

AMW gets Productivity Boost with 1KEY BI

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Introduction:

Asia Motor Works (AMW) is an Essar Group company engaged in manufacturing of commercial vehicles and trucks, with its manufacturing plant located in Bhuj, Gujarat and corporate headquarters at Mumbai. The company also manufactures components for the automotive and general engineering industries. AMW is the largest single

location plant for wheel rims in Asia and supply of pressed metal components to some of the world's most renowned automobile companies. The manufacturing capacity at AMW's plant is 24000 fully built vehicles. AMW clocked sales of Rs 620 crore in the fiscal 2008-09 and had an employee strength of 788.

The Challenge

AMW uses SAP for various business processes like planning, purchase, production, sales, and finance on Oracle 9i database. Timely availability of data in the required format for enabling decision making was a challenge for our operational users. We were using SAP standard reports, but those were not enough especially from a senior management perspective, where they wanted comparisons between two different horizons on the same data set and also linkage between two different data sets in one single report, says Umesh Mehta, VP-IT, AMW.

They wanted comparisons such as how has our purchasing been vis- -vis sales, how has our sales been vis- -vis product costing. To understand the overall scenario and the MIS reports being made available to the top management for analysis, Business Intelligence (BI) had become a must for AMW.

Even the operational users required ad-hoc analysis with slice & dice, drill-down, drill-through like functionalities, added Mehta. Spotty data access was slowing down collaboration and dragging down efficiency while making business processes more costly for AMW.

The Solution

AMW considered SAP BI, Cognos and QlikView before finally settling for the 1KEY BI solution from MAIA Intelligence. We chose 1KEY because it had the lowest cost of entry, rapid development with all the user-friendly reporting and analysis, features our users wanted, says Mehta.

AMW started the project with output from SAP in excel sheet, creating a database in SQL server and connecting BI for reporting and analysis. Users can now read RFC s directly from 1KEY SAP Connector and extract to a database for BI. One technical and one functional expert from each area were involved in the implementation of BI.

AMW s top management was directly involved in designing the report format and layout. They have given their valued inputs which helped us in generating value added reports. Reports from BI are directly delivered to the company s executives and top management for a bird s eye-view of the enterprise, says Mehta.

A three day training module was conducted for AMW staff to help them understand the solution and effectively use it. It is well appreciated by our business users both at the headquarters and our plant also. The user community will expand to almost all domains and most of the employees by the end of 2009, says Mehta.

The 1KEY BI solution makes information available from a wide range of departments at AMW, such as:

- Spares, which include first pick percentage, service levels, fast/slow/non-moving spares, spares detailed register, etc.
- Sales, including daily and monthly sales, repeat customers, take-head wise sales, Budget v/s Actual Sales Report,
- Sales cube with cost analysis and finance data: Model wise, Chassis wise Sales contribution (against BOM) report, Margin Analysis against non manufactured items, Discount tracking
- CRM cube with sales data: Product wise repeat customers on orders and on invoice, news customers added, existing customers retained
- Inventory: Stock transfer reports, Consumption Cube Material Receipts and Issues reconciliation

"We are pleased that Asia Motor Works (AMW) opted for 1KEY and with successful implementation of 1KEY connectivity to SAP and non-SAP data, AMW will find a valuable resource for its reporting and analysis requirements. By taking advantage of 1KEY BI tool, AMW will be able to cut down on operational expenses, thus cutting the overall costs around 40 -80 percent", said Sanjay Mehta, CEO, MAIA Intelligence.

Benefits

With the new BI solution, AMW's operational users run vendor performance reports which they used to prepare manually and were taking days earlier. Company employees are now able to track changes in inventory movement by region and product category. They also analyze product performance by vendor to enable them to more effectively manage vendors towards profitability.

Reports produced from the BI are delivered directly to the company's executives.

Improving Market Share:

With improved visibility into business performance, AMW expects to improve its year on year growth by around 10% and also increase in its market share.

AMW now has a clear insight into the trends of the marketplace, and we can now sell aggressively to the demands of today while responding with agility to the demands of tomorrow. BI's access to information helps every department that needs to disseminate trustworthy insight quickly and collaborate on that insight between team members, says Mehta.

Cost Savings:

AMW sees significant improvements to the bottom line, including increased productivity, material cost savings, and a more agile strategy development process with immediate insight into business performance metrics that will help drive future success.

Improved Customer Service:

Implementing BI has given AMW a significant competitive edge. Sophisticated information management of the company's data helps spot trends more quickly, predict risk more accurately and manage inventory more efficiently.

BI is now a key means of enabling our front-line workers and operational managers to spend less time in struggling to locate and access information and more on activities that benefit the business, such as improving efficiency and customer service, says Mehta.

Employee Productivity:

Clearly we see a benefit in improved productivity in our knowledge workers. The ratio of time our people spend focusing on strategic to non-strategic work is greatly improved. With BI, we expect a 30 to 35 percent productivity improvement in a year's time, concludes Mehta.

http://www.cxotoday.com/India/Case_Study/AMW_gets_Productivity_Boost_with_1KEY_BI/551-103678-1004.html