



## MANUFACTURER GETS FAST RESULTS BY LEVERAGING PROVEN SAP AND INDUSTRY EXPERTISE

### Challenge

TPI Corporation decided to implement SAP to boost the company's efficiency, integrate and automate processes and reduce costs. The company was looking for a trusted partner to cover the entire solution life cycle, from design and implementation to post go-live support.

### Solution

TPI implemented the Discrete.PerformanceREADY to take advantage of industry-specific best practices and processes. Process models were designed in ARIS and implemented in SAP by IDS Scheer Consulting, a Software AG brand. The post go-live support and managed services provided a structured support methodology.

### Benefits

- Increased productivity, thanks to automated and improved processes
- Reduced inventory costs due to improved inventory turns and stocking levels
- Improved customer service
- Better, faster decisions based on real-time data and improved reports
- Smoother operations and consistent business processes
- Closer integration with customer and partner IT systems
- Project completed on time and within budget



TPI Corporation based in Tennessee in the U.S. manufactures more than 130,000 industrial products, including commercial heaters, baseboard heaters, heating solutions, industrial fans, blowers, commercial lights and much more. The company has been serving industrial and commercial customers for more than 60 years.

**Get There Faster.™**

**“IDS Scheer Consulting has a **tried-and-proven methodology**. If you follow it, you will be successful.”**

David Beaver | Vice President, Information Technology | TPI Corporation

### **Looking for the best partner to implement SAP**

Over the past several years, TPI Corporation planned to upgrade its information systems to a more robust, scalable and integrated Enterprise Resource Planning (ERP) system. Based on discussions with other local companies, TPI determined SAP was the best solution to meet its needs.

Once management made the decision to use SAP, it looked for a consulting partner to help design, implement and support the system. The team evaluated various vendors and finally chose IDS Scheer Consulting. Explained David Beaver, Vice President Information Technology at TPI: “We felt that IDS Scheer Consulting understood what we wanted and needed better than any other vendor.”

### **Leveraging industry best practices**

TPI decided to implement Discrete.PerformanceREADY, a solution set from Software AG that combines software and expert knowledge with industry-specific process scenarios based on SAP best practices. This enabled TPI to benefit from insights derived from IDS Scheer Consulting’s extensive practical experience across many previous projects.

The consultants leveraged ARIS software for Business Process Management (BPM) to create company-specific models of business workflows. The ARIS BPM models were also used to determine the best business processes and key competitive processes to be implemented in SAP.

The key to success in the blueprint phase was the close collaboration between the consultants and the functional process stakeholders. TPI’s staff was impressed by the industry expertise IDS Scheer Consulting brought to the table. “We felt that the solution IDS Scheer Consulting offered was specifically designed for the needs of our industry,” Beaver said.

The project was completed in less than seven months, on time and on budget, with results that were a lot better than Beaver and his team had expected. Implementing the SAP system affected virtually all business areas and processes within TPI, including inventory management, production planning, warehousing, finance and management reporting, to name a few.

“Making such a big change to an organization naturally comes with skepticism,” Beaver said. “But within two months after the go-live, our staff had fully adopted the new system and wondered how they were ever able to do their jobs without it.”

### **Excellence in key business processes**

TPI’s key business process—order-to-produce—benefitted the most from the new system.

“We sell heating and cooling systems, which means that our business is very seasonal, with demand fluctuating based on hardly predictable external factors,” Beaver explained.

In the past, TPI’s production planning was based mainly on spreadsheets. This non-integrated process led to a lot of guesswork and often resulted in production not matching order entry, which again led to high inventory levels.

The new SAP system designed and implemented by IDS Scheer Consulting ended the guesswork and improved inventory turns. The system also reduced stocking levels, which led to lower inventory costs. Production can now be scaled or adjusted with changing customer demands.

TPI’s customers are also happy about the improved customer service they now receive. The new system provides a configure-to-order process with direct integration into production execution, giving customers a more comfortable way to configure their products.

Finally, having all data in one automated and integrated system has dramatically improved management reporting. “We used to have to wait for our order and production data for one week,” Beaver said. “Now, all data is available in real-time, enabling our management to make better decisions and react to changing market conditions a lot faster.”

The process automation and integration that came with the system made the whole organization more productive. It also opened up new business opportunities for TPI by enabling a closer integration with customer and partner IT systems.

### **Smooth operations, consistent processes**

To ensure smooth operation of the SAP solution, TPI turned to IDS Scheer Consulting for a complete life-cycle solution. After design and implementation, the company also partnered for post go-live support and managed services. Already during the

implementation phase, the consulting team made plans to ensure a smooth go-live. From Day One of the transition to the new system, TPI was producing and shipping products to customers without any disruption.

Now that the SAP solution is up and running, the IDS Scheer Consulting team is committed to ensuring smooth operations. The team provides comprehensive, 24/7 assistance and advisement via a flexible, tailor-made SAP Support Desk. In regular meetings, potential and actual issues are identified and discussed so they can be resolved or prevented.

“The experience we have had with the support provided by IDS Scheer Consulting has been wonderful,” Beaver said. “There is no problem that they cannot solve.”

The structured support methodology has ensured the consistency of TPI’s business processes. With IDS Scheer Consulting acting as a single point of support, resources can be allocated optimally, communication is direct and efficient, and IT costs are reduced.

When asked for the single most important success factor of this project, Beaver said: “IDS Scheer Consulting has a tried-and-proven methodology. If you follow it, you will be successful.”

Relying on this methodology, TPI Corporation was able to sustain and extend its competitive advantage. With IDS Scheer Consulting as his trusted consulting partner, Beaver is looking at how to leverage the SAP system in other areas, such as bar coding.

## KEY COMPONENTS



**Discrete.PerformanceREADY** allows TPI to leverage proven industry-specific best practices and processes.

**ARIS** is used to create company-specific models of business workflows to be implemented in SAP.

**IDS Scheer Consulting** provides a complete life-cycle solution for SAP, from design to implementation and support.

**Managed Services** offer a structured support methodology for smooth operations and consistent business processes.



#### **ABOUT SOFTWARE AG**

Software AG is the global leader in Business Process Excellence. Our 40 years of innovation include the invention of the first high-performance transactional database, Adabas; the first business process analysis platform, ARIS; and the first B2B server and SOA-based integration platform, webMethods.

We offer our customers end-to-end Business Process Management (BPM) solutions delivering low Total-Cost-of-Ownership and high ease of use. Our industry-leading brands, ARIS, webMethods, Adabas, Natural, CentraSite, Terracotta and IDS Scheer Consulting, represent a unique portfolio encompassing: process strategy, design, integration and control; SOA-based integration and data management; process-driven SAP implementation; and strategic process consulting and services.

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