

CASE STUDY:

QUELCH ENGINEERING LTD



 5 LICENSES

May 2001:
Training started

Aug 2001:
Administration training

Nov 2001
System Live

Installed and maintained the system themselves,

Minimal support - only 3-4 calls in four years

Reports could easily be customised in-house

123insight removed need for finite scheduling

Leadtimes were much more accurate

Additional staff trained using supplied manuals

Much better reporting than before

Can use as much or as little of the system as required

Traceability massively improved

Total initial training cost for current staff of £2250

Low monthly rental fee of £290

Quelch Engineering, based in Uxbridge, Middlesex are CNC turning and milling specialists serving a diverse range of industries, including aerospace, telecoms, motor sports, medical and marine. The supplier of their DOS-based MRP system proved slow in responding to problems, and there was no method of transferring their data to the Windows version, despite several promises and missed delivery dates quoted by the vendor. It also needed a great deal of internal resources to maintain, but was inflexible and always required additional consultancy to tailor the system. Said Alan See, Managing Director; "Every time we wanted to change the system in any way, for example to add our ISO logo to forms, it involved yet more consultancy. Everything seemed to require a 'project engineer' and seemed to make things more complicated than we thought was necessary. We attended the CIM show in November 2000 and spent several months evaluating systems costing between £16-25k, but that was only the software cost. On top of that there was training, additional consultancy generally at around £500 per day, with annual maintenance on top of the final figure. They all appeared to be orientated around somebody in-house dedicated to running the system and them selling you more services - it felt to me like they had one opportunity to get as much out of you as possible. When we saw 123insight we realised that we could implement the system ourselves and train staff in-house, with minimal staff resources tied up to maintain it. Also the renting aspect made it a much easier pill to swallow."

Alan continued; "The decision to look into a new system was made because of a customer audit - they suggested that we ran a 'seat of the pants' operation due to our lack of planning. Originally we believed that finite planning would answer all of our problems, but as it happened this was not the case. Trying to allocate hours to resources does not work for us - you might have a staff member off sick or on leave unannounced. All the finite planning in the world cannot cover this - you end up having a highly paid member of staff constantly trying to fill in the blanks. Instead we simply print out a customer delivery plan from 123insight and use this to plan our workload."

After selecting 123insight, Alan attended the three-day training course along with his son Paul (Operations Director) in May and June 2001 respectively. All other users of the system were trained in-house using the training manuals supplied. Of the training Alan commented; "Paul was responsible for implementing, so spent more time learning the system than me, but even with just the three day training I found it easy to use. None of the staff have a problem with it." The system went live in November 2001. Although Alan admits it was a tense time he was surprised with the smooth transition; "My son implemented both the system and the network, and it surprised me how quickly it was up and running - it went like clockwork. The support we got was excellent. All questions were answered quickly and there weren't any real problems. In fact in the last four years we can't have called support more than three or four times." The system went live across all departments, also utilising 123insight's in-built accounts integration facility. Alan noticed several immediate benefits; "We suddenly had a complete system. Traceability was much easier, with information such as invoices, delivery notes and order acknowledgements all at hand. Tracing previous jobs and costs was also easier. Leadtimes became more accurate because of the visibility we had was accurate rather than a 'finger in the air' guess. When customers want to perform an audit they generally choose a job and go through all stages to prove traceability - with 123insight this is not a problem."

Although Quelch Engineering had installed an MRP system, the generation of purchase orders was one function they chose not to use. Alan explained; "The nature of our business means that every order is treated as unique - we never know if it will be repeated. We did not want to apply resources to have to manually amend automatically recommended purchases of expensive materials that may never be used. We subsequently decided to use our route cards, which lists all of the materials at the bottom. The level of purchasing we do is such that this is a quick and manageable way for us to order exactly what we need while keeping stocks to a minimum. The difference over other systems we looked at is that 123insight allowed us to work in this way rather than forcing us down another route."

Quelch plans to invest in more shopfloor technology driven by its small workforce of highly trained staff. Having a system that has fixed costs with no hidden surprises helps the company to forecast accurately for the future. Alan finalised by saying "It gives us great confidence knowing that we are working with a company that is constantly driving their product forward, along with a team of staff and Directors that have demonstrated their passion for the system. Most companies of our size don't have the resources to keep a computer system up-to-date. Meeting the customers' requirements and deliveries are our top priorities. With 123insight we have complete flexibility to use or change parts of the system to work the way we want to. We are now telling the same customer that called us 'a seat of the pants company' the error of their ways in terms of out of date prices and impossible deliveries - the boot is firmly on the other foot!"