



Component-based service management solution frees US machine tools supplier to develop and grow

Based in Charlotte, N.C., USA, J & H Machine Tools, Inc. is a value-added distributor of machine tools. The company, founded in 1979, sells to customers ranging in size from small job shops to major corporations such as Saturn, Porter Cable, and hydro-electric plants. With a staff of 75 generating annual sales of up to US\$ 50 million, J & H Machine Tools, Inc. also offers its customers engineering, installation and turnkey service. The implementation of IFS solutions for service management and project delivery has given the company an entirely new perspective on its organization, providing its service organization with accurate real time information for the first time and enabling projects to be managed with greater efficiency. With component-based IFS Applications™, J & H Machine Tools, Inc. also knows that as it expands and new needs arise, it simply adds on the modules it requires to support this growth without disrupting operations.

The Problem

Price is no longer the main factor in gaining a competitive edge. Instead, meeting customer demands is increasingly becoming the key selling point. As J & H Machine Tools, Inc. expanded in the late 90s, it had difficulties identifying sources of profit and cost involved in providing customers with the service they required. The company had no system in place to allow it to quantify costs, for example. Moreover, there was no service management system, and all reporting was done manually. On top of this, information exchange within the organization was suboptimal.

The solution

J & H Machine Tools, Inc. hired a consultant to make a needs analysis. Based on this, the company identified three suitable vendors. The final choice fell to IFS for a number of reasons. Cindy Gossett, MIS manager at J & H Machine Tools, Inc. explains: “We were impressed not only by the technical features – the demo, etc, – but also by the enthusiasm and honesty of the IFS people we met.” Another positive aspect was the fact that IFS entered into the relationship as a partner, an equal, which greatly facilitated open communication. IFS also made sound economic sense, as the component architecture of IFS Applications™ meant that the company did not have to buy functionality it did not need. Additional bolt-on modules could be added as required. Finally, J & H Machine Tools, Inc. found the product organization methodology very impressive.

Implementation

Only six months after signing the deal, J & H Machine Tools, Inc. went live with solutions for service management, financials, project, and distribution. In addition, IFS/Sales Configurator™ was installed. Cindy Gossett again: “We learned a lot from the IFS implementation methodology about documentation, time lines, scope of work, etc. We plan to integrate what we have learned into the way we organize our own company.” The project team at J & H Machine Tools, Inc. were also impressed by the training program and the strong scheduling, which enabled IFS to deliver what they had promised on time.

Benefits

One of the first benefits accruing from the system was an increased understanding among staff of the company and the roles of colleagues. Everyone wanted to increase communication. IFS/Project™ will be a major contributor to the way the company works. Cindy Gossett comments: “We have actually learned from IFS that we are project oriented. We have changed our attitude to the way we see ourselves and the work we do. Now we have a tool that enables us to improve the structure of our operations.” The service organization will also benefit. Previously, there were no tools available to identify faults or fault frequency. Now the information will be readily available in real time to all who need to access it. In the future, when service technicians go on-line, they will be able to report in from the field directly using various forms of mobile communications. With the IFS solution, operations have become more flexible; invoicing, for example, can be done more frequently

to match the needs or preferences of customers. IFS/Sales Configurator™ will also save the company time and money since it turns sales orders directly into work orders, thereby eliminating manual reentry of sales data. As sales representatives have the latest data on their laptop computers, customers can configure a product to their requirements and be assured that what they see on the screen is what they get. Another advantage of the sales configurator is that delivery dates are more accurate. Building customer relationships, meeting customers more than halfway is what characterizes J & H Machine Tools, Inc. In IFS, with its fully integrated front office solution, they have found a partner to help them realize that philosophy now and in the future.

Software

IFS Applications for Service Management™, IFS Distribution™, IFS Financials™, IFS/Project™, IFS/Sales Configurator™

