

K3 gap analysis shows SIC how to boost profits

Electronic solutions manufacturer Swansea Industrial Components (SIC) Ltd converted to K3 Syspro's advanced enterprise resource planning solution, SYSPRO ERP, from its previous business software/manual system. To gain further efficiencies from its investment the company recently upgraded the software and called in K3 Syspro to perform a gap analysis for comparing the company's actual versus its potential SYSPRO use. Two years on and SIC is still experiencing the benefits of the gap analysis and has reported increased productivity and profitability from higher visibility of company data and therefore, reduced administration time.

SIC Ltd is a global leader in the manufacture of wiring harnesses, wiring looms, cable assemblies, sub assemblies, panel wiring and box builds to ISO 9001 (2008) standards. Prior to upgrading SYSPRO, the company wanted to confirm that it was already getting the best out of the existing version. K3 therefore performed a gap analysis to show SIC's management team those SYSPRO modules that were being used successfully and those modules that were not being exploited. The gap analysis provided a live document that identifies areas for improvement and this document is still being used by SIC today. Two years on from the initial gap analysis, the company is reporting increased productivity and profitability from the procedure.

"The gap analysis that K3 ran for us two years ago is still proving useful in making our business more efficient today. ERP is never static, it constantly changes and evolves and by identifying areas of the software we were not utilising fully, we have been able to save administration time and ultimately increase the profitability of our business. Even now, two years on, we still pick up the gap analysis report in our management meetings and continue to identify ways to further streamline the business through better use of SYSPRO," says Clive Smith, Financial Controller, SIC.

K3's extensive gap analysis service involves on site consultancy with a senior SYSPRO specialist. The consultant has an in-depth understanding of SYSPRO and the customer's market sector and is, able to provide an impartial viewpoint. The consultation period varies but in the case of SIC, it was completed in just a few days without becoming too invasive and taking people away from their everyday duties. The K3 consultant spent an hour with each department to identify how SYSPRO was being used to support the business model and where improvements could be made. The gap analysis covers the entire business from end to end and looks at the gaps in between, detailing everything in a comprehensive and easy to understand report, which can be referred back to year on year for continuous improvement.

One of the areas that the gap analysis identified that SIC could improve on was its use of SYSPRO reporting. By adding additional modules, SIC was able to take advantage of SYSPRO Reporting Services using Crystal Reports. This option enables SIC to generate and store all invoices, Bills of Materials, sales lists and financial documents in one place, eliminating mountains of paper documents and saving time spent on manual data analysis and administration. For a company certified to ISO:14001 environmental standards, paper reduction has been a significant benefit towards SIC's green pledge.

"We are very keen to reduce our carbon footprint so saving paper by processing all accounts information through SYSPRO is really beneficial to us. Of course, with the savings in paper usage and time comes financial savings. We save on postage for example, which stacks up throughout the year," says Clive Smith.

The gap analysis examined everywhere that SIC used the system and identified areas where the company could further automate particular processes to save time spent on administrative tasks and free up the workforce for more important tasks. It identified that SIC could benefit from having greater control over the input and output of sales data from SYSPRO by using K3's unique data processing solution DataSwitch.

DataSwitch is used to extract data from various files or databases and load it automatically into SYSPRO where the software can then extract the information for detailed reports and analysis. For SIC, DataSwitch processes all sales information into SYSPRO and provides management with a detailed report on existing orders and the company's capacity to fulfil further orders. This saves a significant amount of time analysing data manually and has been another area where SIC has boosted productivity through the gap analysis.

"DataSwitch has allowed us to produce regular management reports a lot quicker than we were previously and this improvement is due to gap analysis. DataSwitch makes all of our sales figures integrate fully with SYSPRO and our existing applications and means that we can reduce time spent on administrative duties. The time we would have spent on compiling management reports we can now spend on helping to drive the business forward," says Clive Smith.

SIC is due another SYSPRO upgrade but before that the company will once again refer to its gap analysis report to identify further ways it can get even more out of SYSPRO.

"The gap analysis has undoubtedly improved our performance and profitability and its legacy continues to bring value to us today. We refer to the report constantly as it helps us to continue to get the most out of our SYSPRO investment and keep up with the latest SYSPRO developments. Our customers also benefit from the gap analysis because it has helped us to identify many new ways of communicating with them and delivering a better service. We are definitely going to have another good look at the gap analysis report before we upgrade to the next version of SYSPRO as it will help us to determine exactly which modules and applications we need," says Clive Smith.

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About K3 Syspro

K3 Syspro employs 80 people at its Manchester head office and its branches throughout the UK and Ireland. The company offers solutions in enterprise resource planning (ERP), customer relationship management, advanced planning and scheduling, warehouse management, human resources and e-business. SYSPRO is used by some 14,500 sites in over 60 countries. K3 Syspro is a division of K3 Business Technology Group, a global leader in providing next-generation enterprise software for businesses in the retail, manufacturing and distribution sectors. With more than 3,000 customer installations in over 30 countries, K3 is recognised as a safe, innovative and reliable provider of world-class solutions, backed by world-class service.