

CASE STUDY

NAVERTICA

A BETTER BOTTOM LINE

Konica Minolta

Case study

Continuing globalization has resulted in changes to the business management models of international companies operating across multiple countries, and especially to multinational companies operating worldwide. The management of such organizations in a rapidly changing world requires adequate support of information and control systems.

Such support is difficult to provide on a multinational level using non-homogeneous information systems consisting of local subsystems which, differ from a technical and organizational point of view. The inflexibility of this approach is in sharp contradiction to the global requirements of flexible reaction to market situations, rapid changes of process and low-cost operation. The Japanese company, Konica Minolta – a leading manufacturer and supplier of advanced office automation solutions had this in mind when selected Microsoft Dynamics NAV as a unified system platform for its European subsidiaries.

Customer Profile

Konica Minolta is represented in 64 countries worldwide. It employs 35,600 employees in total and its products and services can be found at 14,000 sales and service locations. KM is headquartered in Tokyo, with European headquarters based in Langenhagen, Germany and with US operations based in Ramsey, New York.

In the Czech Republic, for example, Konica Minolta holds a 43.8% market share in the sale of color multifunctional devices and a leading 23.8% market share in the sale of black and white multifunctional devices. Konica Minolta holds a similar position in other European countries.



KONICA MINOLTA



The main goals of the project

To develop a uniform system

- Unified Processes
- Unified system for all countries
- Singular system version on one platform

Decrease of TCO (Total Costs of Ownership)

- Each subsidiary has an effective and reliable corporate system
- The total cost of implementation, maintenance and upgrades are minimized
- Reduced cost of IT departments staff

The selection of a solution based on Microsoft Dynamics NAV

In 2000, the management of Minolta Europe (Vienna Office) responsible for the development of companies in the countries of Central and Eastern Europe selected Microsoft Dynamics NAV as the foundation upon which to build a uniform ERP system platform. This ERP system was to replace obsolete local systems used in individual subsidiaries after its roll-out.

The new uniform solution provides better process coverage both within the company and externally to customers.

Business objectives

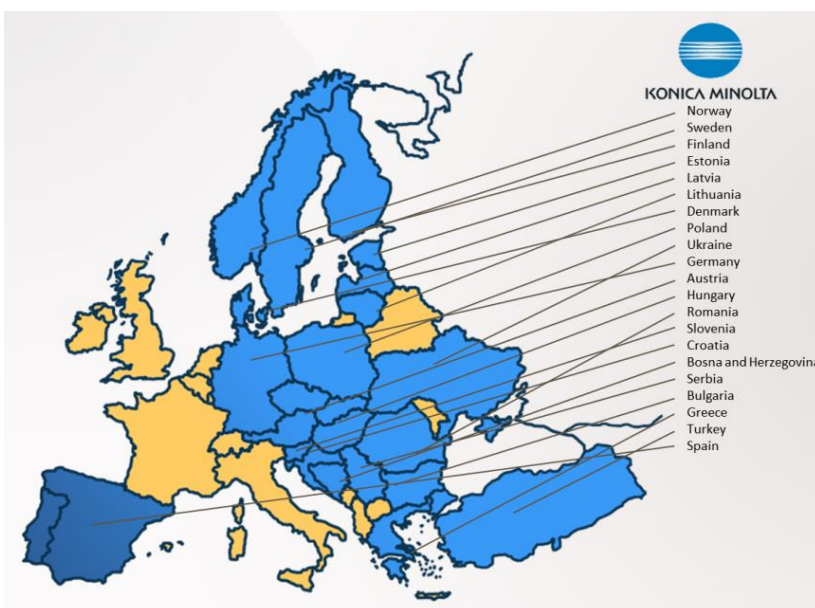
The European headquarters of Konica Minolta Business Solutions (KMBS) determined the following principal objectives for the NUS project (Navision Uniform Solution) based on Microsoft Dynamics NAV platform:

- Significant decrease of TCO – Total Cost of Ownership (by a minimum of 30%)
- Standardized support for typical business processes regardless of the country of implementation and resulting synergic effects
- Cancellation of local monopolies of both preferred users and employees of IT departments, and also local partners – suppliers of localized solutions
- Obtaining one solution for common process challenges, as for example SCM (Supply Chain Management) among central European warehouses, warehouses in individual countries etc.

Development of ERP system and a subsequent way to a Europe-wide solution

NAVERTICA a.s. was chosen as the primary supplier of the project. In 2003–2004 the NUS solution was developed and implemented in Eastern Europe, specifically in Poland, Hungary, Romania, Slovenia, Croatia, Lithuania, Latvia and Estonia and in 2004 in the Czech Republic.

Konica Minolta European headquarters in Germany subsequently decided to introduce a uniform system of Microsoft Dynamics NAV for the whole of Europe (The only exceptions are Germany, France, Great Britain and Belgium, where SAP is used as the uniform ERP system). Following this decision, Konica Minolta established a so-called Competence center, with a capacity of over 40 employees. The main activities in relation to the ERP system were implementation and maintenance (1st level) in individual subsidiaries in cooperation with the general supplier, NAVERTICA a.s. The supplier ensured foremost the development, support and maintenance (2nd level).



The NUS project progressed to the next stage, where, in addition to the extension of the solution to other European countries, the development and gradual upgrade of the system was rolled-out to existing subsidiaries.

The project was realized in Poland, Hungary, Slovenia, Croatia, Romania, Lithuania, Czech Republic, Norway, Sweden, Finland, Ukraine, Latvia, Estonia, Denmark, Hungary, Serbia, Bulgaria, Spain, Portugal, Turkey, Slovak, Austria, Greece, Bosnia and Herzegovina, each country was given legislative localization.

The main benefit of NAVERTICA is to fulfill one of the stated objectives – unify Konica Minolta’s business processes in all subsidiaries in each country, thanks to the development and implementation of a unified ERP system based on Microsoft Dynamics NAV.

The fulfillment of the other objectives in reducing TCO was also crucial. Each subsidiary received an effective and reliable corporate system. The total cost of the implementation, maintenance and upgrade were decreased. Thanks to a unified system the IT management can be centralized and costs can be reduced.

Description of the solution

Principal changes with a new uniform system affected the whole service area – management of servicing contracts, service items, scheduling of service orders and invoicing. Tailor-made changes significantly expanded standard NAV functionality with complementary functionalities such as mobile sales and servicing, SCM and reporting interfaces to the European headquarters with SAP systems. Microsoft Dynamics NAV is implemented in each subsidiary as a comprehensive business information system with functionalities in: finance & accounting, bank, asset management, purchase, sales and invoicing, warehouse management, logistics and service.

The solution from NAVERTICA based on Microsoft Dynamics NAV unified Konica Minolta business processes across European operating centers.

The main realization process in Konica Minolta subsidiaries are service activities – receiving service orders via their control center or automated directly from each device, equipment repairs, preventive inspections, management of service technicians, spare parts management and delivery of supplies. There are many ways in which customers with multifunctional devices can use and pay: sale, rent, lease, loan, refurbishing, repurchases, etc. Very often this is accompanied by comprehensive care of the supplied equipment and customer: supply of toner, paper, various methods combined payments etc.

The NUS solution is a comprehensive customer solution and supports all processes in each of the subsidiaries within Konica Minolta. It should be noted that the customer is provided with perfect operation of the NUS and is completely enabled with the real-time data which, is essential to operation and decision-making. This requires high demands on system reliability and the reliability of suppliers in all countries where the solution is implemented.

The main benefits of the solution

The main benefit of the implemented solution was the simplification of major realization processes in individual subsidiaries of Konica Minolta on the one side and acceleration and improvement of service for customers on the other side. Konica Minolta management is aware that their ERP is one of their main competitive advantages and enables them to enjoy their current market share. After all, that is the main reason why the European management Konica Minolta decided to implement NUS in other European countries.

The implemented information system has become one of the main competitive advantages of Konica Minolta and enables them build upon their current market share.

- In all subsidiaries, the implementation of Microsoft Dynamics NAV resulted in significant improvement from the point of view of business process management, especially in service, sales and logistics.
- Certain partial functions of Microsoft Dynamics NAV created individually in some of the countries were interesting also for further countries.
- Most of the functionality was consolidated. The reason for potential differences is the different legislative conditions in individual countries.

- The time (and also the costs) necessary for maintenance and support of the systems in individual countries decreased.
- Significant decrease of TCO – Total Costs of Ownership (by a minimum of 30%)
- Standardized support for typical business processes regardless of the country of implementation and resulting synergistic effects
- One solution was implemented for the movement of goods between European warehouses and warehouses in individual countries.

Specific solution features

MS Dynamics NAV at Konica Minolta is integrated with supporting systems according to the specific requirements of individual subsidiaries:

- CSRC, IDQM, ePro, Print Fleet – the data collection from copy machines through third-party servers. For example registers remotely receive and read, detected device alarms according to the defined guidelines for servicing tasks
- ECON – KM order system used for communication with the end customer. The system also enables entry of the requirements for imports of consumables
- Data communication for delivery to consumables e.g. Europaper – Requests are made in the ERP system and sent electronically to external companies for the realization of regular/ irregular supplies of deliveries
- CRM Pivotal, Falcon – connection to business information systems with regular two-way replication of data (customers, contacts, order, history, contracts, etc.)
- EDI HQ ordering system – internal ordering system. Automated EDI communication system, ordering goods and spare parts in communication with the central SAP system Headquarters
- GEBRÜDER WEISS, CzechoFracht – communication and administration of external logistics
- Click Schedule – graphical scheduler of service operations. It is a robust standalone application providing automated assignment of initial orders and subsequent rescheduling
- Communication of mobile technicians – L-Mobile, Navertica Mobile Technician. It is a connection to external applications for mobile technicians working in the field and collection of collected data back to the information system
- dataPoint – data storage to store on the MS SharePoint platform
- E-invoicing – PDF documents generating with the possibility of automated sending to the end-customers. Possibly the creating of documents for document management system ISDOC 602
- Data warehouse – BW, SAP BI – data replication documents for evaluation and monitoring of process parameters - Business Warehouse, and corporate SAP BI for central data collection.

NAVERTICA a.s.

We have been a stable provider of integrated and comprehensive business solutions using Microsoft Dynamics NAV /AX, Dynamics CRM, company information portals (based on Microsoft SharePoint) and quality management systems (ISO 9001, 14001, 20000, 27001) since 1990. Our goal is not only the delivery of business systems to our customers but above all, to help your organization achieve a better bottom line in terms of your overall financial standing. Vertical solutions from NAVERTICA have been implemented across Europe, South Africa and the USA for select organizations who are leaders in their respective industries.

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