Aswini IT helped mid- sized FMCG player with Efficient Inventory Planning and Improved Budgeting Process

SAP Business One Implementation

"*Testimonial Goes Here Please Provide*"

Executive Summary

Aswini IT has implemented SAP and customized for a mid sized FMCG player based in South India. The solution has led to significant increase in productivity, reduction in inventory and an increase in overall distributor satisfaction through Aswini's solution based on SAP Business One. Below is a summary of the need for the client and Aswini's approach towards solving the same.

Challenges

The client was suffering from low employee productivity, high working capital requirements and dissatisfaction in the distributor network due to lack of communication relating to payments, orders etc. The key pain points articulated to Aswini IT were:

1. Data collection and analysis across 7 sales branches and 5 production areas was manual and therefore slow and inaccurate

2. Absence of a management dashboard

3. Mismatch of orders/requirements and dispatches leading to extra inventory stockage

4. Bank reconciliation a major time taking exercise and not readily available for the management

How Product Helped

Aswini IT evaluated various IT product options to provide the most optimal solutions. These included Wings, Tally, Focus and SAP amongst others. SAP B1 was the clear winner because of its add-on facilities and checks and balances in the systems with key decisions requiring appropriate approvals. Post zeroing in on SAP B1, Aswini did the following:

1. **Business understanding:** Aswini IT's experts started with understanding the business and identified effective order planning, production planning and communication with distributors as the most critical business needs. Several second priority business needs were also identified

2. **SAP Implementation:** The technology team was briefed by the business consulting team on the specific areas to focus on based on the needs and priorities thereof. Solutions to manage inventory, plan purchases across 100 raw materials and also manage order dispatches were implemented. Several add-ons were developed which include:

- Web-based reporting system, making it convenient for people in different locations to access data and reports

- Bank reconciliation add-on to reduce the time taken to reconcile data

- SMS Integration, particularly integration with Nokia Tej, so that messaging solution could be implemented. This allowed money receipt SMS to be sent to distributors

- Order integration add-on

4. **Dashboards and documentation:** Dashboards with key business parameters were developed for management so that they could update themselves on the state of the business simply through the web. Approval systems were deployed so that decisions were enabled by appropriate authorities rather than doing so in an ad-hoc fashion. A thorough documentation was prepared and handed over to the client

Results, Return on Investment and Future Plans

Branch finished product inventory level reduced by 30% through efficient inventory planning

Data reconciliation time reduced significantly - from over 30 days to less than 5 days

Raw material inventory level reduced by 20% without effecting sales

Pronounced improvement in distributor satisfaction through deployment of effective communication solutions

Improved budgeting processes

The most important impact was the fact that post SAP B1 implementation, the management gained confidence to plan a nationwide expansion from being a south India based regional player.