

SAP Customer Success Story Wen Ken Marketing Pte Ltd

AT A GLANCE



Industry

Distribution of pharmaceutical and beverage products

Key Challenges

- Multiple entities trading together that require multiple data entries to record the transactions
- Delayed financial statements & long month end closing periods
- Inaccurate financial reports

Project Objectives

- Achieve organised and transparent data
- Speed up reporting and reconciliation processes
- Improve employee productivity

Solutions & Services

- SAP Business One®
- SAP B1IF
- Inecom Extended Module; Reporting Package



"There have been a number of benefits since implementing SAP, from the intangibles such as improved employee morale, to the tangibles which include better AR collection times and improved inventory turnover."

– Fu Shou Jeen, Finance Director

Wen Ken Marketing Pte Ltd

Founded in 1937, Wen Ken is now in the hands of its 3rd Generation of owners and employs over 1000 staff. For 76 years, they have manufactured and distributed Traditional Chinese Medicine (TCM), Over-The-Counter (OTC) products and Health Supplements. Some of its better known brands include the Three Leg and Rhino cooling water.



Motives for Change

Wen Ken had become victims of their own success, having started and successfully built up a number of entities through the years. They found each entity was operating on different accounting systems. There was no consolidated picture of the company's financial position. The systems themselves also had a number of limitations;

"Often data was only updated at the end of the month, so we didn't have a clear picture of our company's performance until after month end closing. Another problem was that month end closing was taking almost 3 weeks!!"

Evaluation

With these issues in mind Wen Ken invited 3 different software products to their offices to decide which software was best suited to them. While each software had its strengths, there were 4 key reasons why SAP Business One was chosen:

- The brand and quality assurance that SAP Provides.
- The Business One product, the users felt it was more user-friendly and had more applicable functionality.
- Inecom's experience and competence in their industry.
- And of course price, SAP Business One was price competitive against other mid-range ERP software.

AT A GLANCE



Why an SAP Solution?

- **User friendly**
- **Easily customised**
- **Reliable world class solution**

Key Business Benefits

- **Reduction in man days required for financial reporting and reconciliation**
- **Accurate informative reports providing up-to-date business information**
- **Increased employees' productivity**
- **Automated intercompany transactions**

Implementation Partner

- **Inecom Business Solutions (Singapore)**

Previous Environment

- **Various accounting systems**

Inecom Singapore

+65 6225 9255

Inecom India

+91 20 6644 3513

Inecom UAE

+ 9714 3699057

Inecom Australia

1800 155 999

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www.inecomworld.com
enquiries@inecomworld.com

"We all know that SAP is an established brand which more or less guarantees a certain level of quality. It also provided us confidence about the survivability of the product and on-going support."

Implementation

Upon confirmation of the order, Wen Ken set about the formation of project team responsible for the implementation of SAP Business One. Inecom operates a defined implementation methodology that is accredited by SAP in its Active Quality Management (AQM) scheme. This meant the project schedule; roles and processes were clearly defined and communicated from the start and throughout the project.

"The most difficult part was the user-acceptance testing, we discovered at that stage that we needed to make some process changes. Luckily the consultants were able to advise us on that."

The Inecom project team included a lead applications consultant, a technical consultant and a project manager to ensure the implementation was a success.

"The whole process was quite smooth, we implemented the system within our time frame."

Results

Wen Ken saw immediate post implementation benefits, the first benefit they saw was the ease at which they could generate accurate reports that reflected the actual position of the company, a consequence of SAP Business One being a real time integrated system. There were other benefits as well.

"The intangible benefits included better staff morale. Staff had less data entry. This was due to a number of reasons, but partly because of a feature called B1IF. This feature of SAP's integrated our subsidiaries allowing for intercompany trading to be automated. Transactions flowed through the entities, without staff having to enter the transactions multiple times."

Along with intangible benefits, there were the tangible benefits as well.

"We managed to highlight from reports, the outstanding AR's and consequently improve cash collection. We also improved our inventory turnover, meaning we had some cost savings and less capital tied up in stock."

Support

Inecom continues to be a service provider to its customers beyond the initial implementation, providing both front line helpdesk support and a number of value-added services such as free online trainings;

"We had some problems at the start in terms of getting used to calling a 3rd party for the 1st time instead of our in-house team, but now we have gotten used to the process, things are running smoothly and the response time from Inecom is very good."

Wen Ken has a number of plans for the future, including the implementation of SAP Business One to its manufacturing plant in Malaysia. There may also be scope for enhancements to the current Business One setup in Singapore, an idea they are keen to explore due to the large financial incentives offered by IRAS under the Productivity and Innovation Credit Scheme (PIC).