

BCA Group powers complex manufacturing with SYSPRO

K3 Business Technology Group (K3) customer BCA Group manufactures a wide range of electrical power systems for major caravan manufacturers. These include systems for Bailey Caravans, Lunar, Coachman, Elddis and Adria. This is a dynamic build-to-order industry, with caravan manufacturers regularly bringing new models to the market and updating and expanding existing product lines. The company uses an integrated SYSPRO Enterprise Resource Planning (ERP) system to help simplify its complex manufacturing processes.

The SYSPRO solution helps manage the whole process from customer order, through manufacturing, to final delivery of the finished products and invoicing and payment collection.

With SYSPRO's real-time reporting, Wim Batist, owner and MD of BCA Group, gets a live, accurate view of the business. He can instantly see the value of jobs and profit margins, forward booked orders, component stock levels and so on,



“Eventually, by seeing SYSPRO in action at a number of K3’s customers’ sites, we decided that it was the right match for our operation,”

At a glance

Company

BCA Leisure

Industry sector

Manufacturing
• Electrical power systems for Caravan Manufacturers

SIC Code

22290
• Manufacture of other plastic products

Number of employees

• 120 +

The challenge

- Replace old system
- Integrate accounts, manufacturing and distribution
- Hard to find software to fit their type of business
- Ever changing nature of business
- Inaccuracy

Solution & services

- SYSPRO Financials
- K3 Managed Services - maintains software
- Works orders
- Bill of Materials
- Shop Floor Data Capture (SFDC)
- Material Requirements Planning (MRP)
- Work In Progress
- Merchandise Return Authorisation (MRA)

The benefits

- Live, accurate view of the business
- React quickly to current and future demands
- Better accuracy
- Smooth cashflow
- Shorter lead times for production
- Improved customer service



(continued)

giving him the ability to react quickly to current and future demands. This also helps dealing with short turnaround times for orders and ensuring the company has adequate raw materials for completing work to schedule.

SYSPRO replaces the company's old systems. However, as Wim Batist reports it was not an easy find. *"Finding new software to fit our type of business was difficult. We eventually engaged a consultancy firm to help us, but even with their help we fell short of finding our ideal solution. I had a clear vision of deciding on a system that would integrate accounts, manufacturing and distribution. Eventually, by seeing SYSPRO in action at a number of K3's customers' sites, we decided that it was the right match for our operation,"* he says.

BCA Group has an ongoing programme of inward investment and the SYSPRO purchase is part of this. This is as much as 5 per cent of the company's turnover.

"We have to maintain this level of investment because of the ever-changing nature of the business. Our customers release new caravans regularly and existing models are being redesigned continually to meet the needs of discerning caravanners. Therefore, we are always looking ahead to support our customers' latest requirements. Having an integrated business system makes it easier for us to keep up with their demands," he adds.

K3 not only supplied the software to BCA Group, its K3 Managed Services division also designed the hardware solution. This uses the latest computer technology to ensure the entire system is well balanced and runs smoothly. K3 Managed Services also monitors and maintains the software using its unique K3 Sentinel remote management system. This keeps BCA Group's SYSPRO and associated software up to date and minimises downtime.

SYSPRO makes a difference

BCA Group went live with SYSPRO in March 2010 and already the software is making a big difference to the business. Stan Grimmitt, Works Director and Martin Price, Purchasing Manager report that it has brought about many benefits. Accuracy is perhaps the most important and SYSPRO Works Orders have had great influence on the manufacturing operation.

"We have to maintain this level of investment because of the ever-changing nature of the business. Our customers release new caravans regularly and existing models are being redesigned continually to meet the needs of discerning caravanners."



"It is evident that after six to seven months of using SYSPRO that the biggest return on investment (ROI) has been much greater levels of accuracy and the requirements to be more disciplined in our procedures to get the correct information into the system the first time around," says Stan Grimmitt. "It is a new way of working for us but it works well and helps move things along. We are so much more confident that the system gives us accurate data."

Stan Grimmitt explains the SYSPRO procedure for taking orders into the system and through production. *"Electronic or fax orders are taken by our Customer Relations Manager. She is the first point of contact and knows our customers very well. The orders are checked – and queried if necessary – before being put into SYSPRO. This is a daily process,"* he says.



(continued)

The Production Manager then runs a back order review over the daily orders. This provides a full view of all outstanding orders at that particular time. From this he creates Works Orders for the 10 production teams.

Each production team Supervisor receives the Works Orders. With the Production Manager, they review the orders and make sure the Bills of Materials match the jobs. The Production Manager ensures all the system software flags are set correctly and that all the component kits and sub-harnesses match for the complete production run," says Stan Grimmitt.

The Works Orders are extremely important as they contain all the details for each job. This includes the aforementioned Bills of Materials, the time needed for the job, the production team assignment, and shipping date. The company also uses SYSPRO to provide a preliminary Despatch List. This provides the production teams with an overview of all jobs and their due delivery dates.

"The current level of manual intervention is essential to ensure the accuracy of BoMs. Regardless of any system, the same applies "garbage in, garbage out etc". However, our strategy is to implement a CAD system that will (semi) automate this process and to have this system installed before Christmas 2010," commented Stan Grimmitt.

Checking progress

On the back of each Works Order is a Progress Sheet. Again, this is very important as it helps cost-manage each job.

Team members enter the start and finish times for their particular job on the Progress Sheet. This is a manual process to be replaced with SYSPRO's automatic Shop Floor Data Capture functionality in the near future.

"We use the Progress Sheet information to assess the labour content for each product and this helps us to price products correctly. The amount of money a manufacturing company invests in people is all down to how long it takes to get a product made. We spend a lot of time getting this correct and hence why implementing Shop Floor Data Capture will help us with streamlining the process," says Stan Grimmitt. Finished products are taken to the Stores with the Works Orders and Progress Sheets. The Stores Manager books the items into the system. Once the orders are ready for sending to customers,

"It is evident that after six to seven months of using SYSPRO that the biggest return on investment (ROI) has been much greater levels of accuracy and the requirements to be more disciplined in our procedures to get the correct information into the system the first time around"



he creates a final Despatch List. At this stage the status of the jobs are changed so that they can be invoiced – often the same day of despatch.

"Accurate invoices are important. If we get the invoice right, then it makes it easier to collect payment. By using SYSPRO correctly, we can maintain accurate invoicing and so smooth our cashflow as there is less need for customers to stall payment due to queries," adds Wim Batist.



(continued)

Maintaining stock levels

Martin Price highlights the usefulness of SYSPRO's MRP (Material Requirements Planning) module in ensuring precise and adequate stock levels.

"Component lead times can be very long – up to 20 weeks for materials coming in from China, for example. This contrasts with the lead times for our products, which can be as short as three weeks. A prototype may need to be completed in just a few days!" he says.

"We run MRP to look at the component demand for each job in detail. From this we extract the data to produce a spreadsheet so that we can analyse orders, demand on material, how much we have in stock and the average number of weeks we have to maintain production. By doing this detailed study we prevent outages due to lack of components," he adds

Stock taking made easy

Another SYSPRO success is stock taking accuracy and speed. Here BCA Group has been able to reduce the time taken for stock taking by up to three days across its three warehouses. New accuracy levels enabled the management team to quickly review any discrepancies and the stock take was within 0.5 per cent of where they expected it to be. SYSPRO's Work in Progress functionality added to the precision of the stock take.

Department supervisors produced Work in Progress lists. The management team reviewed these and were able to assign components to the jobs or left them in stock according to the status of each job. This provides an accurate picture of stock items, which would have not been possible without using the Work in Progress module.

"It took a lot of organising, but the outcome of using the Work in Progress lists was well worth it. We were able to produce a highly detailed Work in Progress report – over 300 pages long – listing components for each job. This also gave us a full valuation of the Work in Progress," says Martin Price. *Using SYSPRO for stock taking has added advantages* explains Martin Price.

"Accurate invoices are important. If we get the invoice right, then it makes it easier to collect payment. By using SYSPRO correctly, we can maintain accurate invoicing and so smooth our cashflow as there is less need for customers to stall payment due to queries,"



"When our financial auditors came to view the stock take, we were able to demonstrate the accuracy of the process. We asked them to select a couple of the jobs using the Works Orders and we were then able to show them exactly what each one was worth. They were very satisfied with what they saw," he concludes.



(continued)

BCA Group puts Merchandise Return Authorisation into action.

BCA Group utilises SYSPRO's Merchandise Return Authorisation (MRA) functionality for warranty work. MRA covers the entire process from beginning to end so that should a customer have a problem with a product they can report the issue to the customer service department and it is logged onto the system immediately. The system automatically produces invoices, despatch notes and credit notes according to the warranty query.

"We have noticed an improvement in the efficiency with which we deal with warranty issues by using MRA. It has freed up a lot of time to look at other important things and it improves our customer service performance, giving customers a much faster response," says Martin Price.

"Accurate invoices are important. If we get the invoice right, then it makes it easier to collect payment. By using SYSPRO correctly, we can maintain accurate invoicing and so smooth our cashflow as there is less need for customers to stall payment due to queries,"

