

## IFS Applications™ streamlines inventory and logistics flows for European aluminum supplier



**Yawal System Sp. z o.o. is one of the largest suppliers of aluminum section systems in Poland, specializing in the design, sale and distribution of architectural section systems, together with the necessary accessories. Its services also include powder spray painting and specially shaped sections manufactured**

**to order. The company collaborates on a full-time basis with more than 300 domestic firms and 70 foreign companies. Apart from its sales in Poland, it sells its products throughout Central and Eastern Europe. ISO 9001 Quality Assurance System certified, Yawal, with 230 employees, has annual revenues of PLN 60 million. The firm is one of the top three suppliers of aluminum sections in Poland, with approximately 15% marketshare.**

### The challenge

While the company already had IT tools in place (CAD and PDM systems in the design divisions, for example) the firm's development, the increased variety of products and its expansion into other markets demanded a change of tools. In August 1998, the management decided that an integrated system was the key to continued success. Only a uniform data processing environment for the whole company

would lead to changes and improvements in customer services, control of receivables and increased efficiency in their collection, and a minimization of warehouse stocks. The cost of maintaining the legacy system and the need for conversions were increasing, while the system, which had to handle more than 29,000 indexes and over 500,000 transactions per month, operated increasingly slowly. It was also apparent that it lacked the tools to carry out market evaluations and assist in the commercial and investment decision-making process.

### The solution

When the previous supplier declared its inability to provide an integrated solution, Yawal hired a team of external analysts to get an impartial assessment of its requirements and to propose a solution. Robert Menderak, former implementations manager for Yawal, explains, "They focused first and foremost on a description and exact definition of our company's processes and based their choice of system on this analysis. As a result, we reappraised many of our internal procedures and fine-tuned our organizational structure. The quotation process gave us four likely vendors. After assessing their capabilities, we chose IFS Applications."

### Implementation

When implementing the new system, Yawal also had to simultaneously handle a number of issues, which included optimizing the use of its production capacity, outsourcing certain jobs, reorganizing the painting process, and optimizing work loads in the paint shop. The elaboration of suitable algorithms and comput-

erizing these processes was no easy task. A five-man team, made up of representatives of key divisions, ran the implementation. The team's task was to supervise progress and ensure that the implementation was on schedule. Additionally, members of Yawal's board of management participated in all decision-making meetings.

Robert Menderak comments, "Implementation got underway in July 1999, beginning with the modules supporting financials and distribution. The firm's Financial Director personally handled the finance area, supported by the company's external accountants. Implementation of the distribution module involved the active participation of employees from all the divisions: marketing, sales, warehouse and the supplies section."

### **Benefits**

The introduction of an integrated system has made it possible to consolidate economic data generated by the company's operations. This has enabled the firm to optimize its warehouse administration and logistics and to impose a better order on its sales and purchasing operations. Customer service and response time have been significantly shortened. The collection of receivables has improved, and Yawal can now significantly limit commercial transactions with unreliable customers.

Changes have also occurred in the way staff handle warehouse administration and logistics. We now know not only the quantity of components accumulated in the warehouse, but also their value. This permits the firm to optimize warehouse stocks. At present, an average of over 25 persons are using the system

simultaneously in their everyday work.

The company's management has already grown accustomed to the variety of reports generated by the system. Previously, many reports had to be specially created to meet company needs.

Yawal System's board of management has gained a tool that permits it to monitor the company's condition, its stock, the order book and its general financial condition on a routine basis, which is indispensable to the management process and enhances decision-making.

Robert Menderak concludes, "So far, we have implemented IFS Distribution™, IFS Financials™ and IFS Manufacturing™ software. Over the next two years, we hope to transfer to a newer version of IFS Applications that will provide even better support for our production model—make to order. We are also working on the problems connected with quality control. In addition, our company is constantly changing, reorganizing and developing, which generates new challenges to be met. Fortunately, we are not alone and can always count on IFS. We are very satisfied with our collaboration—we're more like partners than customer/supplier."

### **Software**

IFS Financials, IFS Distribution, IFS Manufacturing

### **Hardware**

Central server—dual processor Optimus server,  
Workstations—Optimus/Pentium computers,  
Database system—Oracle 8.05i,  
Operating system server—Windows NT 4.0 Server