MSBCON BPR Project Case Studies

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integrating innovative ideas

mindShare

Case Study

Client Overview

Kasturi Housing is in the business of Real estate providing great living and quality homes / commercial buildings to its clients for more than 2 decades.

Kasturi has implemented SAP S4 HANA to bring transparency and system controls to win trust of both Inventors and End customer

Project Overview

- Carry our Business Process re-engineering in business areas Project engineering, Material Procurement and Customer relationship management
- SAP S4 HANA 1709 Implementation manufacturing plant at Aurangabad India with SAP S4 Simple Logistics (PS, SD, MM, QM) and Simple Finance.
- Project Duration: 9 months
- Project peak Team size: 8 Consultants
- Project Location: Clients Pune Office (Onsite) / MindShare ODC (Offsite)

Case Study

Kasturi
where paths meet

Business Process Re-engineering Areas

BPR Title : CEO Dashboard

Problem statement : Top management need to make 10-15 phone calls every morning to understand health check of the company. By the time info is consolidated good amount of time is lapsed, few other business priorities over shadow the inputs resulting in delay in informed business decisions

MindShare Solution : CEO Dashboard over mobile phone

- Sales Tile : Highlighting Lead → Inquiry → Site Visit → Actual Bookings. Dashboard provides monthly and Annual trends on planned vs. actual bookings.
- Collections Tile : Highlighting Customer collecting from Launch to date / Quarterly along with Customer aging and Forecast Summary
- Labor attendance : Site / category wise plan Vs. actual work force attendance
- Concrete Status : Plan Vs. Actual details on per cubic meter concrete poured at each site
- Cash Flow : Overall company cash flow providing details on Receivables / Payables and inflow of funds from Bank / Investors
- Land / Project Govt. approval : Status on asset wise Govt plan Vs. actual approval status

Business Benefits:

- Vital information is available on mobile phone. This helps the leadership team to take faster well informed fact driven business decisions
- Overall work efficiency has increased as all information is directly visible to higher ups
- Great saving in manual efforts of collating necessary information to be reported to top management. Authenticity and currency of information is assured.

Business Process Re-engineering Areas

BPR Title : Project completion on time on budget with high quality bar

Problem statement : Projects are delayed affecting companies image in Real estate market

MindShare Solution : SAP S4 HANA Driven solution as depicted below

- Project templates with accurate WBS → Network → Activity → Material / Labor
- Project systems integration with Sales to trigger Milestone billing
- Integration of MS Project with SAP
- Budget Management with necessary alerts on 80% and 100% budget utilization and controls
- Any activity delayed beyond 7 days is reported at various level to understand critical path and overall project impact
- Project system driven Purchase Requisition to avoid any unaccounted procurement
- Regular end user training to ensure project details are captured promptly in SAP
- KRA driven performance appraisal for Project engineers through SAP HCM

Business Benefits:

- Overall accountability and efficiency in engineering department has improved
- Budget management is strictly adhered thus controlling the overruns
- Management reports to understand current project situation on schedule and timelines
- Every single activity though mistakes are tracked in SAP, this helps management to analyze human errors and take corrective actions
- Great performers are rewarded setting trend for healthy work environment

Business Process Re-engineering Areas

BPR Title : Enhance Customer experience

Problem statement :
1. Lead leakages
2. Ineffective customer engagement -- Lead to booking cycle
3. Lack of accurate and timely inputs to Sales to enable customer follow ups etc
4. Change in Sales person results in loss on opportunity

MindShare Solution : SAP Driven application to help user

- Capture all leads with their sources
- Integration of SAP with Telephony caller (being implemented)
- Provision to allocate leads to Sales person
- Provision to change leads allocations to other sales employee in event of separations etc
- Regular emails / report on customer follow up
- Provision to enter complete communication with customer on day to day basis
- Escalation emails on delay / non follow up with customer

Business Benefits:

- CRM team can view Customer name while he / she is on call with customer…system provides inputs on overall communication thread with customer thus ensuring quick closures
- Sales team has info on which customer to follow up thus hit ratio has increased
- Overall customer satisfaction Index has gone up
- Leadership team has dashboard on Lead → Inquiry → Booking → Collections enabling quick decision on discounts etc

Client Overview

Fores Elastomech India Private Limited formerly knows as Varroc Elastomers Pvt. Ltd is a world-class automotive rubber and rubber to metal bonded components manufacturing company located at Aurangabad, Maharashtra, India. Varroc Elastomers was earlier part of Varroc Group a $ 600 Million group, specialized in manufacturing and marketing of world-class automotive component.

Project Overview

- Carry our Business Process re-engineering for production processes and inward supply chain
- SAP S4 HANA 1610 Implementation manufacturing plant at Aurangabad India with SAP S4 Simple Logistics (SD, MM, PP, QM and PM) and Simple Finance.
- Project Duration: 5 months
- Project peak Team size: 8 Consultants
- Project Location: Clients Factory @ Aurangabad (Onsite) / MindShare ODC (Offsite)

Business Process Re-engineering Areas

BPR Title : End to end product traceability throughout supply chain

Problem statement : For Automotive component manufacturing, usually customer leverage their strong quality norms resulting in suppliers accepting direct commercial debit notes on quality issues identified by Customer.
- It is herculean task to establish traceability through out the supply chain to pin point problem and take key learning's to avoid its re-occurrence
- Variation between material consumption in SAP Vs. actually consumed on Shop floor

MindShare Solution : QR Code (2D Bar code) at 3 main stages of production and integration of SAP with BASE shop floor automation system

- Level 1 : QR Code during Raw Material Receipt at Factory
- Level 2 : QR Code once Compound is produced
- Level 3 : Finished Product is confirmed
- RM material details (input file) to BASE shop floor automation system
- Production order confirmation in SAP at various stages of production cycle is based on Actual material consumption inputs provided by BASE shop floor automation system

Business Benefits:

- Complete product traceability throughout the supply chain. User can now track minute details on production shift / machine / Vendor / materials…with this in-house mistakes / errors are rectified and for external factors vendors can be penalized
- Material consumption is strictly on FIFO basis
- Based on any variation in material consumption appropriate rectification is done at BOM level in consultation with plant head
- Huge cost saving to the organization as QA related debit note has reduced by 56%

Business Process Re-engineering Areas

BPR Title : Retro Billing Functionality

Problem statement : For Automotive component manufacturing, usually customer leverage their strong bargaining power resulting in suppliers accepting revised price changes. This required Subsequent Debit/Credit notes to be issued by Finance Department for already billed invoices with retrospective date. The invoices were sometimes more than year-old. Similar correction as demanded by Customer is needed at Vendor's end

MindShare Solution : Custom Tool within SAP Suite is developed to help user

- Automatically select the invoices raised over the period of change in price
- Calculates the differential amount to be billed extra or to be given back to customer
- Automatically raises the Debit/Credit notes
- Calculates GST on it
- Customer Accounts are effected for the retro billing

Business Benefits:

- Accurate system driven supplementary Invoices thus avoiding human errors
- Accurate GST Calculations thus meeting compliance requirements
- Visibility on history of price changes along the product codes and suppliers across supply chain
- Saving in Manual efforts of 5 Man Days per month

Case Study

Business Process Re-engineering Areas
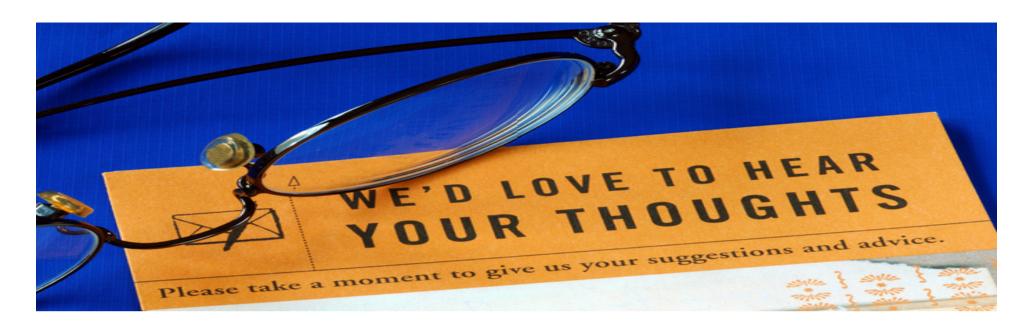
BPR Title : Mould / Tool Life monitoring

Problem statement : Moulds is a major capital cost with Fores. Every moulds has useful life in terms of number of jobs of specific product. Bajaj have rate agreement that once a tool reaches its threshold quantity price of FG supplied to Bajaj will be reduced by agreed %. Today at Bajaj this decision is purely taken based on Invoiced quantity rather than throughput of the mould.

MindShare Solution : Custom application within SAP Suite is developed to help user

- Hold Aquisition cost history for moulds
- Amortize the mould / tool cost with reference to the number of jobs manufactured
- Auto-Plan for Preventive maintenance of moulds based on engineering teams inputs
- Identify moulds with sub-normal utilization to help take corrective action
- Generate moulds report periodically showing Budgeted and Expired tool life. Original cost, Maintenance Cost, per unit tooling cost

Business Benefits:

- Since tooling cost is a major component in the product cost, the report developed comes handy to Fores Management in negotiating with Customers for price revision
- Visibility of any micro level cost associated with mould.
- Info on preventive maintenance of mould thus increasing life and overall ROI
- Traceability on actual throughput from every moulds. SAP does pricing accordingly thus reducing post factor debit notes and commercial adjustments

Feedback

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