



Apparel Exporter DSP Knitting leverages Affordable Business Solutions' Software+Service offering of Microsoft Dynamics NAV-based solution to transform its business operations

Overview

Country or Region: India
Industry: Manufacturing, Export

Customer Profile

DSP Knitting has been in the Apparel manufacturing business for more than 50 years.

Business Situation

Like most other SMEs, their processes were people-dependent and not system-driven. The company operations were managed with multiple, non-integrated systems.

Solution

DSP Knitting chose Affordable Business Solutions' Software+Service offering of Microsoft Dynamics-NAV based solution as it eased the functionalities that are required and provided an easy-to-learn, easy-to-use interface that can be quickly adopted by its operational staff.

Benefits

- Cycle Time reduction
- Rejection rates reduction
- Increase in capacity utilization
- Decrease in capital expenditure
- Real-time information

“By leveraging Microsoft Dynamics NAV- based solution offered to us on the Software+Service model from Affordable Business Solutions, we expect to transform our business, reduce our cycle time by 10-15 days and increase our profit margin by at least 10 percent.”



Senthil Kumar D,
Managing Partner,
DSP Knitting.



Situation

DSP Knitting has been in the Apparel manufacturing business for more than 50 years. However, like most other SMEs, their processes were people-dependent and not system-driven. The company operations were managed with multiple, non-integrated systems.

An accounting package was used for managing day-to-day invoices, purchase orders, and payroll requirements. DSP Knitting did not have an integrated, effective planning and decision-making solution in place. The production planning and monitoring system are primarily based on manual documentation and EXCEL spreadsheets - held all customer data, including cost estimates, proposals, initial orders, schedules and apparels prices. All transactional data was captured multiple times and any reports took significant time and effort to generate – effecting decision making.

With outdated systems and inefficient processes, financial administrators spent valuable time re-entering data from paper documentation into EXCEL and their accounting package. With a non-integrated business solution infrastructure, it was time consuming for their financial administrators to consolidate financial, procurement and production data manually. By the time the data that was required for decision making was compiled, the information was already out of date and could not address their need to organize the scheduling, procurement and quality processes.

Like most of their competitors, the company incurred losses due to defective production and consequent delays in shipments. In order to meet customer deadlines, it had to regularly take recourse to air-freight which increased cost. A study by a reputed management consultancy firm engaged by

Microsoft indicates that the typical cost of defective production and rework in the industry due to this type of operation is about 5%. The additional cost being incurred due to resort to airfreight is an additional 2.5%. In addition, the loss of capacity utilization due to sub-standard planning was at least 10%.

With increasing global competition and volatility of foreign exchange rates playing havoc with their costing/ pricing estimates, DSP Knitting recognized that if the business was to survive, it would need a robust, integrated, world-class business solution in place. However, the extremely high capital investment required for acquiring and implementing such solutions was a major deterrent.

Solution

DSP Knitting chose the Microsoft Dynamics-NAV based solution as it offered the functionalities that are required and provided an easy-to-learn, easy-to-use interface that can be quickly adopted by its operational staff. As the IT-literacy level of the operational staff is low and the employee-churn in the industry very high, this was very critical. The unique functions delivered by the solution included comprehensive financial and material accounting and inventory control, product data management, product life-cycle management, multi-dimension matrix structure and business intelligence capabilities

The Software+Service-based option offered by Affordable Business Solutions (ABS) - in partnership with Microsoft Vikas Project, All-e Technologies and Pebblestone- leveraging Microsoft Dynamics™ NAV offered DSP Knitting a world-class proven solution to capture, access and analyze detailed and consolidated, company-wide business information in real-time, helping them make better decisions and focus on customer

needs – all at an attractive subscription-based price point.

The Software+Service, hosted, subscription-based pricing model offered by ABS gave DSP Knitting an option to leverage this solution with minimal capital expenditure. Moreover, the S+S model eliminated the need to hire, train and retain an expensive, in-house IT team that would have been required if it had gone ahead and invested on an on-premise model. In addition to the functional requirements of the industry, the S+S solution provided them a high degree of availability, security and scalability. To cap it all, the whole solution (including user training) was deployable in a matter of few weeks.

Benefits

By implementing Microsoft Dynamics NAV and the S+S model solution, DSP Knitting managers now have greater financial control and can report on group-wide performance in real-time. At the same time, the new technology is helping the company to increase productivity by automating time-consuming administrative tasks. The solution is easy to scale, simple to operate, and provides the company with enhanced insight into its data and performance.

The business benefits expected include:

- ? Cycle Time reduction of 40 percent from an initial of 75 days to 45 days.
- ? Rejection rates dropping from 5 percent to 2 percent
- ? Capacity utilization increase by 10 percent.
- ? Reduction in delayed/ air-shipments.
- ? Superior vendor/ sub- contractor tracking
- ? Capital Expenditure has been minimal – the new system is paid for on a revenue-expenditure model
- ? The entire transition took less than 90 days.

- ? The operational and management team's functional skills were upgraded
- ? The need to hire, train, and retain expensive software resources was obviated
- ? The management now has access to real-time information – anywhere, any time.
- ? The Service Levels are 99.99 percent

Says Senthil Kumar D. "As we now have better visibility of plant capacity and a consequent solicitation for getting orders, the optimal business development and utilization of plant capacity and the reduced cycle time is expected to increase our profit margin by at least 10%. We are on well on our way in transforming our business into a globally-competitive, professionally-managed organization".

For More Information

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For more information about Affordable Business Solutions products and services, call +91-80-41152760 or visit the Web site at: <http://www.abs.in/> or sales@abs.in

For more information about DSP Knitting products and services, call +91-421-2742984, 2740466.

Microsoft Dynamics

Microsoft Dynamics is a line of integrated, adaptable business management solutions that enables you and your people to make business decisions with greater confidence. Microsoft Dynamics works like familiar Microsoft software such as Microsoft Office, which means less of a learning curve for your people, so they can get up and running quickly and focus on what's most important. And because it is from Microsoft, it easily works with the systems that your company already has implemented. By automating and streamlining financial, customer relationship, and supply chain processes, Microsoft Dynamics brings together people, processes, and technologies, increasing the productivity and effectiveness of your business, and helping you drive business success.

For more information about Microsoft Dynamics, go to: www.microsoft.com/dynamics

Software and Services

■ Products

- Microsoft Dynamics NAV

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