



EXEL
COMPUTER SYSTEMS

Case Study



Facts at a glance

Customer Profile

Founded in 1876 the Laidlaw Interiors Group, comprising 9 companies generates sales of £130m, employing around 1,500 people in 35 locations worldwide.

The Challenge

Production is conducted via multiple manufacturing and assembly cells creating the challenge of ensuring that all the right components and sub-assemblies are in the right place at the right time.

The Benefits

A key benefit is the marked increase in visibility. "At last people could actually see what was going on, and where, and could trust the information they were shown." This has been accompanied by a general moving away from a culture of paper and workarounds.

The Future

From a group perspective, the team are already drawing up plans to roll out EFACS E/8 and based on their experience at Komfort, they are confident this will be done with minimal disruption.



Laidlaw Interiors Group

Laidlaw builds for the future with EFACS E/8



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From humble beginnings in 1876 as Laidlaw & Thomson, the Laidlaw Interiors Group today generates sales of £130m and employs around 1,500 people in 35 locations across the UK and overseas. The group comprises 9 companies that each specialise in aspects of the manufacture, source and supply of commercial building interiors, with customers able to buy anything from individual components directly from trade counters up to fully designed and fitted interior solutions for entire buildings. At the heart of the group's continued drive to improve efficiency as well as customer service is the on-going rollout of the EFACS E/8 Enterprise Resource Planning (ERP) system from UK based Exel Computer Systems plc.



Leading the way in the group is Komfort, a £45m turnover company headquartered in Horsham, West Sussex, with 400 people working across 6 sites, 3 of which are dedicated manufacturing facilities. The company is the UK's market leader in the design and manufacture of commercial glazed and solid partitioning; laminate, timber and veneered doors; movable walls and storage walls. While 'only' having a range of 13 partitioning systems, this comprises over 12,000 individual part numbers with orders ranging from a few pounds for individual components through

to millions for entire solutions. 70% of the 300 daily orders are Make to Order (MTO) with the remainder being 'off the shelf'. Lead times vary from same day through to 3 days when bespoke and these can be supplied from one of three distribution depots. The company also has to deal with a significant level of inter-group orders.

To meet this need, Komfort currently buys in 70% of all components with the remaining 30% being manufactured at its manufacturing sites based in Birmingham and Leeds. The company's primary raw material is metal but it also manufactures in timber and glass via a range of dedicated plant resources. Production is conducted via multiple manufacturing and assembly cells and involves a high degree of sub-assembly with up to 200 orders happening at any one time. It's no wonder that Ian Govier, Head of IT & Business Systems describes the company's main challenge as "ensuring that all the right components and sub-assemblies are in the right place at the right time."

This is far from the only challenge Komfort faces, as he explains. "To begin with, our customer lead times are so short we have to balance optimum buffer stock levels with an accurate daily production plan. Our supplier lead times are longer than our customer lead times so we are reliant on accurate forecasting as well as the need to obtain maximum yields from our raw materials." He continues, "We also have a very real need to know exactly what is happening on the shop floor as it's happening, especially when we are dealing with company to company orders which need to be accurately traced throughout the group." In addition to this the company also has a challenge to ensure consistent quality and accuracy of information to the shop floor, especially when handling bespoke orders. "One of the limitations of our previous system was that customer orders communicated to the shop floor included a long text-based order description. Not only was this very time consuming, it lacked any systemic way of entering information and was also prone to misinterpretation as different people describe things in different ways."

The system referred to previously, included a configuration package as well as a very old, green screen ERP system which had no real manufacturing capabilities. It's no surprise that the company relied on a comprehensive collection of manual/spreadsheet-based workarounds to keep the business going. Govier sums up the key problems this generated for the company. "Not only did we have a large amount of

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double entry data issues due to the non-relational nature of the previous ERP database structure, the systems as a whole had a lack of communication between themselves as well as with any other system outside the company. We also had real problems with visibility of our actual capacity usage, order status, stock awaiting delivery as well as any incoming stock.” This was especially problematic when dealing with inter-company orders, as goods would have to be technically bought and sold in each separate company system database on a batch basis, which meant that it was never possible to know where a product was at any time with any degree of certainty.



This alone would provide a compelling reason to investigate a more efficient and effective business management system, but Komfort faced an even more pressing scenario. A condition of the company’s recent acquisition by the Laidlaw group was that it only had a 12 month period of grace during which it could continue to use its existing ERP system. As Govier

explains, in real terms this was much less “By the time all the paperwork and legal details had been taken care of, we were faced with the prospect of having to source and implement a replacement ERP system in only 6 months. Even with a 3 month extension this left a huge amount of work to do, to be able to go live in 9 months.”

Arguably one of the main timesaving points was that it had already been decided to implement EFACS E/8 from Exel as this had been identified as the best ERP solution, not just for Komfort but for the entire group. At the heart of this decision was the fact that EFACS has a hierarchical framework structure ideal for individual companies working within a combined group. EFACS also provides a built-in workflow facility that enables companies to automatically interact with each other while the powerful customisation facilities make it possible for the same solution to be tailored to the specific needs of each company. “Irrespective of what the user sees, everything across the entire group will ultimately be driven by EFACS E/8 in the backend” remarked Govier. “Flexibility is key for us and this type of implementation couldn’t be accomplished with your typical ERP package.”

Despite initial internal debate about whether it was an IT or a business implementation, Govier very much worked on the basis that the implementation needed to be seen from a business perspective. To help others within the company/group see this, he worked with Paul Wheatcroft, Laidlaw Business Systems Manager to put together a project team comprising key personnel from different elements of the company who would become project evangelists. Wheatcroft and Govier used the mantra of “systems – people – process – data” to map out the implementation strategy, as Govier explains. “Re systems, we knew we were using EFACS E/8 in addition to several other bespoke systems. Re people, we knew that we had to start with who we had, at the place they were at. Our existing processes were defined by people and their workarounds resulting from the lack of flexibility of the existing system. And data, we couldn’t get at most of it and what we could get was very difficult to understand.”

Govier, Wheatcroft and the ‘Proteus’ team began by revisiting the legacy data concerning the company’s 12,000 parts and 1.3m BoM instructions with a view to updating them and making them consistent internally. They also revisited every business process with the relevant team members to work out how each could best be translated into EFACS E/8 and/or modified in

the light of the much more comprehensive functionality within EFACS E/8. During the latter stages of the implementation Komfort was running EFACS E/8 in parallel with its existing systems regarding the addition of new parts/customers which meant continually having to update EFACS E/8 with all the new transaction data being generated by the company as part of its natural daily business.

This happened all the way to go-live on October 1st 2012, which coincided with the new financial year. Govier is candid about the first week. "It's one thing to use a system in a test environment and another to suddenly have to use it for real, and as the only system. Consequently in the first few days there was the need for a great deal of handholding. However, by the second week people were starting to make positive comments about EFACS E/8." The first area where real change was noticed was in the marked reduction of double data entry. The scale of this will not be quantifiable until the system has been in use for a longer period of time but according to Wheatcroft, "Now anyone can have access to accurate, real-time information in EFACS E/8 in a few seconds. Previously the only time the data was completely accurate was immediately after the overnight update, with the data becoming less accurate and taking more time to access as the day progressed."

Another key benefit already experienced is the marked increase in visibility. Govier again, "At last people could actually see what was going on, and where, and could trust the information they were shown." This has been accompanied by a general moving away from a culture of paper and workarounds. One example of this is that for the first time ever, people now have access to real-time manufacturing 'work-to' lists whereas previously they had to rely on a manually updated whiteboard. Inter-company business is also handled much more efficiently by virtue of automated data transfer between companies which means that Komfort has full traceability of what product is where within the group.

Looking at the company from the perspective of 'systems – people – processes – data' there are early benefits in every one, with much more anticipated in each. As a system, EFACS E/8 is now fully implemented and interacting seamlessly with the bespoke configurator as well other group-wide company systems. People are increasingly using EFACS E/8 more effectively and have benefited from it being tailored very specifically for their own work purposes. Processes have not had to be compromised in order to fit around the system – instead they have

been able to be refined and improved upon because of EFACS E/8. And when it comes to data, Govier simply says, "All present and correct."

It's still early days for Komfort but the company anticipates an evolving series of benefits to come online as the full power of the system comes into use. From a group perspective, Govier and Wheatcroft are already drawing up implementation plans to roll out EFACS E/8 and based on their experience at Komfort, they are confident this will be done with minimal disruption. For Govier the primary benefit has been the ability to, "hand back the business system to the business and for it to be recognised as a business system, NOT an IT project." Wheatcroft agrees adding, "The data analysis potential and the sheer flexibility of EFACS E/8 across individual companies and then the group is huge. Everyone within the business stands to benefit."



For Further Information:

Exel Computer Systems plc
Bothe Hall
Sawley
Long Eaton
Nottingham
NG10 3XL

Web: www.exel.co.uk
Tel: +44 (0)115 946 0101
Email: sales@exel.co.uk