

CASE STUDY

INTERWOOD



Sector

Timber Production and Trade

Profile

Since 1983, INTERWOOD has always aimed to be at the top of the production and trade of timber products in Greece

Users

80

Challenge

The management of timber bundles, from procurement and production to the distribution of the final product, in combination with INTERWOOD and its subsidiaries operating in a unified way

Solution

Entersoft Business Suite (ERP, Mobile CRM/SFA, Production)

Benefits

- Speed and accuracy of cash flow estimation thanks to the timely and error-free data entry
- Automation in managing timber bundles
- Consolidated overview of the group for the Management

DIGITAL TRANSFORMATION WITH INTEGRATED ENTERSOFT SOLUTIONS FOR MANAGING PROCESSES OF TIMBER PRODUCTS

“The market we operate in involves complex timber bundle management which, combined with the distinct characteristics of our internal organizational structures, led to the unanimous decision to adopt a robust information system that would enhance our efficiency and digital maturity. Entersoft, based on innovative technologies and many years of know-how and experience, implemented a dynamic solution that supports our plans and is continuously evolving following our needs and requirements.”

*Christos Athinelis
IT Manager, INTERWOOD*

The Company

Since 1983, INTERWOOD has aimed to combine the knowledge coming from its long experience and adapt to the requirements of the market and the wider environment through business development, profitability and innovative practices, timeless services, as well as products at the best price-quality ratio.

With privately owned facilities in Elefsina, covering an area of 45,000 sqm, with sheltered warehouses and production areas of a total of 14,000 sqm, INTERWOOD aims to be at the top of the production and trade of timber products in Greece, maximizing the value offered to shareholders, customers and staff.

The need

The particular feature of the product handled by INTERWOOD concerns the management of timber bundles in various sizes and qualities as well as the correct recording of each demand separately, containing specific characteristics, operating flawlessly with the other workflows, while at the same time an integrated overview of the subsidiaries' different activities is required.



The pre-existing system was unable to cope with the integration requirements, consisting of various custom applications and operating separately from the warehouse management system

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As a result, failures in quantity of supplies, multiple data entries in different places and lack of flexibility in managing the primary product and its processing into the final product (Production), led to difficulties in correct invoicing and consequently in the extraction of consolidated and accurate results and PnL reports.

Executives involved in these processes spent considerable time during the day on manual calculations, with significant delays and questionable results.

The challenges

- **Consolidation** of information in a **multi-company** environment with different activities, production lines and particular features in processing the raw material and the final product, as well as the elimination of stand-alone applications
- Keeping track of the **same** items in the **same** database with separate **coding per company**, with different **access levels** of information based on the production needs of each company



- The **design** and **systemic depiction** of the concept of **"batch"** as well as the concept of **"dimensions"** within each batch
- The **assimilation** of the new automated processes by the employees and the **smooth transition** to the new system

Solution and innovation

INTERWOOD's selection of the most appropriate partner was based on the following **criteria**:

- ▶ **Homogeneity** and consolidation of information
- ▶ **Flexibility** of customization with the possibility of further development and expandability
- ▶ **Reputation and experience** of the Provider in similar implementations that include production process



The presentation of the solutions in the **live** environment of an existing implementation in order to fully understand the range of functionality and the prospects of development, was of crucial importance for the selection of Entersoft as the most suitable partner for the modernization of processes and the upgrade of INTERWOOD's infrastructure.

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The trust that INTERWOOD showed in Entersoft people and products (Entersoft Business Suite (ERP, Mobile CRM/SFA, Production) has indeed led to an integrated system for all 3 companies (INTERWOOD, DIPO, ELTOP) the management of which is centrally controlled, without the need for auxiliary non-system processes for data extraction. Additionally the subsystems are communicating bidirectionally, providing full visibility with **real time** information through automated workflows.

At the same time, it has the potential for continuous expandability to meet future needs and requirements.

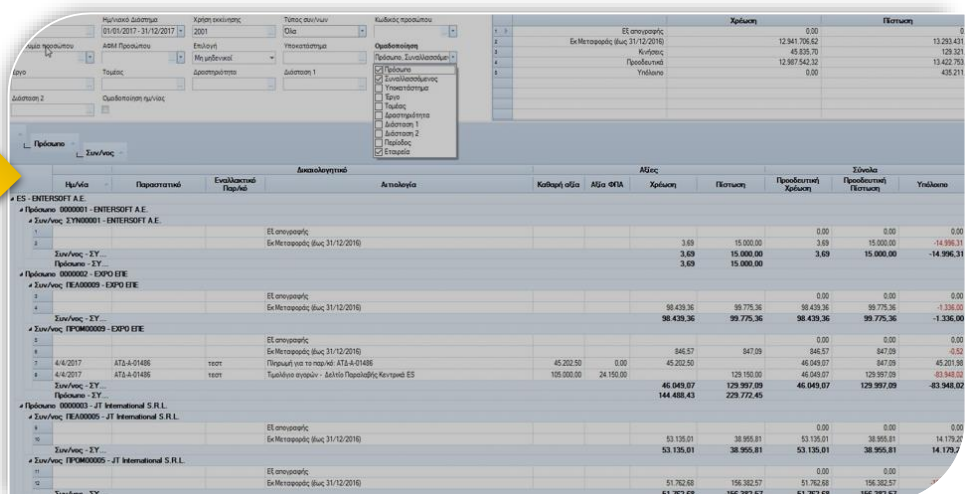
Description of the project

The main weakness of INTERWOOD's existing system was the process of multiple data entries from different executives, affecting the operations of the entire chain.

In the new integrated information system, data entry is completed at a **single point** and inherited across all subsystems, literally untying the hands of the users. At the same time, of critical importance for the product distributed by INTERWOOD, is the **seasonality** which affects the increase in production intensity during specific periods (following the corresponding seasonality of construction works), fully supported by the new system created by Entersoft.

In the new environment, all functions were integrated in the same system, with **real time** access to information from **procurement to final distribution and financial operations**. Management has at its disposal a **consolidated** view of financial results, while users have access to the same, reliable information, gaining knowledge on corporate operations.

Example of consolidated customer account entries per each company of the group



Ημερ/ια	Παραστατικό	Εναλλακτικό Περιχρ/	Αποκλίση	Καθαρή αξία	Αξία ΦΠΑ	Χρέωση	Πίστωση	Προκύπτουσα Χρέωση	Σύνολο Προκύπτουσών Πιστώσεων	Υπόλοιπο
* ES - ENTERSOFT A.E.										
* Πρόβλεψη 0000001 - ENTERSOFT A.E.										
* Συν/νες ΣΥ000001 - ENTERSOFT A.E.										
1			Είσοδος/εξόδου				0,00	0,00		0,00
2			Είσοδος/εξόδου			12.941.706,62		12.941.706,62		13.293.431,12
3			Είσοδος/εξόδου			49.835,70		49.835,70		129.321,12
4			Είσοδος/εξόδου			12.991.542,32		12.991.542,32		13.422.753,12
5			Είσοδος/εξόδου							435.211,12
* Πρόβλεψη 0000002 - ΕΞΡΟ ΕΠΕ										
* Συν/νες ΠΕΑ000009 - ΕΞΡΟ ΕΠΕ										
1			Είσοδος/εξόδου				0,00	0,00		0,00
2			Είσοδος/εξόδου			99.439,36		99.439,36		-1.336,00
3			Είσοδος/εξόδου			99.439,36		99.439,36		-1.336,00
* Πρόβλεψη 0000003 - ΕΞΡΟ ΕΠΕ										
* Συν/νες ΠΡ000009 - ΕΞΡΟ ΕΠΕ										
1			Είσοδος/εξόδου				0,00	0,00		0,00
2			Είσοδος/εξόδου			546,57		546,57		0,52
3	4/4/2017	ΑΤΑ-Α-01485	ισοπ	Πιστωτέο για το αρμόδιο ΑΤΑ-Α-01485		45.202,50		45.202,50		45.201,98
4	4/4/2017	ΑΤΑ-Α-01485	ισοπ	Τυμωμένο αγοράς - Αδελφία Παραλιβιάς Κεντρική ΕΣ		105.000,00	24.150,00	129.150,00	46.043,07	129.997,09
5			Είσοδος/εξόδου			46.043,07		46.043,07		83.948,02
6			Είσοδος/εξόδου			144.048,43		144.048,43		196.382,57
* Πρόβλεψη 0000003 - JT International S.R.L.										
* Συν/νες ΠΕΑ000009 - JT International S.R.L.										
1			Είσοδος/εξόδου				0,00	0,00		0,00
2			Είσοδος/εξόδου			53.135,01		53.135,01		14.179,20
3			Είσοδος/εξόδου			53.135,01		53.135,01		14.179,20
* Πρόβλεψη 0000003 - JT International S.R.L.										
* Συν/νες ΠΡ000009 - JT International S.R.L.										
1			Είσοδος/εξόδου				0,00	0,00		0,00
2			Είσοδος/εξόδου			51.762,68		51.762,68		106.382,57
3			Είσοδος/εξόδου			51.762,68		51.762,68		106.382,57

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Going deeper into the implementation of the solution, the interesting complexity lies in the consolidated systemic mapping of the three companies of the Group, having different products and production processes. By implementing the concept of the relationship between the items in the Warehouse for the creation of finished bundles, where each lot has predefined dimensions (**length, width, height, origin, production plant**), errors from manually entering attribute combinations were eliminated so that the flow of INTERWOOD's key operations could be seamlessly served.

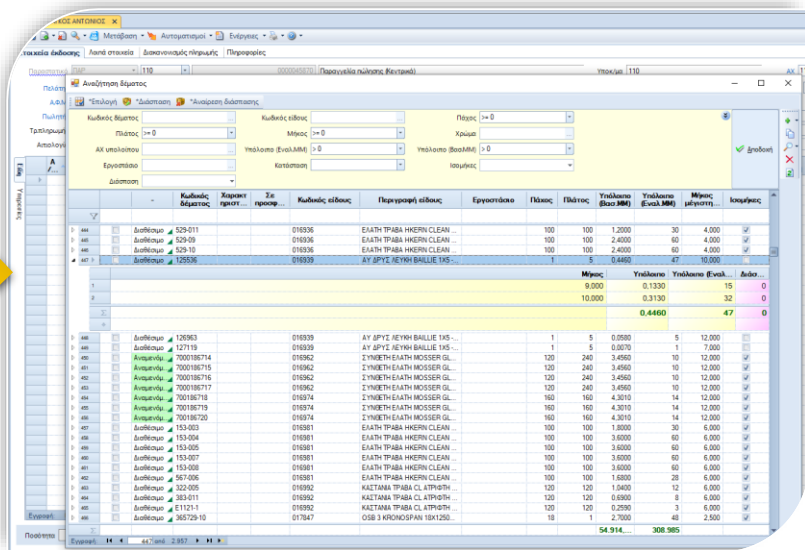
For this specific need, a process flow was created regarding the order entry in the system, where the user knows the **availability of bundles** based on qualitative and dimensional criteria where, in combination with the operation of the subsystems



(including full monitoring of third party warehouses), he is updated of the raw materials expected to be received so as to guide the sale and inform the final customer of the **exact delivery date**. Finally, the production order is entered into the system, while at the same time the internal process of **binding** the primary material with **production** for its processing into final product, is starting.



Example of bundle search and information during ordering



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The complexity of the implementation was additionally increased due to the need for an automated **link between the initial order** and the **final coding of the product** and all individual materials. For this purpose, the Order Entry subsystem is linked to the Production, Costing and Invoicing subsystems, creating a complex, yet seamless flow of interdependent processes for order fulfillment.



It is worth noting that the automatic calculation of the **cubic measurement** of each bundle is of key importance, as its accuracy **determines the pricing** of the final product, taking into account the separate dimensions of the final bundle and incorporating the necessary safeguards to prevent errors from manual intervention.

An important part of the solution is the **intra-company transactions** between INTERWOOD and its subsidiaries. Based on the needs of each company, different **coding** and item information **per company** is maintained **in the same Database**, while the complex and rapid item matching that takes place on the back-end does not affect in the least the operation of each company.

The three companies maintain a supplier-customer relationship with each other serving common customers, while all of their activities form a **consolidated overview** for the Management.



An additional implementation that expanded the operation of the system, was the implementation of the **Entersoft Mobile CRM/SFA** solution for the sales executives' meetings at the points of sale, with order taking being completed via tablet, replacing the previous manual process.

The solution was implemented for every company separately with specific configuration and functionalities based on their customer base, while maintaining a single method of order taking and back-office management, including two-way communication with **Entersoft ERP**.



Sales executives are able to implement promotions at bundle level, and have access to online reports with complete customer data, financial year comparison, etc. which may be useful during their communication with the customer.

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Finally, through the **approval flow** subsystem, the operation of **Financial Management** was upgraded, as the **customers creditworthiness** is checked through an automated procedure, eliminating the intermediate stages of approvals required by the previous decoupled systems.

The result is

- ▶ Cash flow forecast to pay timber supplies
- ▶ Customers check on the consistency of paying their invoices
- ▶ Improved prioritization of orders

Conclusions

Entersoft depicted the complexity of INTERWOOD functions in a system with a holistic approach and complex back-end functionality, yet user-friendly, to facilitate the user's everyday life. The innovative business models that were implemented had the full support of INTERWOOD management in order to achieve the group's efficient digital transformation, which is in constant evolution.

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Qualitative benefits



Real time, reliable and **rich reporting** with cubes and dashboards



Easy data **extraction** and **in depth** analysis at any level



Cash flow planning thanks to better costing and pricing



Elimination of mistakes and delays in deliveries



Time **availability** of executives in productive tasks



Integrated **user friendly** work environment to facilitate the users everyday life

Quantitative benefits



82% savings in man-hours



84% productivity increase



100% invoicing validity



75% reduction of data extraction time



90% mistakes decrease



100% data quality

Speed in

90%
accounts reconciliation

85%
service of orders

73%
production process

98%
Data entry