



Microsoft Dynamics Customer Solution Case Study

Sole Distributor:



Overview

Country or Region: Malaysia

Industry: Consumer Goods

Customer Profile

Kinderdijk Sdn Bhd is a Kuala Lumpur-based distributor of consumer goods such as baby gear and shoes. Established in 2003, its headquarters and warehouse is in Kuala Lumpur. It has some 50 employees.

Business Situation

Kinderdijk's accounting and warehousing system could not handle its increasing business volumes. Business operations were not integrated and often required manual re-keying in of data.

Solution

Kinderdijk choose Microsoft Dynamics GP and deployed the Financials, Supply Chain Management and Distribution models. It provides Kinderdijk with a powerful integrated business management solution.

Benefits

- Improves business visibility
- Speeds up revenue collection
- Enhances decision making
- Mobility boost
- Greater productivity



Consumer goods distributor improves revenue collection with Microsoft Dynamics

“In this fast moving consumer industry, Microsoft Dynamics gives us the strategic edge of being able to formulate the right business strategies to move our products ahead of our competitors.”

Gwei Tze-Co, Managing Director, Kinderdijk Sdn Bhd

Kinderdijk distributes consumer goods such as baby gear and shoes and was established in 2003. Rapid business expansion soon exposed the limitations of its existing accounting system. It had limited reporting capabilities, was not integrated, required manual re-keying in of data, and lacked an audit trail capability. Kinderdijk decided to replace it with Microsoft Dynamics™ GP and deployed the Financials, Supply Chain Management and Distribution modules. By integrating its financial, warehousing, supply chain and sales functions, Microsoft Dynamics GP provides real-time information on virtually every aspect of Kinderdijk's operations. This improved business insight has enhanced monitoring of inventory levels, cash flow management, revenue collection and forecasting. The new system has also boosted productivity by eliminating double entry of data and reducing manual work processes.



“By eliminating repeat processes, Microsoft Dynamics has freed our employees from long hours of tedious and unproductive work.”

Gwei Tze-Co, Managing Director, Kinderdijk Sdn Bhd

Situation

Kinderdijk Sdn Bhd is a Malaysian distributor for consumer goods such as baby gear and shoes under the Avent, Fisher-Price and Crocs brands. The company was established in 2003 with its headquarters and a warehouse in Kuala Lumpur. It recently set up an office and warehouse in Penang.

Since its inception Kinderdijk has made great strides with its business growing exponentially. It started with only five employees and by 2006 its workforce had grown to about 50 staff. As the company adds more brands to its stable, business is expected to increase even more.

When it started operations, Kinderdijk acquired a locally developed application to handle its accounting and warehousing functions. However, it soon outgrew the system which had serious limitations.

“After two years of rapid growth, not only was our warehouse not big enough, the system was also not good enough to handle the increasing business volumes,” says Gwei Tze-Co, Kinderdijk’s Managing Director.

One of the key shortcomings of that system was its limited reporting capabilities. “It couldn’t generate a comprehensive range of reports. It couldn’t provide us with the information we needed such as sales of individual products,” Gwei adds. To get such reports, the staff had to re-key in data to Microsoft Excel to generate reports and do analyses. “This was certainly not productive,” he says.

He points out the system was not integrated and the preponderance of manual re-keying in of data affected the management’s confidence in the accuracy of system. “It didn’t give us a lot of confidence. And since we were not totally sure if the figures were correct, we often had to re-check the data,” he states.

Another limitation was that it could not provide audit trails on data changes. “That meant there was a lack of accountability. It could not track or trace changes on the data.

Virtually anyone could go in make changes,” he adds.

Kinderdijk decided to scout for a better system which could handle its rapid growth in the coming years. Having learnt bitter lessons from its old system, Kinderdijk wanted the new system to integrate its warehousing, sales and accounting functions, generate comprehensive reports, provide real time information and facilitate compliance on data security.

Solution

Kinderdijk evaluated several solutions, including locally developed ones as well as from international companies such as SAP, Oracle and Microsoft. It finally opted for Microsoft Dynamics™ GP (formerly known as Microsoft Business Solutions - Great Plains).

Microsoft Dynamics GP is a comprehensive yet cost-effective business management solution for managing and integrating finances, e-commerce, supply chain, manufacturing, project accounting, field service, customer relationships and human resources.

Gwei affirms that Microsoft Dynamics GP had all the functionalities Kinderdijk was looking for. “I was greatly impressed with the capabilities of Microsoft Dynamics. It can generate a wide range of reports. For example, we can see in real time the individual product movements, how well an item is selling in which outlet or region. We can get the latest sales figures and analyze it,” he adds.

The key factor which swung Kinderdijk to select Microsoft Dynamics GP was the quality of Microsoft technical support and the wide availability of Microsoft partners. “We are in this business for the long term and we don’t want to get stuck because of a lack of quality support. We are also confident Microsoft will keep improving the product,” he adds.

“Microsoft Dynamics is powerful and reliable. Even when we add more brands to our stable, I’m confident it can easily handle the increased business volumes.”

Gwei Tze-Co, Managing Director, Kinderdijk Sdn Bhd

Kinderdijk engaged ML IT Partners Sdn Bhd, a Microsoft Certified Partner, to deploy the solution. ML IT Partners rolled out phase 1 of the solution in just a month! Kinderdijk has used the solution since April 2005.

The solution runs on Windows Server 2003 and Microsoft® SQL Server 2000 Runtime, and interfaces with Microsoft® Office. The modules deployed were Financials, Supply Chain Management and Distribution.

It is also in the process of deploying the Business Portal module, a web-based portal which enables users to access data and a host of Microsoft Dynamics GP reports from anywhere, anytime. Built on Microsoft .NET technologies, Business Portal provides employees with secure, browser-based access to consolidated financial information, customer data, inventory queries, purchasing and sales reports.

Microsoft Dynamics GP helps Kinderdijk maintain tight control over data integrity, security, and control requirements with its Audit Trails capability. “Audit Trails makes it easier for Kinderdijk to track changes on data within the Microsoft Dynamics GP system, gain fast access to critical information, and increase accuracy and efficiency for compliance processes,” says Gwei.

Benefits

Improves business visibility

Microsoft Dynamics GP provides Kinderdijk with in-depth visibility into its business operations that it didn’t have with its previous solution. This has resulted in improved monitoring of inventory levels and cash flow management.

For example, the solution provides detailed information on its warehousing operations, enabling Kinderdijk to monitor the movement and stock level of every single product. It also automatically generates alerts to re-order when stocks drop below specified minimum levels.

“Microsoft Dynamics helps us to manage our stocks much better in that we are less likely to over order or under order. Every extra day that stock stays in the warehouse means we have to pay more interest,” says Gwei.

The wealth of information available from the Microsoft Dynamics GP solution has been a great help to the sales staff. “With Microsoft Dynamics, our sales personnel now have access to real-time information on all the products. They can respond quickly to customers on stock availability,” he says.

Speeds up revenue collection

By improving its financial management, Microsoft Dynamics GP has substantially improved revenue collection for Kinderdijk. “This is absolutely vital for any business including ours,” says Gwei.

The new system helps to automate and simplify the process of calculating the value of goods sold, especially those delivered on a consignment basis. This has resulted in faster generation of invoices - from about a week to two days. “The faster we bill our customers, the faster we can get their payments,” says Gwei.

The Microsoft Dynamics GP system has also improved the monitoring of the company’s debtors. This enables the accounts department to speed up the necessary actions to facilitate improved revenue collection, he adds.

Enhances decision making

Kinderdijk is now able to make faster and better decisions, and sharpen its forecasting capabilities with the deployment of Microsoft Dynamics GP. By integrating its financial, warehousing, supply chain and sales functions, the management can access real-time information on virtually every aspect of its business operations.

“In this fast moving consumer industry, Microsoft Dynamics gives us the strategic edge of being able to formulate the right business strategies to move our products ahead of our competitors,” states Gwei.

For More Information

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For more information about ML IT Partners Sdn Bhd products and services, call +603 9058 8843 or visit the Web site at: www.mlit.com.my

For more information about Kinderdijk Sdn Bhd products and services, call +603 6203 2336.

The wealth of information available from the system had improved Kinderdijk's ability to make accurate forecasts. "The Microsoft Dynamics system captures the history of product movements and this is a tremendous help in forecasting purchases. By analyzing the peak periods, we are able make proactive decisions," he adds.

This, he points out, is important as Kinderdijk sells imported goods and has to factor in at least two weeks to a month for the shipment of goods to Malaysia.

Mobility boost

The Microsoft Dynamics GP Business Portal allows Kinderdijk's sales force and management to access information and reports with their notebook computers or hand-held devices from outside the office.

"We want to access our business information from anywhere, and anytime. With Business Portal, I don't need to come back to the office to get such information," says Gwei.

"For example, from a customer's office I can check if we have sufficient stocks of particular products or view the payment history of the customer. I can give an immediate response to the customer and make decisions on the spot!," he explains. Gwei says Microsoft Dynamics GP gives Kinderdijk a vital mobility advantage which it did not have with its previous system.

Greater productivity

As an integrated end-to-end business management solution, Microsoft Dynamics GP has eliminated the problem of double entry of data and reduced manual work processes.

"By eliminating repeat processes, Microsoft Dynamics has freed our employees from long

hours of tedious and unproductive work," states Gwei.

Its powerful reporting capability also means that Kinderdijk employees no longer need to manually compile a host of reports. The productivity improvements are evident in the fact that Kinderdijk has not increased its accounting and administrative staff though its business volume had quadrupled over the last two years, he adds.

"Microsoft Dynamics is a powerful and reliable system. Even when we add more brands to our stable, I'm confident it can easily handle the increased business volumes. I have no doubts we chose the right system!" says Gwei.

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 GP
 - Microsoft SQL Server 2000

- Windows Server 2003 Standard Edition

Partners

- ML IT Partners Sdn Bhd

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