Block Imaging Maximizes the Value of SAP Business One with Stellar One Consulting

STELLARONE CONSULTING

BLOCK IMAGING

About Block Imaging

Established in 1997 and headquartered in Holt, Michigan, Block Imaging's one hundred employees, divided between four global locations, serve customers in one hundred countries. Radiology and imaging professionals rely on Block Imaging for help buying, selling, servicing, and maintaining their medical imaging equipment, including MRI, CT, C-Arm, Digital X-ray, PET/CT, and women's health equipment.

Before Stellar One

Block Imaging experienced substantial growth in the last two decades, particularly in their revenue base, but they weren't as efficient as they wanted to be. To reach their goal of increased net income, company management sought to increase margins by reducing deal complexity and the cost of goods sold. "We provide great value to our global customer base," said Paul Beard, VP of Parts Operations at Block Imaging. "We just needed to become leaner in the processes we had in place."

The company's ERP system, SAP Business One, hadn't been implemented to allow Block Imaging to scale efficiently, so when operations staff tried, the system became too cumbersome to modify. At the same time, operations leaders were planning to adopt new technologies (e.g., barcoding and inventory serialization) as part of their drive for efficiency and to gain a competitive advantage.

After reviewing SAP Business One's latest capabilities, company management suspected that the cause of their ERP challenges didn't come from the SAP software but rather from their SAP Partner. "Our consultant wasn't helping us investigate proven Business One add-ons that would make us better," explained Beard. "They lacked background knowledge of accounting, used outdated methods, and couldn't teach us how to leverage the system."

A change was necessary.
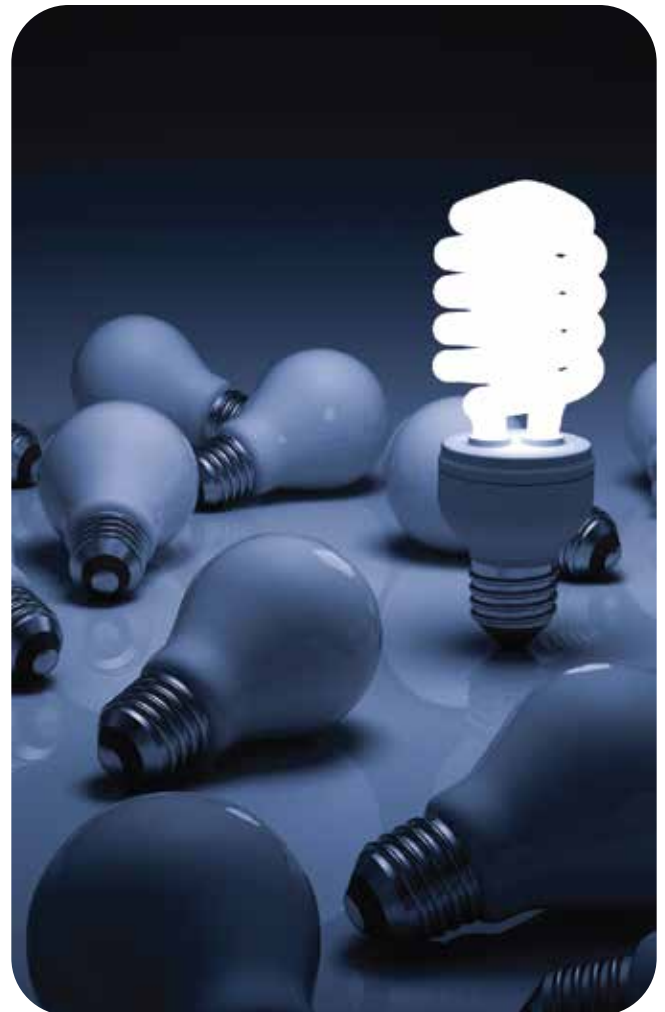
Selecting Stellar One to Overhaul SAP Business One

Block Imaging established a three-person team to evaluate the best solution for performing modern inventory management and pursuing an overall strategy for lean. The team included an operations executive, the company accountant, and Paul Beard. After evaluating potential ERP solutions, they decided to continue using SAP Business One.

The more important part was choosing the right SAP Partner to guide their reconfiguration and use of Business One. The team established these core criteria for choosing an SAP Business One Partner:

Stellar One's teacher mentality was, bar none, the most important factor in their selection by our team.

– Paul Beard, VP of Parts Operations, Block Imaging

- The ability to teach Block Imaging personnel to use the latest SAP Business One features and capabilities

- In-depth product knowledge to pursue all SAP Business One possibilities

- Knowledge about valuable third-party add-on modules to SAP Business One

- Willingness to partner with Block Imaging in a consultative manner

During discussions with inventory management specialist firm RFGen, Block Imaging learned that Stellar One Consulting had a great reputation for their SAP Business One product knowledge, including how to apply a broad set of modern third-party applications.

Following an in-person meeting with Stellar One consulting professionals at the Americas' SAP Users' Group, the Block Imaging team decided to partner with Stellar One to "re-implement" SAP Business One. "They [Stellar One] are looking to empower you to learn SAP and how it functions," said Beard. "They truly wanted to be a consultant, not just an arm of some organization that continuously bills us."

Stellar One Makes SAP Business One Implementation Far Easier

The Block Imaging team chose Stellar One as their SAP Partner in order to maximize Business One's latest features, advantages and benefits. "We were familiar with Business One, but it was like a full re-implementation," stated Paul Beard. "We always knew it could be done – but when we saw it could be done the way we hoped, we knew we'd chosen the right partner."

In less than two months, Stellar One and Block Imaging completely reinvented the way Block Imaging manages inventory processes, controls documents, and performs collections. The team credits Stellar One's advice, teaching, and direction for enabling the initial work and ongoing improvements. Block Imaging was particularly pleased to finally incorporate the barcoding and inventory serialization that would help them gain further efficiency and competitive advantage.

When asked about the particular aspect of Business One that benefits Block Imaging most, Paul Beard gave a surprising answer: "It's the actual consulting. We like coming up with ideas, but we need someone to guide us on the full picture. We have that with Stellar One."

> *Without Stellar One, we would be attempting to do everything in Salesforce, and that's no way to approach lean.*
>
> - Paul Beard

Today, a full 50% of Block Imaging employees use SAP Business One for improved accounting, operations, sales, and support.

The Quantifiable Benefits of SAP Business One with Stellar One Consulting

The medical equipment industry lags behind most others regarding inventory management practices and the use of lean principles. "The fact that we can understand inventory with extreme precision gives us an incredible advantage," said Beard. "We now use Business One to do things that our competitors aren't able to do." In fact, the company recently won several new customer contracts by providing fast-response, automated quoting based on their knowledge of how much inventory they had on hand, when new inventory would arrive, and all related cost, sales price, and margin data.

- *40% reduction in collections process time*

- *Automated quoting*

- *Project-specific analytics*

Block Imaging also reduced their collections process time by 40%, allowing them to do more with fewer employees.

Finally, through automation, the company performs project-based accounting in multiple departments, which has improved their tracking of how individual areas of the business are performing. Reports to upper management provide insights that can be analyzed to help executives make decisions regarding the most profitable ways to grow the business.

Continuous Lean Improvements with Stellar One Consulting

Having found a true business partner in Stellar One, Block Imaging management continues to investigate new ways to gain efficiency and grow net margin. "Stellar One has been a great addition to our strategic team," said Beard. "We expect to grow our competitive advantage even further as they analyze the market for future add-ons that correspond to our needs."

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