

Metaltech saves £200,000 a year with integrated SYSPRO solution

A growing engineering and fabrication specialist is saving, on average, £200,000 a year after investing in a fully integrated SYSPRO Enterprise Resource Planning (ERP) solution from K3 Syspro.

MetalTech, which offers a range of sub-contract services including turning, milling, grinding, fabricating, welding, painting, assembly and testing, has recorded the impressive saving after slashing the time it saves on administrative duties by up to 40%.

The company has been using SYSPRO for six years and reported consecutive savings in both cost and time since it replaced a manual reporting system. By using spreadsheets to calculate and measure financial performance, productivity, sales accuracy and other data, the company struggled to generate accurate Key Performance Indicators (KPIs), which held the company back when it came to streamlining critical business processes.



“With SYSPRO, we have been able to produce reports that have been invaluable in measuring our financial performance, job performance, quote accuracy, market performance and sales activity. This is saving us up to 40% of our time and has enabled us to make a cost saving of around £200,000 year-on-year.” Paul Smith, Metaltech

At a glance

Company

Metaltech

Industry sector

Manufacturing
• Metal Fabrication

Number of employees

90 +

The challenge

- Support an ambitious growth plan
- Replace manual reporting system
- Need to measure performance in every department

Solution & services

- SYSPRO Financials
- SYSPRO Manufacturing
- Equator HR
- Advanced Planning & Scheduling (APS)
- Hosted Exchange
- Storage as a Service

The benefits

- Headcount is contained
- Increased turnover
- Quick return on investment
- Accessible, up-to-date information
- Fully integrated solution
- Reduced downtime
- Increased on-time delivery
- Ability to provide more accurate quotes and timescales



(continued)

MetalTech's Business Improvement Manager Paul Smith takes up the story: "Previously we were running a number of different spreadsheets in line with our financial software, which made it virtually impossible to generate any substantial reports and measure KPIs across every area of the business. With SYSPRO, we have been able to produce reports that have been invaluable in measuring our financial performance, job performance, quote accuracy, market performance and sales activity. This is saving us up to 40% of our time and has enabled us to make a cost saving of around £200,000 year-on-year."

MetalTech entered the ERP market six years ago with a simple brief; a solution that would enable the company to measure performance from every department of the business, integrate with financial reporting software and support an ambitious growth plan. After exploring two Tier One solutions and a number of smaller options, the company chose to implement SYSPRO, for its integration capabilities, scalability and reporting functionality.

On-time and on budget

SYSPRO was implemented into the business on time and on budget, during a staged approach across three months. Since then, the solution has supported a period of impressive growth for MetalTech, which has seen the company grow from a £5 million turnover firm to a £7 million company and be named on the Telegraph's list of the Top 1,000 growing companies in 2013. Quite remarkably, this achievement has been made without adding any extra staff to the company's



"SYSPRO has really supported our company growth over the last six years and become an integral part of all our operations. It was a big investment initially because we opted for an on premise solution, but we more than recovered the initial costs associated with it in just two years of operating the system."



90-strong team, because SYSPRO has been able to absorb the bulk of the extra work and resources required.

Paul Smith explains: "SYSPRO has really supported our company growth over the last six years and become an integral part of all our operations. It was a big investment initially because we opted for an on premise solution, but we more than recovered the initial costs associated with it in just two years of operating the system."

Key to the company's growth was the way that it has been able to scale up its SYSPRO solution in multiple phases in order for it to evolve into a central critical business application. It was always



(continued)

MetalTech's intention to replace its existing financials software with the relevant modules implemented into the company's ERP system and this was done after just six months after initial implementation. K3's own human resource software Equator HR was integrated into the solution as the next step two years ago and has since enabled the company to reduce its downtime by up to 10% over the last 24 months.

Productivity Flourished

The company uses Equator to measure staff productivity. Every worker has an automated clocking in system on the machine tool they operate. This information is sent through to the company's Equator system and from this, management are able to analyse the amount of hours that staff spend working on one particular job, and calculate any wasted working hours. By measuring this regularly, MetalTech has been able to reduce its unproductive timescales from 25% to just 15% and a result, productivity has flourished.

Operating in tandem with Equator is an advanced planning and scheduling system, (APS) which was integrated into SYSPRO eighteen months ago. This was always an initial aspect of MetalTech's ERP brief and required to collect job data from the factory floor. It has been particularly useful in enabling the business to make further efficiency improvements and increase its on-time delivery rate from 80% to 90%.

Paul Smith explains the importance of APS and how it works for MetalTech: *"To me, APS is an integral part of any modern day manufacturing business. We are operating our loading processes using the scheduling tool and this has enabled us to really improve our on-time delivery rates. It looks at how many hours we have available for each job, which in turn, enables us to provide a customer with a more accurate quote in the sales stage. This means that we afford ourselves more realistic timescales to complete each job and provide an all round improved service to every customer."*

"Since using APS we have been able to stop taking work on that wasn't so profitable and, on the flip side, we have been able to enter new markets and take on new jobs that are more suited to the services we provide and the way we work."

"Since using APS we have been able to stop taking work on that wasn't so profitable and, on the flip side, we have been able to enter new markets and take on new jobs that are more suited to the services we provide and the way we work."



In total, MetalTech has upgraded its SYSPRO solution ten times since initial implementation and Paul Smith reports that each upgrade has been seamless and non-disruptive to the business. The company works with K3 Syspro's partner K3 Hosting to manage its SYSPRO set up and ensure that it has data frequently backed up to the secure K3 cloud, hosted email and 3G access, which means that even in the event that the company loses internet connection, this does not affect any of their customers. The company also benefits from SQL backup ten times a day and is reassured that its critical business data is in the hands of the professionals.



(continued)

"We don't have the best comms line running through the business and our in-house IT expertise is limited so it is reassuring to have K3 Hosting looking after all of our business data and providing infrastructure support. We also have access to K3's excellent support team and are still in contact with our account manager, who we speak to regularly. The fact that we just have one contact for all of our data needs means that we are free to get on with the day-to-day running of the business, reassured that our business information is always secure," says Paul Smith.

MetalTech has been so impressed with its SYSPRO solution that it is assisting K3 Syspro with customer visits, and welcoming other companies to its 45,000 sq ft factory in Somerset, to demonstrate to them how invaluable SYSPRO has become to the company's everyday operations.

Delighted with savings and efficiencies

Paul Smith concludes: *"This was our first ever foray into the ERP market and initially we didn't quite know what to expect from the whole experience but we have been delighted with the kind of savings and efficiencies that SYSPRO has brought to MetalTech. It's not an exaggeration to say that SYSPRO has been a key enabler of our recent growth and we have never looked back since implementing the application. I am confident that SYSPRO will continue to play a major role as we diversify our business and grow our market presence even further in future years to come."*

"This was our first ever foray into the ERP market and initially we didn't quite know what to expect from the whole experience but we have been delighted with the kind of savings and efficiencies that SYSPRO has brought to MetalTech. It's not an exaggeration to say that SYSPRO has been a key enabler of our recent growth and we have never looked back since implementing the application. I am confident that SYSPRO will continue to play a major role as we diversify our business and grow our market presence even further in future years to come."

