Häfele Ltd, Rugby

Delivering greater efficiency and scope for growth.

»We already have more knowledge and can see areas where improvements can be made. In addition, it's made us more disciplined than before. Staff in one department now understand more clearly what the impact of their actions on other departments will be. That's a major benefit in itself.«

Garry Marlow, Managing Director, Häfele

SAP Global Partner ™

itelligence NTT DATA Business Solutions

A solid starting point for creating future growth.

In 2007, with its existing system coming to the end of its support life and no development planned, Häfele decided it was time to look for a new one. Consequently, Garry Marlow, Managing Director, Russell Morris, Financial Director, and Mark Curtis, IT Director, set out to find a system that would have both the flexibility and structure to support the company's long-term growth.

The team spent six months talking to consultancies and reviewing all the major players in the market. "We knew we needed a global, integrated solution," says Garry. "We also knew we couldn't have a system that would constrain how we conducted our business at the time or in the future. So it was vitally important we made the right decision."

An in-depth analysis of all the systems resulted in the team identifying two potential systems that had the functionality that was needed to support the business. From these two Häfele eventually chose an SAP solution from itelligence. "itelligence's people were extremely good. I couldn't fault them," says Russell. "I'd had experience of SAP previously and knew some of the the pit-falls. itelligence's technical expertise was excellent. They were able to answer all our questions and address all the concerns we had."

Garry concurs. "A lot of people try to pitch product to you," he says. "itelligence's people were different. They approached it from the point of view of wanting to deliver a business solution for us. They understood the business processes and how to apply SAP to them. That gave us the confidence that the solution would meet our needs."

In addition, Häfele was impressed with how SAP software evolves. "We didn't want to have to undertake a major implementation every few years because of fundamental changes to the software," says Garry. "We could see that SAP software had evolved over the years, which gave us confidence that the same would happen in the future."

An important commitment

From the beginning Häfele involved key people from every aspect of the business in the implementation process. "It was a big commitment to take several people out of their day-to-day roles and dedicate them to the project," explains Russell. "But, from my point of view, it was absolutely essential to involve the key process owners. They had been running the business for years and knew exactly how it worked."

The key process owners worked with itelligence's experts to blueprint the system. They went through every process that Häfele used and looked at how it could be done in SAP. "We made a conscious decision that the migration to an SAP solution would be evolution not revolution," says Russell. "So we didn't look at re-engineering our processes. However, if there were easy gains to be made, we took them."

Häfele Ltd

Häfele is a leading international supplier of furniture fittings, architectural hardware, electronic locking systems and technical hardware advice.

Häfele UK's award winning national distribution centre is based at its head office in Rugby, Warwickshire, from where it can distribute any product in its immense range to almost any location within 48 hours. Häfele UK has a turnover of approximately £80 million and has around 350 employees.

As processes were blueprinted itelligence's specialists configured them in the system and then gave the key process owners access so that they could test them.

As the blueprinting and configuration progressed, Häfele was also working on data migration. "Very early on in the project itelligence advised us that data migration could be one of the biggest impediments to a successful implementation," says Russell. "So we put a lot of effort into making sure our data was clean and accurate. I think we actually ran 11 test data migrations before the UK implementation."

Business as usual

In the UK, Häfele has a sophisticated automated warehouse, which is central to the premium service it offers to its customers. For SAP to be integrated with it, the Häfele IT team had to write and test additional software. Because of this added com-

plexity, it was decided to go live with the core system in Ireland first, as the operation there did not have an automated warehouse.

Ireland went live on 1st August 2009, while the UK went live over the 2009 Christmas period. Both went very smoothly indeed. "Throughout the implementation we kept our staff fully informed," says Garry. "In reality, there wasn't a single area of the business that wasn't involved or didn't contribute in some way. I think that commitment, from the board down, is one of the reasons the project was so successful."

"The changeover was as smooth as could be expected and the impact on customer service was reduced to a minimum," adds Russell. "Of course, achieving that was the result of a lot of hard work by all those involved. The breadth of knowledge itelligence had of SAP, coupled with the in-depth knowledge of our own people and the outstanding teamwork between the two, were key reasons for the success of the go-live."

HÄFELE
FINDING BETTER WAYS

Name:
Häfele

Industry:
Building products

Products:
Furniture fittings,
architectural hardware,
electronic locking systems

Employees:
350 Employees

Sales:
£80 million

Headquarters:
Rugby

Greater discipline

According to Russell, the biggest single benefit that the system has delivered is an improved understanding of how the business is performing. "With the previous system getting management information was hard work and long-winded," he says. "With SAP everything goes through the accounting module, which gives us a much better understanding of the business."

Garry agrees. "We already have more knowledge and can see areas where improvements can be made," he says. "In addition, it's made us more disciplined than before. Staff in one department now understand more clearly what the impact of their actions on other departments will be. That's a major benefit in itself."

In Ireland, which has been using SAP longer than the UK, Russell also reports that he is seeing improved financial management, improved margins and better selling price control.

Solid starting point

But perhaps the biggest benefit Häfele has gained is that it now has a solid starting point that it can build on to deliver greater efficiency and growth. "Thanks to the dedication of our own people and itelligence our SAP system has been successfully implemented," says Russell. "We can already see that it will make it easier for us to enhance our business by introducing new products and processes quickly and effectively in the future. Some of the areas we are considering include Customer Relationship Management and e-commerce, which is becoming a fast growth area for us."

"Many of our customers also operate on SAP software," adds Garry. "We can also see a lot of potential benefits from creating an integrated supply chain with them."

Facts & Figures

Solution: SAP ERP
Project duration: 15 months
SAP modules: FI, CO, SD, MM, QM, WM , PI, BW, Third Party Website, Integration using Web Services

Advantages:
- Better understanding of how the business is performing
- Improved financial management
- Increased margins
- Better selling price control
- Visibility to see where improvements can be made
- Staff in one area understand their impact on other areas
- The potential to introduce new products and services more quickly
- Opportunity to integrate with customers' SAP solutions