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Radical thinking

Anyone reviewing their IT strategy would do well to consider an approach as radical today as it was at its conception, more than a decade ago

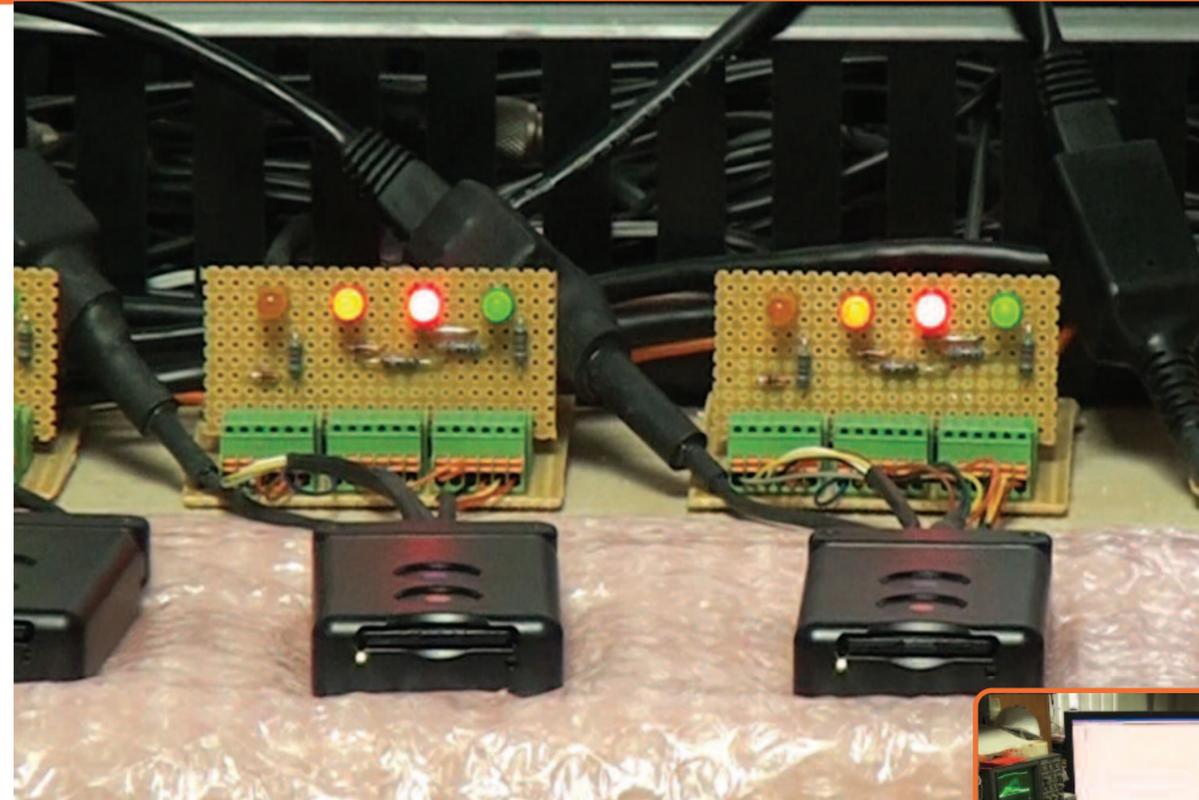
How many times have you heard the phrase: 'You simply can't go wrong'? If you were in front of a salesperson, you might want to think twice before going anywhere near the 'go' button. But, what if you heard it from several of your peers in manufacturing businesses? You just might take notice, right?

Certainly, if you were anticipating a major upgrade to your ERP system in the next few months – and reviewing the functionality, platforms and technologies, required to align with the business strategy – such an unequivocal recommendation should make you sit up. But if, on making enquiries, you discovered that, instead of a price tag in the usual hundreds of thousands of pounds, you'd be looking at nothing more than a modest monthly subscription and no binding contract, you'd be forgiven for thinking: 'This is too good to be true'.

Well, it's not, and literally hundreds of manufacturers – from start-ups to organisations using more than 200 licences, and spanning industry sectors and production complexities – are quiet testament to an entirely different approach to extended ERP software that should be on your radar.

How does it work? Well, according to Guy Amoroso, pioneering managing director of 123 Insight, which offers this subscription-only ERP software, it's been achieved by turning the business of ERP software on its head.

"123insight revolutionises ERP/MRP system selection and implementation, because it completely avoids the pitfalls associated with traditional system adoption, both in terms of costs and timeframes," he states. "We have no sales people and implementation is typically just a few weeks, with none of the extended training and



consultancy days normally associated with an ERP implementation. In fact, all it normally takes is a few days of training and no consultancy at all."

What's more, 123insight uses the latest Microsoft .Net framework – currently being re-architected as a true cloud option on Microsoft Azure – and its adopters universally speak highly of the system. And that's not only in terms of its obviously rapid ROI, but also its competence in handling everything from make-to-stock to engineer-to-order, as well as CRM, service management and beyond. So we're not talking ERP-lite.

It's all about complete openness

Sounds impressive so far? Amoroso explains that the starting point is nothing more onerous than attending one of the company's 123insight software evaluation workshops, staged around the UK, "which effectively reduces system selection to just two and a half hours". How can that possibly work? Because it's all about complete openness alongside in-depth education on the system. "We show the software in the most simple, straightforward and accessible way possible," he says.

123 Insight doesn't send in sales people to establish your pain points and then present its system accordingly, in the hope that you'll sign in blood on the dotted line. "If, for some reason, 123insight does not meet your particular needs, we'll tell you because continuing would then be pointless for both parties. And customers do not pay a penny until they have completed full training and are ready to implement."

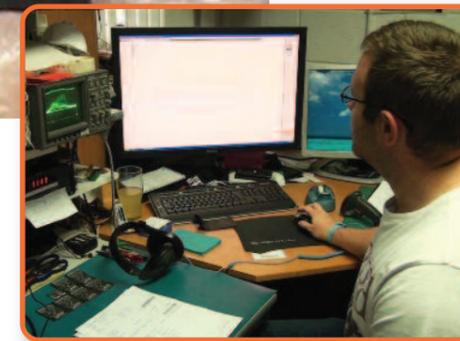
For Amoroso, the key point is that this process completely eliminates any risk of expensive mistakes. All anyone invests at first is a little upfront time. "You just can't get it wrong," he intones. And you know he means it. "Following the workshop, we offer full system training,

again with no obligation. So you know absolutely everything about 123insight, our deployment method and services down to the last detail before any kind of commitment is made. And, even then, there is no binding contract – just a straightforward, fully inclusive, flexible and predictable, low monthly subscription, cancellable anytime."

So what do manufacturers have to say about the 123 Insight approach and, for that matter, its ERP software? Double Queen's Award winning Ovation Systems, which manufactures video surveillance equipment, makes all the points eloquently. The Milton Common, Oxfordshire-based company initially went live with 123insight in 2007 and continued using the system successfully until 2012 when, as production and quality manager Andy Wagerfield recalls, ISO 9001 became a requirement and it was advised to consolidate all systems.

It was couched as taking the company to the next level, he says, bringing together finance, manufacturing and purchasing, and integrating production and quality tracking, etc. So, following guidance from consultants, Ovation replaced 123insight in favour of an unnamed system, spending some £100,000 in the process, and set about migrating data and training staff.

Almost immediately, it hit problems. "One of the things I was very strict about was that I must be able to do exactly the same in the new system as I could in 123insight," says Wagerfield. "I showed them how we collected online test results and was assured that the new system could do that. It was not quite true and we were mis-sold from the beginning."



Despite extra consulting days, Ovation continued to experience difficulties. "The final nail in the coffin came when we did the stock take at the beginning of 2013. It all went wrong, as there was a large amount of stock that was duplicated and put back into the system," he states, adding that serial numbers had been compromised, with the system effectively "breaking its own rules".

Quite apart from that, Ovation operations director Jeremy Rowe states that the user interface was difficult to grasp, particularly for occasional users. The bottom line, he says, was that instead of helping the company, the system was an impediment to doing business. "When the time came to do our accounts and stock valuation for the end of 2012, it was very hard to reconcile what we had in stock versus what we knew we had [under 123insight]. And these were not small amounts – they were hundreds of thousands of pounds. You can't tolerate that kind of uncertainty."

So the brave and difficult decision was taken to abandon that system and revert to 123insight and Sage accounts, with data exchange between the two handled automatically by AAI (advanced accounts interface). "Since the reimplementation of 123insight we are very clear about our stock position," says Rowe. And he states that, second time around, useful new features had been added with, for example, 123insight's SDK

allowing the firm to share data more easily across other systems, while the cloud-based Service and Repair system has enabled the build-up of easily accessible product service histories.

Following go-live, day-to-day operations became much easier and more robust, says Wagerfield. "It was just a relief, really. The biggest issue was getting the test procedures in so we could perform online product testing. It was so seamless once we'd moved back to 123insight." And Rowe adds: "All repairs and refurbishments now go through Service and Repair. It's very good at tracking, giving a permanent history of the lifecycle of a product once it's been sold... Information is automatically imported into Service and Repair with its own life, giving a service history as time goes by."

Furthermore, the company is now linking 123insight to its Omnify PDM (product data management) system, which is used for master data management, revision control and advanced BoM control. Again, the mechanism is the SDK, with assistance in this case from 123 Insight partner Solweb.

What did the new ERP system cost? Rowe smiles: £1,512 per month for fourteen 123insight licences and a further three Service and Repair licences. "This business could not run unless we had a system like 123insight." ■

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