

# **The Decisions Made by Omnisud's Management are Based on Microsoft Dynamics NAV**

## **About the Organization**

Omnisud is a 100% Romanian company, specialized in the distribution of professional welding equipment and pertaining consumables. The company is active since 1994 and currently hold a 12% share on the Mig/Mag welding equipment market. Omnisud is the sole distributor of Kemppi products in Romania. Omnisud's clients include the largest shipyards (Damen Galati, Orsova, STX Tulcea etc.), as well as multiple companies specialized in metallic constructions (24 ianuarie S.A. Ploiesti, Ruuki , Raris Group, Navriv, Deltanav etc.).

In addition, the company provides 10 years service for all the sold equipment. The company's activity takes place in Bucharest, which is also the location of the head office, service and warehouse with more than 3,000 items. Omnisud has 15 employees, and the turnover in 2008 exceeded EUR 2 million.

## **Initial Status**

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said Adrian Campurean, General Manager Omnisud

In the early 00's, Omnisud purchased a financial-accounting management application, developed by a Greek company from a technology exhibition. In time this application proved not to be the best choice, as it generated multiple complaints coming both from the management as well as from regular users.

The complaints regarded both this application's ability to provide reliable information related to the company's activity, as well as use related difficulties, due to an interface that lacked ergonomics.

Omnisud's management team had no real-time access to information, which was fragmented on years, without the possibility of generating multi-annual reports. The application did not manage the material storehouse, which created multiple confusions regarding the existence of certain inventories. Also, the multiple data registration was necessary, which involved a high

volume of manual labour and implicitly an oversized personnel chart. Furthermore, the hard to use interface created difficulties in using the application in decent conditions.

*'I do a lot of overtime, since during the day I have to stay in touch with partners, clients, suppliers and I need fast access to information, without any complications. I am interested to be aware today about yesterday's status and the one from three months ago, when it's already too late for me to make a decision. The previous programme didn't make this possible, since reports were manually generated, the information was fragmented on years and we could not obtain a long-term overview, which created the wrong impression on business relationships, debts, etc. Also the month end close procedures took a lot of time, we did not have direct access to the inventories and, most importantly, I wasn't capable of using that application'* stated Adrian Campurean, General Manager Omnisud.

### **Solution**

Omnisud chose Microsoft Dynamics NAV and Q'NET INTERNATIONAL, as implementation partner. The elements that determined the Dynamics NAV selection included the product's Microsoft origin, involving a friendly interface specific for familiar products in the Microsoft Office range as well as the existence of a commercial relationship with Q'NET. Also, Q'NET INTERNATIONAL presented a series of relevant references.

*'My first impression was that Microsoft Dynamics NAV was a much more complex product than we needed, even if Omnisud renders service activities in addition to distribution. Subsequently I realized that I can obtain the automation of some processes, as well as pertinent business analyses. Furthermore, such a solution would have covered the future company development. Last, but not least, the product left the impression of a familiar one, since everybody is accustomed with Microsoft products',* declared Adrian Campurean.

### **Project Development**

The implementation project began at the end of 2009 and on January 1st, 2010 the product went live. Version 5.0 of Microsoft Dynamics NAV was implemented with the Financial-Accounting, Fixed Assets and Commercial modules. An express requirement of the beneficiary was to for all company's employees to use the application, the basic idea being that each department should be able to manage its own activity.

As a result, discussions took place during the analysis period with each and every employee, for the purpose of identifying the procedures in which they were involved, since many of them rendered multiple activities. Simultaneously, the used interfaces underwent simplification and automation, for the purpose of making the operation very easy.

*'Using NAV allowed us to return to growth after a difficult period [...]'*,

**Adrian Campurean, General Manager Omnisud**

Other application adjustments were rendered on the inventory administration and inventory functions level. Thus, the stock cards, inventory verification reports and inventory functions were customized to eliminate redundant activities. Customization procedures also took place for the Commercial Department, by determining certain discount, customer crediting and product reservation policies, etc. The discounts are calculated automatically, considering elements such as: the activity volume per client, the transaction value, ordered products, how long they have been in stock, etc. For the quotation activity, the stocks are available online and orders are directly placed in the system and invoices are automatically generated.

The client or order identification date are only introduced once. A specific flow was created on the Service Department level, generating a repair chart, ordering and booking the necessary parts and automatically generating the invoice pertaining to the services. Subsequently, the employees monitor the payment and deliver the repaired equipment. From the storehouse viewpoint, the application allowed the administration of two virtual warehouses in the same physical space, one for equipment and consumables and the other for spare parts. Currently, the supply takes place manually as a result of checking the inventory, but there are plans for the automation of this activity, by defining acceptable limits for issuing out of stock alerts.

Reports were developed for the managing team, related to the evolution of economic indicators, clients, sales, etc., allowing a more careful monitoring of profit and loss centers. The application is available through VPN (Virtual Private Network) which brings a mobility in accessing the information and expanding decisional support.

## **Obtained Benefits**

The Microsoft Dynamics NAV implementation project within Omnisud reached its main goals: providing real-time access to information and an efficient cost monitoring, providing the managing team with quality assistance for decision making. Also, the activity improved in terms of productivity increase, process automation, response time reduction, etc. The main benefits of Omnisud were:

- Increasing the control degree on the company by the real-time access to the financial-accounting information;
- Increasing the company's profits by eliminating the crediting of clients with delays in paying debits. The analyses provided by ERP allowed the company to put a stop to crediting clients with deliberate delays in paying debits or the negotiation of a reasonable payment term, which determined the improvement of the company's financial indicators.
- Cutting back on salary expenses, by keeping a minimum number of employees, without affecting the company's activity. The personnel cut-back was compensated by introducing intelligent work instruments, which automatized certain operations.

*'Fortunately, the personnel cut-back took place naturally and we had no lay-offs, but using the Microsoft solutions allowed us to render the activity without hiring. Previously, there were four employees in our financial-accounting department, and now we only have one', stated Adrian Campurean.*

- The warehouse was cleared of the difficult to sell merchandise. The possibility to query the inventory online allows the facile identification of the products which have been in the warehouse for a long time and the possibility to establish a method to capitalize them.

*'Knowing exactly the merchandise we have on stock, we managed to capitalize very old products, by submitting quotations to customers who no longer expected us to have those parts, since they were meant for equipment which were no longer on the market for some time', stated Adrian Campurean.*

- Cutting back expenses with the service providers. The careful monitoring of the cost centers allowed the company to make adequate decisions.

*'This was the real benefit of Microsoft Dynamics NAV, because it allowed us to have a careful cost analysis. Thus, based on the ERP information, we renegotiated most service contracts: communication, transport, etc., and we managed to cut-back out expenses by 50%', stated Omnisud's representative.*

- Cutting back the response time to the clients' requests by the real-time query of the stocks, both on availability and price level, etc. Using Microsoft Dynamics NAV, the quotation can take place on the phone and the customers must no longer wait, which inevitably leads to an increase in the clients' satisfaction.
- Productivity increase by eliminating redundant activities. Using Microsoft Dynamics NAV, the Commercial and Service Departments create their entry documents and issue sale invoices to their own clients.
- Error elimination by a single data registration. Previously, the invoicing employees took over the orders and reintroduced the data, thus creating multiple errors when writing data in documents, especially regarding product codes.
- Simplifying the use and increasing the adoption level of the management system. The specific Microsoft interface determined the fast adoption of Dynamics NAV and the elimination of training costs.

*'I barely needed training for Dynamics NAV, since I managed to handle it on my own, based on logics, and the general knowledge on Microsoft products', stated Adrian Campurean.*

- Reporting simplification to external suppliers. Using Microsoft Dynamics NAV, the market analyses and the sale estimates for each brand included in the distribution system was significantly simplified and all data was consolidated and immediately accessible.
- The project foresees certain extensions for the following period, by introducing new modules and additional functionalities, especially for the process automation and alert introduction. All extensions shall be handled by the Q'NET INTERNATIONAL team, which also provides maintenance services.

*'Microsoft Dynamics NAV brought me the benefit of accessing real time information. I know what goes on in the company and I can take immediate action. Moreover, our estimation capacity increased significantly. Using NAV allowed us to come back to growth after a difficult period, simply because I new*

*the precise situation and took the necessary measures' ,concluded Adrian Campurean, Director General, Omnisud.*

#### About **Microsoft Dynamics NAV**

Microsoft Dynamics provides a wide range of integrated and end-to-end applications for business, as well as services destined to support medium companies and the divisions of large companies in their relationships with clients, employees, partners and suppliers.

Microsoft Dynamics applications optimize the strategic processes of transactions using financial management, analysis, human resources, project, customer relations, service, distribution chain, e-commerce and production management.

Microsoft Dynamics solutions collaborate with other Microsoft Applications, including Microsoft Office and the Windows operation system. The applications are designed to provide assistance for successful businesses.

*'When I decided to invest in the Microsoft Dynamics Nav solution, my main objective was to obtain real time information, to make decisions in due time. I was relying to much on the analyses made by the financial-accounting department, since I did not have direct access to information, so I can draw a conclusion', said Adrian Campurean.*