



Partner Power International Metabo Case Study



New Technology Gives Power Tools Business an International View of Sales Data

Metabo experienced:

- **Enhanced and aligned best practices across the organization**
- **Increased visibility of business information**
- **Transparent and accurate stock information across the organization**
- **Improved customer service**

Customer Profile

Metabo is a European leading manufacturer of electric power tools.

Functional Scope

Financial Management, Warehouse management, Order Management

Countries in scope

The Netherlands, Belgium, Denmark, Norway, Sweden, Russia, and the U.K.

Partner Power Added Value

- Experience in Microsoft Dynamics NAV integration with SAP
- Core strategy to align businesses and secure smooth international rollouts
- Support from experienced and knowledgeable international organization

Company Overview

Leading power tool company Metabo has 22 sales subsidiaries operating from different countries. Until recently, these offices ran a bespoke enterprise resource planning (ERP) solution, which hindered the sharing of sales data throughout the business.

With the help of Partner Power Germany (KUMAvision), Metabo rolled out Microsoft Dynamics NAV business management software to many of its subsidiaries. This technology integrates with the platform that runs in Metabo's headquarters in Germany, from which all systems can be centrally managed and updated.

The Microsoft Dynamics NAV rollout helps the organization to share and apply best practices across the entire organization. It also gives all subsidiaries access to sales and financial data, stock information, and reporting tools to boost the sales process and improve customer service.

Situation

Established in 1924, Metabo manufactures electric power tools and is one of the leading brands in Europe. With 2,600 employees

worldwide, the organization's headquarters are in Germany, and it has 22 subsidiaries throughout the world.

Metabo's sales teams operate from its international subsidiaries, which, until recently, ran mainly bespoke, or custom-made, enterprise resource planning (ERP) software that was developed especially for Metabo or other legacy systems. Thomas Raith, Vice President IT and Processes at Metabo, says, "This technology was tailored to suit Metabo's sales needs but after 15 years of use, it was getting old. We had to decide whether to upgrade this system or change to a standard solution."

Metabo needed software that could fit the size of its sales subsidiaries—around 15 to 40 users—but would scale easily to accommodate future growth. With many employees using the software, it needed to be easy to use and maintain. Efficient data sharing and sales processes were required to provide a more consistent service delivery across all operations. "We needed an order-processing solution that offered both warehousing and financial accounting features," says Raith. SAP technology runs in Metabo's headquarters. Any new technology had to integrate with this system to improve the visibility of information

across the entire organisation. "We wanted to see sales and financial data across all subsidiaries from one place," says Raith. "We needed a feature-rich system that would grow in size and functionality at a reasonable cost."

Solution

In 1999, Metabo examined the market, looking at alternatives such as SAP and QAD ERP solutions, and also considered renewing its existing bespoke systems. "Microsoft Dynamics NAV business management technology best met our needs," says Raith. "It was cost-efficient, and offered a good fit for our subsidiaries, but we also knew the technology would support any future growth."

After choosing to roll out Microsoft Dynamics NAV software, Metabo looked for an implementation partner. "We screened a number of organizations, and solutions provider Partner Power Germany made us a very competent and professional offer. It was a good decision, because the organization has continued to provide the support we need."

With the help of Partner Power Germany, Metabo rolled out an integrated Microsoft Dynamics NAV business management solution across several of its subsidiaries. Alexander Lutz, Project Manager at Partner Power Germany, says, "We focused on providing the organization with a clear workflow structure, which improves the accessibility of data and incorporates clear reporting processes."

Metabo has applied a hub-and-spoke implementation model—with the SAP system in headquarters acting as the hub, and Microsoft Dynamics NAV systems in the subsidiaries as the spokes. Raith says, "The hub and spokes are integrated using an electronic data interface [EDI] to link the different operations. When an order comes to the subsidiary, and the Microsoft Dynamics NAV system determines that the goods aren't in stock, it forwards the order to headquarters, where goods are shipped to the customers

directly."

Raith says that Microsoft Dynamics NAV technology is an ideal choice for making the hub-and-spoke model work. "We have made very individual demands on the solution, which Microsoft Dynamics NAV handles well. It was easy to tailor the solution to fit this model and integrate it with the SAP system."

Partner Power Germany has built add-ins to Microsoft Dynamics NAV for Metabo, which include a customized warehouse management system, and features that handle pricing and customer requests. "We have quite specific needs, and Partner Power adapted the technology accordingly," says Raith. A main feature of the system is order management. When Metabo's customers call a subsidiary to place an order, the solution checks the Microsoft Dynamics NAV warehouse management system to see if the goods are in stock. Then, using the logistics feature, the subsidiaries can send products to the customer directly.

So far, the solution has been implemented in Metabo subsidiaries in the Netherlands, Belgium, Denmark, Norway, Sweden, Russia, and the United Kingdom. Metabo plans to roll it out to further subsidiaries.

Benefits

Enhance Best Practices across the Organization

By adopting the same technology across its subsidiaries, Metabo has implemented best-practice processes that can now be applied across the organization regardless of location. A consistent strategy ensures that customers receive the same high level of service from any subsidiary.

The experience, knowledge, and best-practice strategies that were originally adopted by individual branches will now be shared and applied in all Metabo subsidiaries. Raith says,



"At the start of the project we examined what best-practice processes each subsidiary used. We took all of these and bundled them into the core system. This way, we can maintain best-practice consistency across the organization."

Increase Visibility of Business Information

Metabo employees can easily access all the sales and financial data from subsidiaries' systems through a data warehouse. It uses Microsoft SQL Server™ 2000 Analysis Services to interrogate data and displays the reports using Microsoft Internet Explorer.

"The data warehouse integrates with Microsoft Dynamics NAV, which aggregates all the subsidiaries' sales and financial data and passes the management reporting to headquarters. It also provides operational reports that detail the figures of each office," says Raith.

All the Microsoft Dynamics NAV servers are hosted centrally so system upgrades and rollouts can be carried out from headquarters.

Support New Technology Implementations

Microsoft Dynamics NAV has opened up new possibilities for Metabo to take advantage of accurate and accessible data. The organization aims to implement new customer relationship management (CRM) systems so that it can control processes and improve customer service by capturing customer trend data and analysing turnover potential. Lutz says, "Through the success of Microsoft Dynamics NAV, we proved that it was possible to use the technology for CRM purposes as well."

Implementation of CRM processes in the core system is underway. The first subsidiary to go live with this technology was in the United Kingdom, where a Microsoft Dynamics CRM (formerly Microsoft Business Solutions CRM) system was rolled out with the business management solution in December 2004. "With Microsoft Dynamics NAV, it is very easy to add on tools when we need additional functionality," says Raith.

Boost Customer Service

The system gives Metabo the flexibility it needs

to fulfill customer orders more efficiently thanks to more transparent and accurate stock information across the organization. "When there is no stock available in the subsidiary, we can quickly see if it is available at headquarters, ensuring our customers get a better, more immediate service," says Raith.

"The data warehouse, which brings together all the data from across the subsidiaries, also gives us an in-depth monitoring tool that helps us to pre-empt and respond to market trends by better controlling our own stock."

Above all, the technology is easy to use. Metabo employees have adapted quickly to the new solution, helping the business to maintain services during rollout. Raith says, "User acceptance has been very rapid. Our employees really enjoy working with the system, and this is an important factor for determining if a project is successful."

About Partner Power

Partner Power is specialized in implementing Microsoft ERP solutions to international customers operating in multiple locations worldwide. Our organization currently covers 45 countries, operating from 131 regional offices and employing more than 3000 highly skilled professionals. Our services are provided globally through certified professionals locally. We believe that the right solution is based upon industry knowledge, customer focus and a proven global roll-out methodology.

Want to learn more?

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