

CASE STUDY : HITACHI HI-REL



Managing Scale, Reliability & Dependability

Industry

Power Electronics

Scale of Operations

2 Manufacturing Locations

7 Zonal Offices

45 Service centres

Growing Demand in Power Electronics

Increase in Scale of Business

Difficulty in managing Delivery Schedules

Heavy effort for adherence to QC standards

Heavy Effort to manage Service Calendars

About Hitachi Hi-Rel

Incorporated in 1983 as Hi-Rel Electronics Pvt. Ltd., it is now a Hitachi Group Company - Hitachi Hi-Rel Power Electronics Pvt. Ltd. Hitachi Hi Rel is recognised as a pioneer in Power Electronics. Hitachi Hi-Rel caters to all kinds of Industrial, Commercial and Enterprise Applications in Power Electronics Segment through a wide range of products in UPS and Power Conditioning, Drives & Automation, Solar Energy and Transportation segments. Today, Hitachi Hi-Rel have their Head office in Ahmedabad, 2 Production Units in Gujarat, 7 Regional Offices and 45 Service Centers across India.

Business Scenario

Hitachi Hi-Rel has multiple lines of products in Power Electronics that caters to multiple lines of business. Since it dealt with Uninterrupted Power systems and Power Stabilisation, the technology demanded high reliability. And since these products had to be fail-safe, regular preventive maintenance and spares inventory were critical to ensure reliability. There was a big opportunity for their products due to mismatch in power demand and supply.

The Challenge: Managing Growth

With the business scenario above, the business required a strong Production & Supply Planning engine to accurately manage the production and delivery across a wide array of product lines. The business required a strong quality-control and defect-control mechanism to ensure products of highest quality standards. There was also a need for a strong Service Management System to ensure accurate management of service engineer's schedules and availability of spares.

With a basic Inventory system on Foxpro and Tally Accounting, this was not possible. Besides, with rapid growth in business, these systems were unable to handle the volumes and the growing complexities.

Difficulty to Cope up with Growing Business

Microsoft Dynamics NAV

Enterprise Wide

Impact

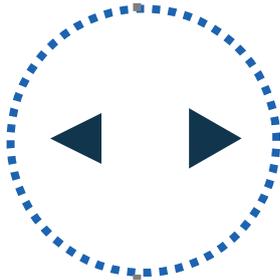
With unintegrated system for planning and forecasting, there were high working capital costs and delivery delays caused by shortage in inventory. Quality Control and Defect Tracking was manual - resulting in too much of effort to ensure process adherence. There was simply too much effort to ensure adherence to service schedules. Availability of spares was never a guarantee. There was generally a feeling that it would require too much effort to scale the business.

Solution

Microsoft Dynamics NAV and the right implementation of Microsoft Dynamics NAV solved their challenges. Microsoft Dynamics NAV is easy-to-use enterprise resource planning (ERP) software that helps companies worldwide manage their accounting and finances, supply chain, and operations. Intech Systems implemented Microsoft Dynamics NAV for Hitachi Hi-Rel. Intech Systems, established in 1979, is a leading solution provider of Microsoft Dynamics with an experience of 10+ years in implementing Microsoft Dynamics solutions in India and Worldwide.

Modules Implemented

Intech Systems implemented Microsoft Dynamics NAV enterprise-wide. From functionality perspective, Intech Systems implemented Microsoft Dynamics NAV across Customer Relationship Management (including sales & service management), Supply Chain Management (including Demand Planning, Procurement, Inventory, Supply & Production Planning, Production Management, Shipments & Exports), Financial Accounting & Management and Project Management.



Managing Wide Range of Products

The usage of Hitachi Hi-Rel products spread across multiple industries, and had multiple uses. The product range was huge and at many times, unique for every situation. It had to deal with both Make to Order & Make to Stock scenarios across 4 Product lines involving multiple products.

Intech's implementation of Microsoft Dynamics NAV allowed them to capture the specific needs of every customer order. It also enabled the sales team to accurately commit delivery dates based on real-time supply chain scenario such as raw materials / finished-goods availability, procurement lead times, production schedules etc. The quotations submitted to prospects could also be considered while Supply and Production Planning depending on stage of sales cycle.

This capability helped Hitachi Hi-Rel to proactively manage the growing scale of business and also honour commitments made to the customer.

Ensuring High Reliability

All the products of Hitachi Hi-Rel were mission critical as it acted as a power stabiliser and power back up. In order to ensure that, Hitachi Hi-Rel had stringent Quality Control Norms and Defect Control Systems.



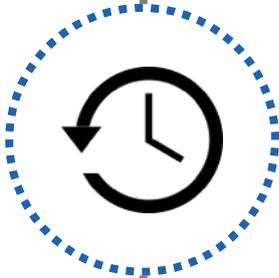
Intech's implementation of Microsoft Dynamics NAV enabled Hitachi Hi-Rel to ensure adherence to Quality Control & Defect Control Practices on a continuous basis. From a quality perspective, all the workflows and QC tests relating to the incoming, in-process and pre-dispatch, were automated. A comprehensive system for Defect Logging, Defect Tracking and Defect Resolution was also implemented.

These systems enabled Hitachi Hi-Rel to provide Highest Reliability of their products.

Service System that Ensured Dependability

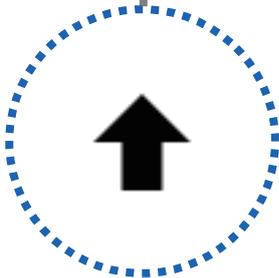
In order to ensure near-zero downtime of Hitachi Hi-Rel products in customer locations, preventive maintenance played a crucial part. And in case of a downtime at customer location,

emergency response to such situation was extremely important - which meant immediate availability of service personnel and spares.



Intech implemented a comprehensive service management system in Microsoft Dynamics NAV that enabled automatic maintenance of service calendar based on warranty terms and Service Contracts. With Dynamics NAV, Hitachi Hi-Rel was also able to plan the schedules of service engineers and oversee their execution. Hitachi Hi-Rel was also able to log specific service requests in a call register and plan for its resolution based on service engineer's & spares availability. Dynamics NAV ensured that Hitachi Hi-Rel had a very strong mechanism which made them a very dependable service provider for their customers.

Catering to the Growing Demand



Intech's implementation of Microsoft Dynamics NAV helped Hitachi Hi-Rel to manage the increasing scale of business with ease. With integrated Demand Planning & Supply Chain Management in Dynamics NAV, Hitachi Hi-Rel were able to adhere to committed shipment schedules despite the growing demand and product lines. Intech also implemented Hitachi's best practices for supply chain which hard reserved inventory, production capacities and other production resources for a sales order or sales quote. This enabled Hitachi Hi-Rel to adhere to delivery schedules even if sales cycles were long but the delivery times were short. The integrated EXIM functionality in Dynamics NAV helped Hitachi Hi-Rel to easily adhere to commercial & statutory requirements of Export business.



**Managed
Growth & Scale**

**From
Automation to
Process
Efficiency**

Results

Microsoft Dynamics NAV helped Hitachi Hi-Rel manage the growing scale of business. After the implementation of Microsoft Dynamics NAV, they were able to expand geographic reach and increase exports business. They became a more reliable and dependable option for their customers despite the growth in business, increased production capacities through a new factory in Sanand, collaborated with Hitachi & incorporated their business practices. Increasing the scale of business, which seemed difficult to manage earlier, became a non issue, because Intech's implementation of Microsoft Dynamics NAV, provided Hitachi Hi-Rel a strong backbone.

The Intech Difference

Implementing ERP is a continuous journey. It starts with automation of business functions and then progresses to enable business process improvements. The stage by stage approach followed by Intech enabled Hitachi Hi-Rel to just do that. Intech first automated the business functions. And then, in the last 3 years, it then focussed on jointly incorporating the business process improvements along with Hitachi Hi-Rel. What Intech brought to the table to Hitachi Hi-Rel was: Reliability, Vision and Sustained Availability of Business & Technical Expertise.



About Intech Systems

Intech Systems, established in 1979, and based out of Ahmedabad (Gujarat, India), is Gujarat's First IT company. Intech is a software consulting company focused on ERP implementation and management services. Intech's key financial and business performance indicators fetched the valuable [CRISIL Ratings SE 2B](#), as per the norms of Indian Government and NSIC. In India, Intech is one of the top resellers and implementation partners of Microsoft Dynamics NAV and Microsoft Dynamics AX. Globally, Intech's strategy is to support other Microsoft Dynamics NAV partners by providing development support. Intech has its operations in India and USA. For more details, visit www.intech-systems.com



About Microsoft Dynamics NAV

Microsoft Dynamics NAV is quick to implement, easy-to-use enterprise resource planning (ERP) software that helps more than 100,000 companies worldwide manage their accounting and finances, supply chain, and operations. It's part of a complete solution for business from Microsoft that helps you work and grow efficiently. For more details, visit <http://www.microsoft.com/en-in/dynamics/erp-nav-overview.aspx>

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