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COVER STORY

Creating opportunities with the right ERP system

With increasing demands, companies often reach their limits when using standard software like Excel or Access. Then a modern and future-proof ERP system becomes necessary, which meets the current needs, but also grows with them. The specialist for packaging solutions romwell GmbH has made this experience and successfully introduced an ERP system.

Edmund Romberg & Sohn had been working as a dealer of gardening supplies since the 1950s - mainly Iceland Moss, which is well known to many model makers as a necessary construction element. However, the trading company supplied this moss mainly for the production of wreaths, especially funeral wreaths. And this is also the origin of today's romwell GmbH & Co. KG: Because the material for the grave bases, which previously consisted of non-rotting and compostable polystyrene, was to be changed and after some experiments was replaced by corrugated cardboard. With a new packaging ordinance of the Federal Ministry of the Environment at the beginning of the 1990s, the company Edmund Romberg & Sohn then entered the packaging business with just this material. In 1991, the present romwell GmbH & Co. KG was founded in Breitscheidt and produced corrugated board packaging. Since 2018, the company has been 100% owned by PartnerFonds AG.

Today, the product spectrum ranges from complex shaped parts made of corrugated board to a wide variety of folding systems and membrane padding packaging, as well as plates and padding profiles laminated in different variations. These are always customer-specific solutions with the aim of achieving optimum product protection with the simplest and most economical means possible. Meanwhile there are three product areas: The classic corrugated cardboard pads, membrane pads and products from the so-called twist area. "Of course we have competitors in each of these segments today. But our advantage is that we develop the right packaging solution for the customer from all three packaging lines. This is unique in the market," explains Oliver Krogh, Managing Director of romwell GmbH. And IT manager Sven Appel adds: "We supply the customers with all the packaging material, and provide them with our self-developed packaging machines free of charge. This is of course interesting for our customers not least because of the low acquisition costs".

The largest consumer industry is the automotive sector with about 20%. "This is due to the after-sales business with headlights, brake discs and other spare parts," Oliver Krogh names the customer base. "But there are also many logistics companies that handle returns for their customers or pack the products before transport. Most of the turnover, namely 85%, is generated in Germany, the rest is exported to neighboring Europe. In the coming year, the company and its 100 employees want to break through the 20 million Euro turnover barrier.

Supporting growth with ERP

Since the company's course had been on a growth path for some time, the company wanted to replace existing tools with an ERP system that would be a safe investment and future-proof. Up until 2009, IT department tasks were still handled with the Microsoft standard products Access and Excel. "The creation of delivery bills and production planning was done via Excel and was mainly in the head of the production manager. The software Lexware was used for financial accounting and Access also served us as a CRM module", says Sven Appel. "Our wish was to manage all operationally relevant data - from the quotation to the order and production to invoicing - centrally in one system," the IT manager looks back. Extensive market research was conducted, discussions were held at the Cebit trade fair and finally three ERP solutions were shortlisted: SAP, Microsoft Dynamics NAV and caniasERP from IAS. "After the presentations Dynamics NAV and caniasERP remained in the selection. In terms of costs, the two did not differ much, but caniasERP was the much more flexible system," remembers Oliver Krogh. This was the decisive point for the choice.

And so the decision, which was made jointly by the management, IT and department heads, was clearly in favor of the ERP standard caniasERP from the Karlsruhe-based Industrial Application Software GmbH (IAS). "I would describe caniasERP as a kind of basic system. It contains an extensive basic construction kit with different functionalities I don't have to care about. So in principle it fits for all industries", Appel outlines the ERP solution. As an example, he mentions the document flow that takes place in the standard system from the creation of an offer to the invoice. "We need additional fields to fill out. And our forms look different," continues the IT manager, "so we use what is available in the standard system and we can simply add the rest to it. That is the special thing about this system."

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Own adaptations and novelties

By this he means, among other things, the project management: Here, the process from a customer's request to production and delivery of the goods is mapped. The company wanted to manage and track these processes in a separate transaction so that the order status is always known and the following steps can be prepared and scheduled by the office and development departments. "This was important to us, but did not exist in this form in the standard. Now the project module, which was programmed especially for us, is so deeply integrated that you can click through to every customer, see their projects, the current status and even understand why variant B was used here and not variant A. Everything is documented," says Oliver Krogh happily.

"We have also introduced an evaluation module with IAS, as our new owner requires a KPI, a Key Performance Indicator, which determines the performance of the company's activities," Appel lists another innovation. "We can now control this from the ERP and there is no need to cobble together anything from Excel." Except for personnel administration, almost everything is now done with the new ERP system. There are still unused modules, such as automation in production, but far more than 80 percent of caniasERP's service portfolio is already in use. And tools, like the budget module, which allows to create balance sheets or profit and loss statements from the system, will be integrated soon.

Of course, some processes have also been reorganized. "If you introduce an ERP system, this is always an opportunity to check yourself. If you then want to use the standard as much as possible, you should also adapt your processes accordingly," knows the CEO.

Well organized project scheduling

"In caniasERP we were also able to develop a transaction ourselves, which we constantly optimize", describes Sven Appel: For the project planning it is important to record the first discussion contents of a sales person with a customer - for example to improve a breakage rate or to slim down the logistics. This then results in certain tasks, such as the sourcing of product samples - as CAD drawings or physically - so that development, the heart of the company, can get started with these key data. Development also adds how long it is likely to take. This also allows the downstream processes to be scheduled accordingly and everyone involved in the project is informed if anything changes. "We always have between 50 and 100 projects running, which we have to keep an eye on at the same time. This now works very well".

Another example is the connection of the construction. If a new machine is designed there, no article is available in the system yet. In the past, everything was created manually in Excel, whereas today the design department transfers the parts and material lists via the CAD application to the ERP system, where the articles are automatically generated with the corresponding article number and even standard suppliers are stored. This enables the purchasing department to order the complete machine. Changes made by the designers are automatically updated, including the drawings, and incorrect orders can thus be ruled out. The EDI module works perfectly as a standard interface in the FRP software.

Well positioned for the future

At romwell GmbH, the highlight of the ERP system caniasERP is its flexibility and openness: "caniasERP is extremely flexible and we can adapt almost all transactions to our requirements without an external consultant. These are two big advantages compared to other ERP programs", emphasizes Sven Appel. This is made possible on the one hand by the source code provided by IAS and on the other hand by the programming language and development environment TROIA developed by the software supplier. "If you have some basic SQL knowledge, you can quickly program simple transactions with just a few commands", Sven Appel describes his experiences. And over time, more complex customizations can be written. "The programming language TROIA is included and there is a training to become familiar with the development environment. For example, we have now created many evaluations ourselves with which one can create liquidity reports and the like from the financial accounting data. After all, I can design all dialogs myself and also implement complex things quickly," says the IT manager.

And Sven Appel also confirms: "Everyone likes to work with the system because it works quite simply. The employee acceptance is very high. Even the service technicians write their reports there. We have made the experience that employees who come from other companies and have worked with other systems appreciate caniasERP very much after a short time".

Managing Director Oliver Krogh is satisfied: "We would never have been able to achieve what we do today in terms of productivity and revenue in the past. We used to manage 100 articles in the past, today we manage over 2,000. And thanks to the individuality and flexibility of our ERP system, we can continue to grow step by step." A look into the near future shows that the main topic at the moment is the complete budgeting. But the next step is already moving towards Industry 4.0: "We want to link up production and integrate the machines so that process data can be retrieved directly from them. Digitization in the warehouse and a number of manual processes that are still used today will be another topic for the coming year. Of course with IAS and caniasERP."

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