded by this system was poor; management reporting was also lacking. This system also required mapping a drive, where client/server technology would provide for easy access from remote sites," says Klopper.

### Risk adverse, value-oriented

With her experience in project management and an acute awareness of the risks associated with migrating to a new ERP solution, Klopper explains that the company took a cautious and considered approach to identifying, selecting, procuring and deploying a new ERP system. "We went on a long exploration of the market, taking some two years. That involved checking out a lot of systems, simulation and examination of set up costs, evaluation of features and benefits, consideration of time and budget constraints for deployment," she says.

From among the many systems scrutinised, HansaWorld Enterprise stood out," says Klopper

"What appealed to us was the demonstrated ease of use, the fact that it is based on the client/server technology that we required, and the availability of an online ledger. What's more, HansaWorld also offers a production facility which extends the ability to manage more effectively right into our factory, an area which was previously largely driven by manual processes. And it fulfilled the all-important aspect of bringing better inventory management into the business," says Sonja.

### A premium on training, analysis of the system

Again taking a cautious approach to the configuration and deployment of the solution to minimize any adverse impact on its day-to-day operations, she says the company started by negotiating and paying for its licenses up-front. In line with sound project management principles, Klopper placed a high premium on the value of staff and management training. "We didn't want to hurry into the introduction of the solution. Rather, we took an approach that optimal value would result from ensuring that our users were comfortable with the software and with the business processes

and would understand how they fit into the broader context of the company operations," she explains.

Importantly – and addressing something frequently lacking in many software developments – Klopper adds that time was spent on fully examining the HansaWorld system. This would allow the company to fully identify features programmed into the software and apply them in its environment. The result is a better return on investment.

"Through the testing and examination of the system, we wrote our own training manuals which took into account the perspectives of the functions of specific personnel. Real data was used as well as real processes as they occur in the company, which provided for relevant training," Klopper says.

### A trouble-free go-live

The total time spent on configuring, implementing, training and preparing was almost a full year. However, the thoroughness of this approach made for a smooth and trouble-free go-live process. "We didn't want any hiccups or undue stress," confirms Klopper. "In addition, we had very good support from our deployment partner Unilynx which provided additional assurance throughout the project."

As a result of its choice of HansaWorld, Klopper says management control is by far improved. "We can monitor budgets better, curb excessive ordering of materials and limit inventory. Purchasing guidelines can be enforced and at any time, we can draw ad hoc reports from the online nominal ledger. Reconciliations are no longer a problem and at any stage we can check profit & loss and the cashbook is updated on a daily basis."

Beyond these advantages which Elcarbo specifically sought, Klopper says it is seeing further value from the features built into HansaWorld and which it took the time to investigate. "For example, we are using the CRM system which is having a positive impact on sales; every salesperson can see who is working on what. It is by far an improvement on our previous systems," she explains.

Klopper is unequivocal that HansaWorld has delivered as promised. "Would we do it again? Oh yes. Since deploying this system, I have had no hesitation in advising other companies of its value. No system is faultless; there are some frustrations, but we see any issues being addressed in the regular upgrades and we see HansaWorld people taking any queries or issues seriously and resolving them. That is as important to us as the day-to-day performance we get from our ERP system," she concludes.

