



Microsoft Customer Solution

Case Study

Microsoft Business Solutions—Axapta

“Axapta is a product that can easily provide flexible management facilities; and the most important thing about it is that its module, namely its ability to manage configuration.” ”

Renan Gökyay

Vice Chairman of the Executive Board
NURUS GRUP

Managing Nurus Group’s Entire Business Processes, Axapta is the Nervous System of the Company

Founded in 1927, Nurus Group is one of the leader names in Turkey in production of office furniture. Offering highest quality products in line with customer needs and requests and its principle of building a ‘life style culture’ in offices, Nurus cooperates with talented designers, has won many design awards and is now a fast growing Turkish name on the international arena.

Managed with processes since the 90s, and progressing for the past 10 years by customizing its own MRP solution according to its needs, Nurus wanted to shift to ERP from MRP as its business volume was growing. For Nurus, ERP had to be a tool which would provide necessary information for the continuation of production and that would also be used to produce various data. Furthermore, as the data origins from the customer, it had to be interoperable with a CRM system. After looking for such a solution for a long time, Nurus decided to look into Axapta when it was made available in Turkey and saw that it was capable of meeting the company’s needs.

CUSTOMER PROFILE	SITUATION	SOLUTION	ADVANTAGES
<p>Founded in 1927, Nurus Group is one of the leader names in Turkey in production of office furniture. Offering highest quality products in line with customer needs and requests and its principle of building a ‘life style culture’ in offices, Nurus cooperates with talented designers, has won many design awards and is now a fast growing Turkish name on the international arena.</p>	<p>Managed with processes since the 90s, and progressing for the past 10 years by customizing its own MRP solution according to its needs, Nurus wanted to shift to ERP from MRP as its business volume was growing. For Nurus, ERP had to be a tool which would provide necessary information for the continuation of production and that would also be used to produce various data.</p>	<p>After a long evaluation period, the company decided that MBS Axapta met its needs and with its solution partners Opera and ETG, decided to launch the project with several necessary developments. During the project operations in 2004, Accounting, Finance, Product Setup, Human Resources, Logistics and Trade modules were deployed.</p>	<ul style="list-style-type: none"> ▪ With the product setup feature of Axapta, the company’s configuration management needs were fully met. ▪ Data emerging at one point, became available to be used at various other locations. ▪ As the foreign operations of the company increased, a competitive system compliant with foreign applications, was obtained. ▪ The system now measures the productivity and performance in the processes, and issues warnings when certain levels are exceeded.

“For us, ERP must be a tool which we can use to manage our company and production in an efficient manner. Axapta, fully compliant with this view, met all our needs.”

Mehmet Demir

Financial and Administrative Affairs
Director
NURUS GRUP

Ticari Durum

Founded in 1927, Nurus Group is one of the leader names in Turkey in production of office furniture. Offering highest quality products in line with customer needs and requests and its principle of building a ‘life style culture’ in offices, Nurus cooperates with talented designers, has won many design awards and is now a fast growing Turkish name on the international arena.

Nurus supports new generation Turkish generation on international arena and after winning IF (Industrie Forum) awards, the Oscars of design in 2001 for its I/X executive group and in 2004 for its KISS operational group, Nurus gained a reputation around the world with its impressive designs. Holding TSE, ISO 9001 and 9002 certificates, Nurus Group provides service with its factory covering 21.000 m2 indoors area and with its four companies active in manufacturing, undertaking, service and marketing areas.

Renan Gökyay, the Vice Chairman of Nurus says that they were importing computers in the beginning of 80s and produced several commercial software,

which made them a company that can appreciate the importance of building a sound IT infrastructure. In 1996, Nurus developed a MRP system by itself for its needs and adapted the Access-based system to Microsoft SQL in the following years.

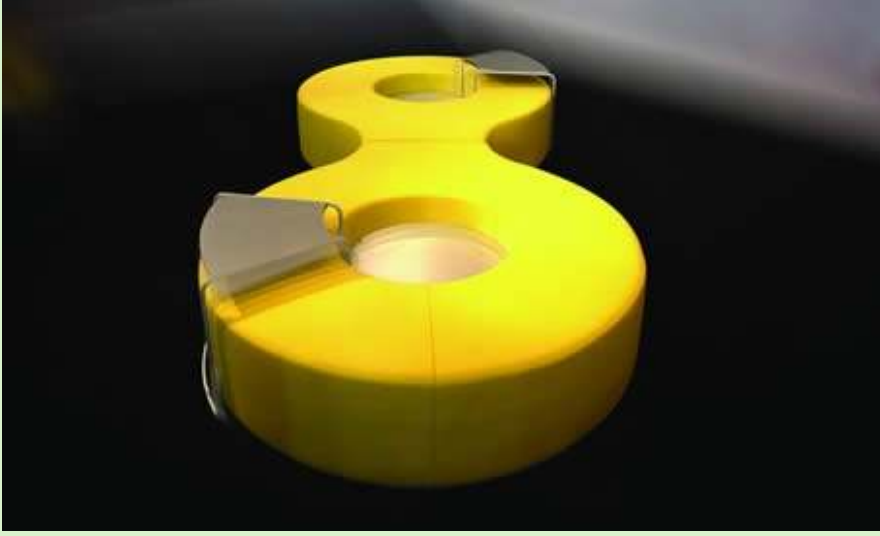
Having made new customizations on its MRP solution in 1998 and 2000, Nurus decided that it needed to shift to ERP from MRP as its business volume was increasing. Renan Gökyay says that as a company that is managed through software since the beginning of 90s and that developed its own MRP, they shifted to ERP in a very short amount of time while in other companies this process can take 4-5 years. He says that the process can take longer in other companies because they are not used to be managed through software process, and in many of those companies instead of ERP being adapted to the company, the company is being adapted to ERP.

Gökyay continues: “We were managing configuration on our own MRP.

Configuration management involves managing production items that go through same processes but that vary in



Having won Industrie Forum (IF), the Oscars of design world, in 2001 with its I/X product, again won the award for the second time in 2004 with its KISS group and brought this award two times to Turkey, which entered Turkey only three times in its history.



New product group Connect, which can be customizable according to the size and structure of lounges, is designed by designer İnci Mutlu.

their colors, materials etc, with the same code number. If you don't have a configuration management, and seeing that we have to use about 6 billion different codes every year, it is clear that controlling a few thousand codes and 6 billion codes is quite different even if you use a computer. There are only a few MRP systems with configuration management in the world and it is not possible to patch the system to add this feature. As a company that wrote its own MRP, we wanted to maintain this configuration management feature while switching to ERP."

Mehmet Demir, the Financial and Administrative Affairs Director explains their expectations from ERP as follows: *"This ERP solution had to be a tool that would help us use the data from one single source and that would prevent repeating entries. Also since everything starts with the data coming from the customer, it had to contain CRM module too and we had to be able to start production functions with the data we entered in the customer management sections."*

In Nurus' business processes, production and productivity play an important role. Producing furniture parts by using different

materials with minimum waste, using the stocks and shifts in the most efficient manner, are important factors to ensure operational profitability for the company. Having designed its production facilities and business processes accordingly, Nurus wanted the ERP module to manage these processes like a nervous system in an efficient manner.

Nurus, despite searching for a long time for a solution that would meet its expectations both in terms of configuration management and other needs, saw that available solutions on the market failed short of its expectations.

Çözüm

Solution

Nurus officials saw Microsoft Business Solutions' (MBS) Axapta and Navision applications during a business trip abroad and when MBS started in Turkey and Axapta became available, decided to examine the solution. Renan Gökyay comments as follows: *"In May 2003, we started to examine Axapta with a team of five; and in October we decided that it was suitable for our needs and shook hands with MBS. Given that we are a*

"Axapta, with its "Intercompany" feature, saves us time in accounting procedures between companies. Also consolidation operations are now possible with the pressing of a single button.

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Esat Uslu

Accounting and Finance Manager
NURUS GRUP

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Axapta

- Product Setup and Configuration Management
- Production and Workshop Management
- Accounting
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- Logistics
- Trade
- CRM

Solution Partners:

Opera Technologies
ETG

company that built its own MRP, our decision process was of course different than most of the other companies. We knew our needs very well and what we could and could not do and while examining Axapta we were careful and demanding.”

Renan Gökyay says that companies that have not built sound business processes are forced to adapt to ERP solutions: *“But it is not the case with Axapta. Of course, there won’t be huge differences in business processes, but still every company has its own way. The company should not be forced to adapt to the solution, instead of that the solution should adapt to the company.”*

Mehmet Demir says that as their business processes were already defined, they aimed to determine exactly what could be applied and deliberately took time in analyzing the solution: *“Actually the view of ‘this solution does it all’ is not correct. If I had everything correct, I wouldn’t have needed an ERP solution in the first place. I will adapt to it to a certain extent but I must be able to make demands and ask for some customizations to a certain extent. The software must be able to comply with my processes, and production capabilities.”*

Nurus, after this analysis period, decided to use Microsoft Axapta and carry out necessary customizations with its solution partners Opera Technologies and ETG Bilgisayar. Nurus Axapta System Manager Ahmet Hakan Eser says that they planned the project in two phases where only general accounting, finance, trade, logistics, packaging, production, product setup, master planning, payroll modules would be deployed in the first phase and project, CRM, budget, and workshop control modules would be deployed in the second phase. Renan Gökyay says that as a company that obtained ISO 9000 certificate in 1996, Nurus deployed the project in an almost record-breaking time of 1 year and 2 months.

Within the scope of the project, teams worked to deploy Finance, Production Setup, Human Resources, Workshop Control, Trade and CRM modules including configuration management, and accounting system based on inflation accounting, packaging and shipment processes.

Renan Gökyay says that ERP means conversion and therefore senior management has to adopt the project and overcome the resistance that may be encountered during usage: *“Since ERP will change wrong but still adopted methods within the company and ensure that people will be evaluated with their real performances, it will face some resistance. Providing maximum support to manage and guide this change and to be decisive is what is expected from the senior management. We showed the dynamism that could be expected from a medium-scaled company and built a dedicated team for ERP.”*

Gökyay says that in addition to Opera and ETG, Microsoft also helped them greatly: *“Microsoft also provided serious support to this project. They sent us an expert team from abroad, and product officials came from Australia and Denmark. They examined our system, detected the mistakes that would contradict with the logic of ERP and ensure that the project would progress healthily.”* Gökyay says that entire team committed themselves to the project and particularly Opera Technologies put too much into the project and ETG supported them with CRM and budget modules. As a result of these efforts, Nurus deployed Axapta application in January 1, 2005 as the first step. The second phase is planned to be launched in 2005 as well.

Yararlar

Advantages

Easily Customizable Structure

As the Axapta System Manager in Nurus Group, Hakan Eser says that Axapta has a scalable architecture, flexible data structure, a multi-tier code structure and customizable user interfaces: “All these features gave us an easy and understandable development environment.”

Cost Monitoring and Reporting

Ahmet Hakan Eser also says that Axapta, with its detailed authorization structure, enabled users to access data they needed: “With Axapta, it is possible to monitor the costs dimensionally. The users can get detailed reports and analysis any time they want.”

Integration with Existing Systems and Company Processes

Nurus ensures communication between Ankara factory and İstanbul office on Microsoft platforms, over a WAN-based network and maintains a Microsoft SQL based database. Therefore it wanted to use the same resources in the ERP application. Renan Gökyay continues: “If you are acting in line with the business process when managing the company and maintain your software procedures in the mean time, this culture will live on. For example entering wastes in the ERP software, making waste evaluations when everything is done, won’t do much good. Everything needs to be handled within a project. In our ERP selection, we wanted to take advantage of the same sources and decided to use Microsoft solution.”

Nurus, with Microsoft Axapta solution, preferred a solution where the data entered from one source are used in all business processes and a system which was completely integrated into company infrastructure. Furthermore, configuration management, an indispensable factor for the company was successfully incorporated in Axapta. Gökyay elaborates: “Our researches showed that other ERP solutions weren’t very successful in production like ours which consisted of multi stages. Packages good in customer relations were weak in terms of production

management. Axapta is a product that can meet flexible management needs: most important thing about it is setup module; namely that it can manage configuration. For software lacking configuration management, different codes must be used for every product component. For example if you are producing different colors of the same shirt, you have to control the process using codes. This is a big burden on the system and makes everything more difficult. With Axapta, you can control this production using the same codes: let’s say you produced different colors of the same shirt, and used different buttons for each of them, but the process is same and shirts go through the same processes. You can track the system with the same code to facilitate the management.”

Data integrity and Operational Productivity

Mehmet Demir continues, “For us ERP must be a tool that will give us information that can be used to make management productive and efficient, that won’t need data entrance from multiple sources and a tool that will enable us to use the same data to produce multiple information. Complying fully with our needs, Axapta easily met all our needs.”

Nurus Group consists of companies engaged in various areas from production to marketing. Both in terms of business processes and Turkish legislations, there are many similar procedures in these companies; like all of them being have to issue invoices to each other. Mehmet Demir continues, “After Axapta, the relationship between the companies is reduced to minimum level. Since everything starts with the customer, we placed customer relations and logistics in the beginning of the process and thus completed our CRM module. Now we can start production functions and customer management with the data we entered.”

Renan Gökyay says that Axapta reduced operations levels to minimum and carries out all legal procedures: “As soon as our marketing company’s offer turns into a sales, that sales has to appear on the ERP

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Ahmet Hakan Eser
Axapta System Manager
NURUS GRUP

package at the same time as a purchase order, that's how we purchase raw materials. Our marketing company buys its furniture from our manufacturer company, the purchase order of the marketing company turns into the production order of the manufacturer company. Within the manufacturer company also, all processes like raw material purchases, warehouse controls are carried out according to the same automation process."

Production Control in line with the Corporate Standards

Mehmet Demir says that ERP has been a system applied by big holdings so far, but now thanks to Microsoft Axapta, medium scaled companies like Nurus can take advantage of this system too. Furthermore, the maneuver capabilities of a medium scaled company can prove to be useful in such applications.

Full Compliance with Foreign Applications

Renan Gökyay says that Axapta's international features also attracted their attention: *"Today we are doing business in 40 countries and as a result we are applying different management methods. if we are to invest in a production facility in Ukraine and monitor and manage the systems there, it is sufficient for us to go to Ukraine and buy a Russian language Axapta. The fact that it is an international software usable by our staff there, this is an important aspect for us."*

Axapta's ability to work with different currencies, enables Euro comparisons without needing to apply European Union standards or any additional efforts. Nurus Group's Finance and Accounting Director Esat Uslu says that with Axapta's "intercompany" ability, time saving in operations between companies is possible

and consolidation procedures can be carried out by only one single button.

Renan Gökyay continues: *"Before the production starts, it enables us to see production costs in any currency we want. So we can be sure that our prices, quotes to foreign buyers are more realistic and competitive."*

Production Automation and Measurement System

As Nurus transfers its management processes to Axapta, Renan Gökyay says that Axapta's production automation quality will help them gain a competitive edge: *"We will be able to monitor the relationship between production units, carry out capacity planning, make sure that the management makes better decisions as to capacity planning and provide an environment where every type of measurement can be easily carried out."*

Axapta is a software that can calculate limited capacity, while many MRP and ERP software make infinite capacity plans. Axapta, as a software that includes all modules and business processes, can make limited capacity planning. That is very important."

Nurus, measures its productivity and performance in its business processes using Axapta and by using the warning mechanisms of the software, provides a decision support system: *"We can tell the software to give out a warning if a pre-determined deviation takes place with respect to our project costs. Or we can tell it to inform us if our energy costs rise above a certain level. If our cash flow reaches a certain point within our turnover, we can be warned beforehand."*

Low Total Ownership Costs

Renan Gökyay also adds that Axapta is more advantageous than others in terms of total ownership costs.

Microsoft Business Solutions (MBS) provides various, integrated and comprehensive business applications to meet the needs of the customers, staff and suppliers of small, medium and large scaled companies.

For more information about Microsoft Business Solutions:
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