

## Office furniture manufacturer chooses IFS flexibility to support bespoke customer solutions

**Steelcase International has selected IFS Applications management software for its UK production facilities. The investment covers a Sun client server, the IFS software package and licenses for 100 concurrent users. IFS also provided consultancy during the initial stages of the project.**

Steelcase office furniture is marketed through a network of dealers, employing skilled workspace designers to interpret the customer's requirements. Virtually every detail can be customized down to seating specification, fabric coverings, wood finishes, desk key lock numbers, and workstation size and shape.

Behind this diversity is a modular design strategy aimed at reducing the number of different core components. This allows Steelcase to manage its production throughput more efficiently by directly focusing manufacturing to the customer order. In many cases orders are subject to revision, sometimes within 24 hours of delivery. As the plant order book is now being updated on an hourly basis—previously this was a once-a-day batch process—the risks associated with processing late order amendments have been reduced.



Operating from headquarters in Strasbourg, France, the international division of Steelcase has manufacturing units in twelve European countries. In the UK this includes two UK-based plants, and a distribution centre in Sittingbourne, Kent. The group's Margate plant, specializes in storage cabinets and desking, whilst the second plant in Worcester, produces boardroom tables, credenzas, and executive office suites, all of which are configure-to-order wood products.

### Problem

Through acquisitions, Steelcase has inherited a variety of production control information systems within its different plants.

The focus has now moved to the manufacturing systems, and the two UK plants were selected for upgrade as they had an urgent requirement to replace an in-house developed tool, which was highly specialized and had become too difficult to maintain.

“The configuration of customer orders is central to our sales proposition,” explains Steelcase project manager, Richard Jenkins. “We needed a replacement system and decided to look for an off-the-shelf solution that could fulfill this requirement.”

“Another requirement was to interface with the customer order processing system. Whilst we had an open mind about extending the involvement of the supplier of that system, we did prefer to keep to our Oracle standard.”

“This was also an opportunity to find a business partner capable of supporting continuing development within all of the countries in which we are operating now and in the future.”

### Solution

The implementation of the IFS system at the UK facilities will be used to set the standard for future manufacturing information systems. Standardization

had already started with the installation of a pan-European corporate sales order processing and logistics system.

“The new system offers a lot of richness which we can grow into as we see fit, whilst allowing us to pick and mix and not take on too much in our first step,” said Richard Jenkins.

IFS Connectivity provides integration with the existing sales order processing system. Other key components include Dynamic Order Processing and Configure to Order for flexibility. IFS Planning is used for capacity monitoring and scheduling at the work center level. These allow the company to manage a high level of amendments, even those which arise late in the manufacturing process.

All of the factory procurement, supplier invoice matching and inventory control are handled by the IFS software. Steelcase are also utilizing sub-contract and “Purchase Order Direct” standard functionality.

### Implementation

The implementation at Margate went live in June 2001 within six months of placing the order with IFS. The delivery of the first orders booked onto the IFS system occurred during January 2002, and by the end of February 2002, the migration was complete. A seamless transition was achieved simply by allowing the legacy system to wash itself out. Following this success, preparations are now underway to install it at the Worcester plant during 2002.

Richard Jenkins stressed how important it was in the live environment to get the data import “right-first-time”, saying, “Support provided by IFS UK, particularly during the mapping process, was essential and very much appreciated. And as far as we are concerned the IFS import utility tool has worked well with configurable bills of material and has proven itself.”



### Benefits

Whilst it is early days to report actual figures, one notable end-user benefit has been an improvement in the control of work-in-progress within the plant. This has been achieved by increasing the number of “gates” along the production process. Used in conjunction with capacity requirements planning (CRP) Steelcase has achieved a balance of production control and high flexibility demanded by their customers. Improved inventory management will also enable a reduction in stocking levels and improvements in stock turn.

“This will provide an important competitive advantage in an increasingly competitive market, especially where we have to commit to tight delivery schedules. Although currently we offer a four-week leadtime, our cycle time on the shop floor is four or five days and we have a long-term goal to reduce that. By using IFS we know that we can compress the lead-time in a controlled way,” concluded Richard Jenkins.