

## Swifter adaptability to new business environments as a result of installing IFS Applications™

**For Stalprodukt S.A. in Poland the installation of IFS Applications™ has allowed the company to achieve its main objective—improved management methods, resulting in speedier adaptation to changing market conditions. But even more tangible results have been seen. Employee commitment has risen, lead times have been shortened and network sales have been introduced. With IFS Applications™, Stalprodukt S.A. has been given the freedom to grow and change as the need arises.**



### The problem

Stalprodukt S.A., formed as a spin-off from the Sendzimir Steelworks, is one of the largest Polish producers of sheet metal and cold-formed sections, with a significant share of the Polish market. With a major part of company's revenue being generated by export, its international customers include ABB, Siemens, Toshiba and Mitsubishi.

Stalprodukt S.A. faced many of the challenges confronting new companies. Besides the most obvious challenges—constantly developing and improving its market position—the company was looking for the most efficient management methods, building its own distribution networks and working to establish itself as a listed company. Andrzej Dobosz, CIO at Stalprodukt, comments: “The necessity of implementing an information system to support the management in Stalprodukt S.A. was recognized many years ago, and in 1996 the Board of Management appointed a task force charged with comparing and assessing the functionality of three ERP systems.

### The solution

The selection criteria for the new system were rigorous. In addition to Polish and foreign references, an assessment of the system vendor by independent auditors was required. Moreover, the issues of system ownership and source codes had to be clarified. Another important consideration was the development vision of the vendor itself. Further important factors included the possibility of one-stop negotiations with the owner, supplier and integrator at the same time, the proposed implementation methodology, and the ability to modify without the need to purchase subsequent versions of the system. Finally, Stalprodukt also stipulated that additional modules should be available from the same vendor as the needs of the company grew. IFS fulfilled all these requirements.

### Implementation

The implementation project was initiated in April 1997, with start-up planned for the end of 1997. Using IFS methodology, the project objectives and the schedule were defined, and project teams responsible for work in different areas (distribution, manufacturing, finances) were appointed. The task groups were

charged with describing the new working procedures, defining the system parameters, designing the necessary modifications and training the end-users.

Input of live data was completed in January 1998. At the same time parallel operation of the old and the new systems began, with priority assigned to IFS Applications™. By the end of April the IFS Distribution™ system had taken over all significant corporate functions, and a gradual phase-out of the legacy systems was commenced. In addition, significant emphasis was placed on management training in the company, and now it can be said that IFS Distribution™ is in full operation, allowing total control over all processes related to distribution and finances.

The computerized affiliates of the company around Poland are connected on-line to the common database, with recorded inventory transactions currently exceeding 30 000 per month.

### Benefits

Andrzej Dobosz: “After implementing IFS Applications™ we have noticed an increase in employee commitment which resulted from the elimination of anonymity of actions. This in turn has led to a sense of full responsibility—every decision and its follow-up is logged by the system. The data are fed in once and become immediately available to authorized users. This has led to a decrease in the probability of errors in information propagation, while at the same time the system has taken over most of the time-consuming routine tasks.”

Delivery lead time was reduced significantly and new, network sales were introduced. The system guarantees full inventory control, monitoring of order processing and purchase management, while the routine

tasks such as invoicing and inventory record keeping are fully automated. Stalprodukt has expanded the system to provide the information needed for operational and tactical management of the company. The software and user interface used have harmonized positively, influencing the organization of work; moreover, document processing and distribution were put in order.

Piotr Janeczek, CEO of Stalprodukt S.A.: “Constant improvement of company management methods is one of our high-priority objectives. Speed of reaction and the ability to adapt to new business environments are the basis for success for a company operating in a market economy. To enable this, appropriate information systems are needed that allow swift access to up-to-date information about the operations of all areas of the company. Today, the fast and reliable information made available by using IFS Applications™ is a prerequisite for making right decisions at the right time.

Current plans include the implementation of IFS Manufacturing™ and IFS Maintenance™, with an upgrade due in 1999 of the new version of the application operating in a Windows graphical environment.

### Software

IFS Distribution™, IFS Financials™,  
IFS Manufacturing™, IFS Maintenance™

### Hardware

2 AIX servers  
3 NetWare servers  
1 Windows NY server  
1 Internet server  
300 work stations