



ADITYA AUTO PRODUCTS & ENGINEERING

SAP® SOFTWARE HELPS AUTO SUPPLIER SHIFT PROCESSES INTO HIGHER GEAR

QUICK FACTS

“SAP Business All-in-One is robust, provides a platform for standardized processes, and can be scaled up to meet growing needs.”

Mihir Jayaraman, Procurement Manager and Project Manager for SAP Implementation, Aditya Auto Products & Engineering (India) Private Limited

Company

- Name: Aditya Auto Products & Engineering (India) Private Limited
- Headquarters: Bangalore, India
- Industry: Automotive
- Products and services: Auto parts and contract manufacturing
- Revenue: Rs 100 crores (€15.4 million)
- Employees: 400
- Web site: www.adityaauto.com
- Implementation partners: Clockwork Business Solutions, Unisoft Infotech Private Limited

Challenges and Opportunities

- Improve decision making through better management, integration, and control of disparate data
- Achieve real-time control by integrating major business processes
- Increase efficiency to support rapid business growth

Objectives

- Install integrated, affordable business software that provides visibility and automation to optimize operations
- Build a central data repository that supports free flow of information
- Improve links between operations and finance to gain a better understanding of business performance
- Meet just-in-time scheduling demands without sacrificing efficiency

SAP® Solutions and Services

- SAP® Business All-in-One solution
- SAP Business All-in-One fast-start program

Implementation Highlights

- Strict adherence to 6-week implementation timeline
- Top-down support from senior management
- Strong focus on process excellence
- Comprehensive change management program

Why SAP

- Robust, scalable solution that supports ambitious growth goals
- Functionality and features suited to industry and company requirements
- Implementation program designed to speed time to benefit
- Flexible software to meet changing needs

Benefits

- Improved decision making via access to reliable, real-time information
- Increased organizational efficiency and employee productivity
- Improved control across plants with standardized business processes
- Better visibility and control of production, inventory, logistics, and subcontractors
- Enhanced reporting and evaluation of business performance
- Increased ability to meet customer needs and attract new business

Existing Environment

Nonintegrated point solutions

Third-Party Integration

- Database: SQL Server
- Hardware: HP
- Operating system: Microsoft Windows



...Proactive Minds....

For many successful midsize companies, there comes a point when current business processes and systems begin to reach their limits. Aditya Auto Products & Engineering (India) Private Limited, a fast-growing supplier to the automobile industry, recently found itself struggling to improve efficiency as its business expanded.

“We were running several diverse, complex legacy systems that simply could not keep pace with the company’s expanding operations,” says Suresh Sethuraman, vice president of finance at Aditya Auto. To help meet its ambitious growth targets by standardizing business processes and boosting operational efficiency, Aditya Auto chose the SAP® Business All-in-One solution.

Privately owned and headquartered in Bangalore, India, Aditya Auto serves OEMs and tier-one automotive suppliers in both domestic and global markets. The company was founded in 1989 and currently has a workforce of 400 employees. In addition to providing door latches, window regulators, wiring harnesses, and engineered assemblies, Aditya Auto is also pushing into new markets as a contract manufacturer. While classified as a midsize business, the company operates a complex manufacturing and distribution network that spans six production facilities in India plus logistic support units in India, Europe, and North America. To add to the complexity, Aditya Auto also works with a number of subcontractors and supply chain partners. “We ship material across a great many plants, vendor locations, and warehouses,”

says Sethuraman, “so optimizing logistics is critically important to our efficiency and growth.”

The Need for Consistent Processes

In addition to streamlining the flow of products and goods across its supply and distribution networks, Aditya Auto also wanted to unify processes across the enterprise. Order fulfillment, for example, depended on manual activities such as filling out forms and exchanging spreadsheets, making it hard for production teams to track the progress of customer jobs. Equally troublesome, reporting cycles were uncomfortably long, which meant that financial managers had to deal with stale information when trying to compare operational performance with budgeted figures. Even something as basic as creating a supplier delivery schedule took four or five days.

After reviewing methods and procedures across the organization, senior management concluded that Aditya Auto needed to improve or replace its ad hoc processes and disparate software applications. “We were looking for a corporate backbone,” says Mihir Jayaraman, procurement manager and

project manager for SAP implementation at Aditya Auto. “We wanted a solution that could not only keep track of materials and products but also help us standardize our processes and provide a common financial platform in line with global best practices.”

Leveraging SAP Software to Boost Efficiency

After reviewing a number of competitive products, Aditya Auto selected the SAP Business All-in-One solution to optimize business operations. Built on the proven SAP ERP application, SAP Business All-in-One provides industry-specific functionality that supports the complex business processes of midsize companies. Jayaraman and his team concluded that not only was the software affordable, it also provided the high levels of visibility and automation that Aditya Auto needed to increase efficiency. “We chose the software because it could be implemented with minimal business disruption,” he says. “SAP Business All-in-One is robust, provides a platform for standardized processes, and can be scaled up to meet growing needs.”

Working closely with implementation partners Clockwork Business Solutions and Unisoft Infotech Private Limited, Aditya Auto used the SAP Business All-in-One fast-start program to streamline the deployment process. The program provides tools, methodologies, and pretested software that streamlines the installation and configuration of SAP Business All-in-One



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solutions for companies in various industries. Aided by the fast-start program, implementation took approximately six weeks, followed by a stabilization period of eight weeks. The project met its time frame and budget goals thanks to support from senior management, cooperation of cross-functional teams, comprehensive business process mapping, and a change management program that familiarized users with new processes and software. The solution currently supports approximately 35 users at Aditya Auto while effectively integrating the company's production units and warehouses.

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The SAP solution has also helped Aditya Auto streamline and simplify a number of operational processes. Duplication of work – which formerly hampered logistics, warehousing, manufacturing, and procurement processes – has been reduced or eliminated. This reduction in twice-done tasks has freed employees from time-consuming data validation and reconciliation chores, allowing them to spend more time evaluating processes and performance.

addition, with all relevant information available via a single source, it is easier to track and verify company performance. Armed with a better understanding of day-to-day forecasts, order flow, inventory levels, plant outputs, and logistic reports, executives have been able to improve monitoring and control across the company. “We now have complete and accurate knowledge of the stock in our warehouses, and inventory control has greatly improved,” says Sethuraman. “SAP Business All-in-One gives us a clear, up-to-date picture of our business at all times.”

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Optimizing Business Processes

SAP Business All-in-One has allowed Aditya Auto to gain a unified view of its overall business and processes. Prior to the deployment, employees would have to hunt for data in different systems, databases, or spreadsheets. Today, thanks to improved data archiving, drill-down features, and better database management, Aditya Auto has reduced the effort needed to find, gather, and interpret information. “With SAP Business All-in-One, we have ready access to data,” says Jayaraman. “The information is avail-

able to anybody at any time, and there is no need to send data manually from one point to another.”

Integrating Operations and Accounting

Access to accurate information has enabled Aditya Auto to evaluate business trends, anticipate customer needs, and make informed decisions on a timely basis. Managers are now able to generate tailor-made reports while also ensuring their accuracy. In

Aditya Auto has also made significant gains in process efficiency, streamlining key activities such as inventory management, product costing, and materials management. “We do 80% of our procurement through subcontractors,” says Jayaraman. “It used to take us four to five days to create delivery schedules for our suppliers, but with SAP Business All-in-One we can now do them in half a day.” The solution has also helped improve the processing of purchase orders – reducing errors, eliminating data redundancies, and leading to significant time savings.

The solution also helps Aditya Auto maintain efficiency without sacrificing flexibility. Formerly, the company found it difficult to optimize production processes and ensure operational consistency while trying to meet the fluctuating demands of its customers, most of whom demanded just-in-time (JIT) delivery. “We used to do things differently for different customers, starting with

understanding their requirements right on through production planning and scheduling," says Sethuraman. "Now we can standardize and optimize our resources both in terms of functionality and project management."

Aditya Auto has also incorporated a number of automotive best practices such as consignment stocking and supply chain value mapping. To meet customers' delivery requirements, the company created a unique make-

growth strategy. "With SAP Business All-in-One, our processes are more streamlined, efficiency has increased, and we can grow in a systematic manner," says Jayaraman. "We are more proactive and more responsive dealing with customers, leading to enhanced customer relationships."

Looking Ahead

As Aditya Auto refines its existing implementation, it is also planning

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to-stock scenario. "We sharpen our macro-level advance planning with customer projections and determine production planning based on accurate warehouse stocks," says Jayaraman. "Dynamic sales scheduling agreements also help us meet JIT delivery requirements."

Summing Up the Benefits

SAP Business All-in-One gives Aditya Auto a strong foundation for process excellence and supports its overall

for future initiatives. Projects under consideration include laying the groundwork for periodic auditing of master data, creating automated workflows, and deploying SAP applications to support engineering change management and product life-cycle management. As the company grows, it intends to take advantage of SAP software and services to meet future needs. "We view SAP software as a deep well of functionality," says Sethuraman, "and we intend to dip into that well frequently as we continue to innovate and grow."

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