

He who dares **wins**

In times of austerity, summoning the courage to start an ERP project may well be a step too far. But it doesn't have to be like that, says Guy Amoroso, who urges a different kind of boldness

In these straitened economic times, manufacturers up and down the land are understandably pulling their metaphorical horns in and restricting investment to the absolute essentials. That's one of the reasons why, even when management teams know they ought to be upgrading or changing their ERP systems – to improve competitiveness, cut operational costs, take up new opportunities, whatever – projects are put on the back burner.

As Guy Amoroso, managing director of 123 Insight – whose ERP solution, with its radical engagement and pricing model, has been gaining ground with all sorts of manufacturers over the last decade – puts it: “They think it's going to cost them a large chunk of money that represents a lot of security, if they hang on to it instead. And experience tells them that there are no guarantees that they'll see the success they're promised, even if they do ahead.”

But, he says, it doesn't have to be like that. “We mitigate all of that risk and cost. So I would say: ‘Don't sit there wringing your hands. Be bold. Do something a bit different and you'll wish you'd done it before.’ If you like, that's what we did 13 years ago, when we set up 123 Insight in the belief that a completely different approach was needed to the tired and expensive old sales and deployment model used by the then ERP software vendors. And we've been very successful.”

So what's different about 123 Insight's ERP proposition? Amoroso insists that, first and foremost, it is indeed entirely risk-free – which is an astonishing claim. “There are absolutely no upfront costs,” he explains, “and we have no contracts – ever.”

How does that work? In brief detail, interested manufacturers are invited to a two-and-a-half hour, no-cost ERP software evaluation workshop. If you don't like what you see and hear, that's the end of the process. You walk away having spent only your time.

However, if, as the vast majority of those who attend have found, it appears to be exactly what you always wanted but didn't believe could possibly exist, you can put your project team on a straightforward classroom training course at £3,000 per person for six days – or £500 per day, if that's preferable.

Crucially, though, even at this stage you only spend the money if and when you move on to full implementation. If

you have second thoughts, that's right, you pay nothing.

“And then when customers register to use the system, it's just a low monthly fee, without any binding contract. What's more, payments are only for licences they actually use. So, for example, during the early days of implementation, that might only be a few. Then, as companies grow, they turn on more, but if they need to contract, they close them down and pay less.”

Too good to be true? Well, no, actually. And we're talking about a highly functional Microsoft .Net based ERP suite (unsurprisingly dubbed 123insight), with a SQL database geared to handling everything from modest to very large volumes of mission-critical data. In fact, Amoroso claims that users range from start-ups to manufacturers with multiple sites turning over more than £100 million. Clearly, this is no mean system.

What's more, it's constantly evolving. Latest developments include 123 Mobile, available as a cloud-based, hosted application, providing information on customers, suppliers, financial information, stocks etc for employees on the move. Another is 123 SRC (service repair centre) for manufacturers needing to manage returns, repairs, warranties, and the like – taking care of goods-in, stock, contracts, billing, etc. This capability is available in the cloud or on-premise, depending on your preference.

Among manufacturers that have been bold and taken the plunge with 123 Insight are bespoke batteries manufacturer Creasefield and iconic defence electronics manufacturer Roke Manor Research. So what led them to their decision? And what do they say now?

Creasefield first, and managing director Jason Holt states that 123insight was what enabled his company finally to switch off an ageing, stripped down enterprise MRP system, and move into the 21st Century, while at the same time cutting system costs. He says the company had been considering upgrades and alternatives, but found the requisite outlay prohibitive. And he adds: “The upgrade cost with our existing supplier was huge, too – many tens of thousands – which, at the time, we simply couldn't afford.”

Then he came across 123 Insight online. Having gone through the evaluation process, he recalls: “One of the refreshing differences was that we could have access to all of the modules without continually bolting on



additional costs. It gave us all the functionality that we needed to grow into, which was a huge factor in our decision making.” And so it has proved: since implementing the system in 2002, Creasefield has grown from a company of 15 turning over £680,000 to one of 63 with revenues of £4.2 million.

As for running the system, Holt says that paper documentation was virtually eliminated and that, with electronic workflows and full access to orders and parts data, the accuracy of quotations and timeframes improved rapidly. Staff also responded well to the intuitive, Microsoft-based interface, and he specifically comments on the system's mature batch traceability, which is essential to this ISO9001 business. “Moving forward with 123insight v9 will help develop the way we record production data and inspection records. The advanced serial number tracking, for example, will be a massive improvement for us.”

It's a similar story at Roke Manor Research, which, facing considerable growth in 2010, decided it needed to replace a mix of Excel spreadsheets, Access databases and a bespoke electronic route card system with full manufacturing ERP to link to its SAP financials. Having meticulously assessed six systems and whittled the shortlist down to two, operations manager Steve Harris recalls that the Manufacturing Advisory Service suggested taking a look at 123insight. “The 123 Insight model was initially alien to us, as, traditionally, our approach was to buy software and pay maintenance,” says Harris. However, having gone through the evaluation workshop and found what he describes as “an out of the box solution”, rather than the others' systems customised to the tender document, he pressed the ‘go’ button.

“We were looking at other systems costing around

£150,000 plus £12,000 annual maintenance. [So] the financial case also looked best for 123insight, and we were comfortable that it would meet our technical needs,” says Harris. Hence, in April last year, the firm implemented its new subscription-based ERP software, along with an interface to SAP, also written by 123 Insight's development team. And the result: a new mindset among staff, preparatory to the firm's predicted growth.

“For example, much of our previous work was separately managed production builds for different customers that ran independently,” explains Harris. “We did not have a company-wide system for managing stock, so reusing components from one product to another simply wasn't possible. [Now], there's been a drive from the design side to consider what stock is immediately available. So, rather than just selecting any component to design into a product, they check first to see if anything suitable is in stock.”

And he cites other examples, including 123insight's advanced serial tracking (AST), which has superseded the company's previous parts data management process, which recorded information on electronic route cards but with references to multiple locations. “With AST, when we do our final approval, everything is on one document. We can quickly see the status of any piece of equipment and obtain its full history. This is a massive improvement,” states Harris.

“With 123insight, we've also been able to significantly reduce the up-front investment required, meaning that our breakeven point will occur much earlier,” he concludes. ■

Defence electronics firm Roke Manor Research has improved stock management thanks to 123 insight

Guy Amoroso: be bold and think differently



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