

SAP Customer Success Story ECS Computers (Asia) Pte Ltd



"...We were thorough in researching what new ERP system best suited us. SAP Business One had the benefit of a significant reputation. We were further comforted by Inecom, their professionalism and their ability to deliver a solution that met our needs..."

– Chan Swee Lim, Information Systems (IS) Director

ECS Computers (Asia) Pte Ltd

ECS is a leading Information and Communications Technology (ICT) products and services provider; established in 1985 and listed on the SGX Main board in 2001.

With three main businesses, namely Enterprise Systems, IT Services and Distribution, ECS has a network of more than 21,000 active channel partners across China, Thailand, Malaysia, Singapore, Indonesia and the Philippines. ECS is a regional partner of choice in the ICT market.

Motives for Change

ECS decided to review their then current ERP system; Sage Line 500. As part of a business strategy, SAGE was withdrawing support for the SAGE Line 500 product for Asia Pacific and consequently ECS were being left without proper support or product development.

ECS was also implementing a 10 year plan that included the consolidation of processes following aggressive expansion in previous years. Departments and procedures were strained and inefficient. Period-end reconciliation took over 9 days and many processes were conducted manually using Excel. This increased the prospect of human error and moving forward would have compounded the problem and constrained any business growth.

"...We were concerned about the lack of support and product development being provided by our then software vendor..."

Evaluation

ECS is a public listed company and therefore was required to conduct a thorough evaluation process. Other than SAP Business One, ECS reviewed Oracle, Microsoft Navision and a customised system. There were a number of key reasons that SAP Business One was the selected software:

- SAP Business One has a clear roadmap of promised functionality to be delivered over several years.
- ECS had a number of unique business requirements. SAP Business One's modern design and architecture made it easier to customise to meet those requirements than other software.
- SAP Business One's architecture meant a tighter and seamless integration with ECS's logistics partners 3rd party system, providing a real time data exchange.
- SAP Business One's cost was reasonable and within budget.

"...We selected SAP Business One in part because of the track record of Inecom. We felt comfortable that they understood our requirements and our business model..."

AT A GLANCE



Industry

Computer products and peripherals

Key Challenges

- Inventory control
- Customer delivery dates
- Customer satisfaction
- Consolidation of accounts

Project Objectives

- Reduction in inventory levels
- Improved customer service
- Better management reporting
- Reduce manpower

Solutions & Services

- SAP Business One®
- Inecom reporting package, gross profit and credit module, barcode interface and customised workflow to handle 3PL



AT A GLANCE



Why an SAP Solution?

- **Flexible and user-friendly**
- **Easily customised**
- **Scalable**

Key Business Benefits

- **Delivery time reduced and more accurate**
- **Real time visibility in sales performance**
- **Reduction in man days required for financial period end and reconciliation**
- **Improved supply chain efficiency**

Implementation Partner

- **Inecom Business Solutions (Singapore)**

Previous Environment

- **SAGE Line 500**

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Implementation

During implementation, there was a significant business process changes carried out. Customisation was undertaken by Inecom to allow a pick list confirmation document to be automatically sent to the 3rd party software of ECS's logistics vendor. This replaced the previous more complicated system, where additional steps and manpower were required before confirmation of an order was sent to be processed.

"... A simple innovation had significant effect on both cost saving and efficiency.."

There were also alert and approval controls set up to notify designated individuals at ECS. An example of this was that an alert is sent to ECS when an invoice had not been sent by the 3rd party vendor the same day as the delivery. A further example is that an approval process was created to ensure sales staff required managerial approval for any sales with less than a 3% Gross Profit margin.

Due to the ability of ECS to commit internal resources, the SAP Business One implementation project took just 3 months and was delivered on time and on budget.

Results

Since the go-live of SAP Business One, there have been substantial benefits delivered to ECS by the system. These includes:

- The delivery time from sales order to delivery has been improved due to increased efficiency.
- Real time visibility in sales ensuring speedier responses to client requests.
- Fewer late deliveries and greater accuracy with delivery times.
- Reduction at period end for financial reconciliation from 9 to 3 man days.
- Reduction in manpower due to improved logistics efficiency.

Additional Deployments

After the successful implementation of ECS Singapore, ECS deployed SAP Business One into its Indonesian Subsidiary with over 150 users. This was part of the group direction to standardize the ERP platform across its multiple overseas operations. The group prototype, first developed during the initial Singapore implementation, was implemented into ECS Indonesia and adjusted for operational and taxation differences. The prototype included all the customisations and unique configurations that had made the Singapore solution so successful. This also included the Inecom reporting package that resolved the reporting limitations ECS Indonesia was previously experiencing.

Once more the project was expertly handled by the Inecom project team and delivered to ECS Indonesia within 3 months of the project kick-off date. ECS is certain that the SAP Business One solution will provide many ongoing benefits and they have already achieved a return on their investment.