

Chemical & Consumer Goods Manufacturer – ERP Case Study

Key Takeaways:

Maintaining and improving the high levels of customer service within a complex multi-channel distribution network would be key to the project's success while reducing the total amount of cash employed in the business.

- A global supply chain with multiple production data collection systems (PDCs) would need a structured sales and operations planning (S&OP) process along with a warehouse management system (WMS) that could affect 'right place right time' inventory deployment and planning for the manufacturing and purchasing operations.
- State and local compliance for consumer packaging and chemical products presents a challenge and complexity.
- Quick access to business information through KPIs from "one source of truth" allows the management to forecast financials and affect the business outcomes on a timely basis which would include a best-in-class financial closing process as well as cost management.

Client:

A \$480 million Chemical & Consumer Goods Manufacturer in the Northeast, made up of 600 employees, engaged RubinBrown to help them evaluate and understand a software solution, how it will help solve the company's current pain points, and its differentiators in facilitating ERP system best practices in the pest control industry. The selected software solution will be expected to facilitate key business objectives identified:

- Efficiency of process and enabled workflow
- Data Integrity – a single system of enterprise data
- Compliance and control
- Scalability to support future growth (organic and acquisitions)
- Flexibility and Agility to satisfy changing market demands
- Customer satisfaction

Challenge:

The client sells through multiple channels of distribution, most of which carry extremely short lead times and require a high level of on-time delivery to avoid penalties and maintain a high supplier ranking. The industry in which they worked had strict levels of compliance due to the chemical materials being used and the product had to maintain certain certificates and registrations in each state to allow the sale of these items.

Through the rapid growth over the past five years, the systems and processes have not managed to keep up with the increased workload, putting more pressure on the staff to accommodate the additional product lines and customers. The client has grown its systems by augmenting the backbone of the IT architecture with multiple localized software packages that work independently and require multiple interfaces with the AS400 system. This makes data difficult to deliver to the

management team and often conflicts as there are multiple sources for the information. The financial closing process as well as AP and AR are extremely cumbersome.

To meet the demands of the customer there are multiple PDCs which has inflated the inventories as a whole and the new system would be required to optimize the stocking levels and internal transfers between PDCs to lower the overall inventory while maintaining customer service levels at or better than the current high standards.

Actions:

The client understood the enormity of the task and assembled a team of business analysts and organizational executives dedicated to the project's success. RubinBrown led them and the wider organization on a journey of discovery that sought to map the current processes as well as pain points and opportunities while developing the future business model and harmonizing the cross functional view of what the future processes would look like. RubinBrown guided them to recognize the need to adopt best practices but also ensure that what gave the client their competitive edge was maintained and even enhanced using the latest technologies.

Eight major processes were mapped using cross functional teams and an accumulation of 1100 pain points and opportunities were registered as reference for the design of the new processes using latest technologies and capabilities of today's ERPs.

Solution:

Given the complexity of the organization, its size and scope as well as its future growth strategy, two major Tier1 ERPs were considered, but ultimately chose SAP. Alongside the evaluations of the software RubinBrown assisted the client in the selection of an implementer.

Results:

RubinBrown began this project in Q3 of 2021 and go-live occurred in Q2 of 2024. Utilizing RubinBrown's project management and organizational change management expertise the client achieved an on time and on budget launch of their ERP across the entire organization. Since then, the client has noticed an increase in overall productivity and increased employee satisfaction in the workplace.