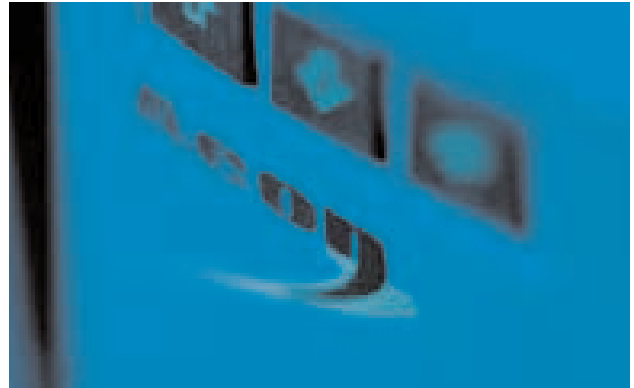


Leading supplier of power supply units streamlines business processes with IFS Applications

Eltek is one of the world's leading electronic equipment manufacturers, supplying telecom power solutions to large multinational and regional builders of telecom infrastructure. The product lines range from small power-supply units integrated into the solutions of other telecom equipment suppliers, to complex, turnkey energy systems supplying power to large telephone exchanges—all satisfying the particular and demanding requirements of sensitive telecommunications equipment. Eltek has subsidiaries and closely associated companies in 27 countries with more than 650 employees.



By implementing IFS Applications Eltek has obtained faster access to accurate data throughout its subsidiaries, resulting in enhanced efficiency in its manufacturing, distribution and engineering processes, critical areas for a company that owns the entire supply chain for its product offering, from research and development to manufacturing and sales.

The challenge

Eltek was faced with two challenges. There was a need to update some of its business applications to meet the challenges of the approaching turn of the millennium. Magnar Myrvold, applications manager at Eltek, explains, “We started by looking at our financials software in 1998 and then realized that we wanted to integrate all our business applications, at our Norwegian sites and worldwide.”

Expansion was the second challenge. Eltek has grown rapidly in recent years, adding new subsidiaries in the U.K. and the U.S.A. with revenue increasing fourfold since 1996. To cope with this growth, a single, integrated system was essential.

The solution

First, Eltek prepared a requirements specification, outlining the platform it preferred and specific criteria for the different business areas.

A number of business applications vendors were contacted, and a final shortlist of four suppliers was made. After a detailed study of the four solutions on offer, IFS was selected because it best fulfilled the specifications. Magnar Myrvold adds, “Another important element was the fact that IFS displayed an interest in collaborating with us as a partner, not merely in selling us a product.”

Implementation

To begin with, a pre-study was performed over a number of months to review the main business processes and solution design. Subsequently, the solution was implemented at Eltek sites in Norway, going live in 1999. A project manager was appointed, along with so-called super-users who were responsible for different business areas. Magnar Myrvold believes that in implementing business applications “it’s essential that those involved own the project and are focused throughout the implementation.

Subsequent rollouts at sites in the U.K. and the U.S.A. were done in half the time of the original implementation, with 150 users going live with a full range of modules in just four months at Eltek’s Chicago facility. Magnar Myrvold explains, “We learned a lot from the initial implementation and were able to create best practice models for use at the other sites, which saved an enormous amount of time.” In June 2001, the U.K. site was transferred to the same server as the Norwegian sites.

Today, Eltek has over 250 users working with IFS Applications worldwide.

Benefits

While each site benefited from the installation of modern, component-based business applications, the major gains were seen with the merger of the U.K. and Norwegian sites. Now users can see the same data in real time, which has eliminated the need for communication via e-mail and other means. This saves time and money. EDI functionality will soon be introduced, generating even greater efficiency.

Another timesaver is that fact that since all the information is available in the system, it now takes only 2-3 days to close the books each month—compared

with up to two weeks before IFS Applications was implemented. And the data available is consistent throughout the company.

User-friendliness is another benefit. Also, since the system is open, Eltek can design its own reports to retrieve the data it needs to measure and assess performance as a basis for operational and strategic decision-making.

Having an integrated system has also meant that collaboration concerning internal product development across the different subsidiaries has been easier. With R&D sites in Norway, the U.K. and the U.S.A., access to a common master database has resulted in better utilization of the product development, avoiding duplication of work.

Another feature of IFS Applications is its life cycle approach and industry-specific focus, supporting Eltek throughout the chain of processes from engineering and manufacturing to distribution and service management, including warranty handling. And IFS’ commitment to the industry ensures that Eltek, even in the future, will be able to move in step with the latest developments in the sector.

Software

IFS Financials™; IFS Distribution™; IFS Engineering™; IFS Manufacturing; IFS Human Resources™; IFS/Sales & Marketing™; StreamServe PrintServer