

Enterprise-wide implementation of IFS Applications™ provides leading Swedish subcontractor's coordination gains

The Nolato Group, with operations in Sweden, Eastern Europe, and the US, supplies plastic and rubber products to customers in mobile phones and other telecommunications, the automotive industry, medical technology, and other industrial sectors. Thanks to a multi-site implementation of IFS Applications™, group employees have greater freedom to act, information is more readily available, and coordination within the group has been greatly enhanced.

The problem

During the 90s, Nolato split up its organization into object-oriented groups, giving each group more responsibility for production and customer contacts. As the system in operation at the time had become outmoded, the group needed more modern IT support for its operations. The solution of choice would have to be both open and Year 2000 compliant. Agility, the ability to change and adapt easily as conditions change, was a key requirement. Nolato, with annual

revenue of over US\$ 200 million, was planning for further growth and development, and whatever ERP system was chosen would have to support and enable this.

The solution

Based on an evaluation of the system and the system supplier, and experiences of the initial implementations at two subsidiaries, Nolato decided to install IFS Applications™ at more of its sites to enable an enterprise-wide ERP solution. The various modules of IFS Applications™ were installed at the different Nolato sites at an average of 6 months per site over a period of 17 months. Strong, dedicated teams on both sides contributed to making the implementation relatively pain-free.

Benefits

Users greatly appreciate the ease with which the system can be used, with reports and other information readily available to all who require them. The use of EDI has become widespread in Nolato, which has also experienced enhanced traceability throughout all its processes. With IFS Applications™, Nolato will benefit from increased coordination and simplified administration. The flexibility of IFS Applications™ also enables Nolato to handle revisions to customer orders with greater ease across the entire enterprise. Planning can be done daily now, as opposed to the weekly planning enabled by the old system. And thanks to IFS Applications™, MRP can be run several times daily at any time of the day. Finally, as Nolato is intent on international expansion, the global presence of IFS gives an added sense of security. As Ove Hansson, IT director for the Nolato group, states: "After three years with IFS, we are certain we have made the right choice."



Plastic components specialist uses IFS Applications™ to meet and exceed future demands

Nolato Plasttechnik, part of the Nolato group, develops and manufactures specialized injection-molded plastic components for industry. The company participates in customer product development at an early stage and provides 24-hour, 7-day-a-week production. Plasttechnik was one of the first companies in the Nolato group to choose IFS Applications™, and the success of its implementation paved the way for multi-site implementation in the Nolato group.

The problem

Some time after the company had reorganized the structure and areas of responsibility of its work teams, Plasttechnik realized it needed better IT support if the reorganization were to bear fruit. Chief financial officer at Plasttechnik, Anders Lyrheden explains: “We introduced a new system for the order process and delegated order handling, giving the individual teams much more responsibility for orders and closer customer contact. Our old system couldn’t support this.” The company needed an open, flexible system that would cope with these changes and enable internal and external demands to be met and exceeded.

The solution

After examining a number of alternatives, IFS was chosen, primarily because of its modern technology and openness. Ove Hansson, IT director for the Nolato group, comments: “By implementing IFS Applications™, we had made our technology shift and were ready for the new millennium and new demands well in advance.”

Implementation

Six months after implementation began, the system was up and running with solutions for financials, distribution, and manufacturing in October 1997. This was due to a number of factors. Anders Lyrheden again: “Both teams, ours and IFS’, were well prepared. Just as we believe in close relationships with our customers, IFS built a strong relationship with us. This enabled us to have very frank discussions and iron out problems as they arose. We learned a methodology and an approach that was very beneficial when we implemented IFS Applications™ at other companies in the group.” Nolato required the same high standards from IFS as it expects of itself. IFS met these demands. In 1998, modules for time and attendance, and payroll were implemented in just three months, again due mainly to the quality of the project managers.

Benefits

By opting for IFS Applications™, Nolato could continue its reorganization plans in the knowledge that the ERP system would expand and grow at the same pace as the company. Not only was it possible to maintain operational levels with fewer administrative staff, there is also room for further growth without having to increase administration. Users quickly saw the benefits of the system when they started to use it. One user said it was “like a Rolls Royce compared to the old way of doing things.” Employees have gained a better understanding of who the customer is and have become more involved in the customer relationship process.