

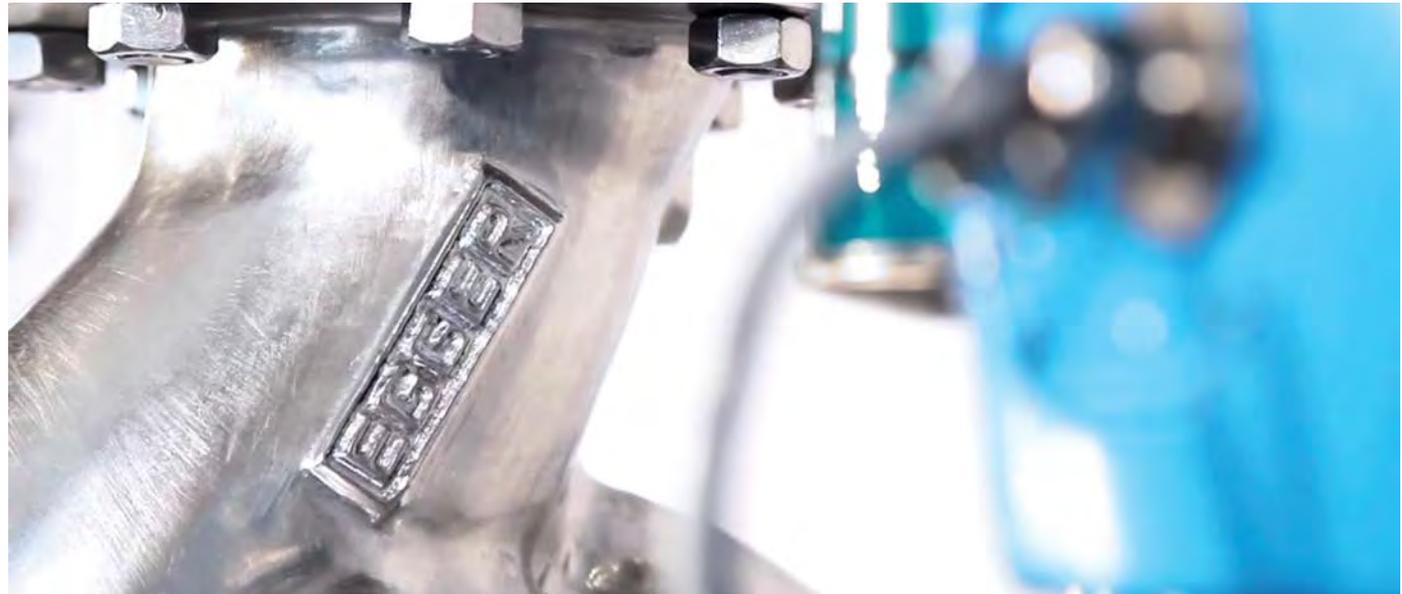
Journey to modern ERP

Emile Egger transforms operations with Avanade and Microsoft Dynamics 365 for Finance and Operations

Client story

“Avanade and Microsoft were able to bring us from a paper-based company to a digital company.”

– Raphael Tagliani, CIO, Emile Egger



When Raphael Tagliani joined Emile Egger in 2012 as the new CIO, he brought with him a successful background as a young entrepreneur and principal of his own ERP software company.

One of the first things he noticed at Egger, a Switzerland-based manufacturer of vortex pumps, was that it was a very paper-based company. He even found a typewriter.

“At Egger we were heavily paper-based,” says Tagliani.

“When I came in, there was a typewriter and the halls were full of binders.”

Emile Egger & Cie SA is a family-owned business founded in 1947 by manufacturing pioneer Emile Egger in Cressier Switzerland. The current CEO, Michel Grimm, is a third generation member of the family.

“The company was built in 1947 by my grandfather,” says Grimm. “In the beginning we were engineering for the paper stock industry and immediately had a pump issue. In 1960 we developed the first vortex pump, which is now our key product.”

Client story

Company

Emile Egger & Cie SA

Employees

400

Year founded

1947

Headquarters:

Cressier NE, Switzerland

Other locations:

10 European countries, India, China, USA

Industry:

Discrete Manufacturing

Product:

Pumps, Valves

Systems implemented:

Microsoft Dynamics 365 for Finance and Operations. Procurement, Production, Project, Sales, Reporting, Finance, Warehousing.

Cloud platform:

Azure Private Cloud, will migrate to On-Premise

Go-live dates:

Full working prototype (all business processes demonstrated by key users) – November 2015
India – April 2016
Switzerland – September 2016
Germany – Spring 2017

Previously implemented:

Microsoft Dynamics CRM, Microsoft SharePoint

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– Michel Grimm, CEO



Today, Egger has 400 employees, 13 subsidiaries, and production facilities in Switzerland, Italy and India. In 2004, Grimm took over and immediately began to make critical operational decisions. Egger had many European customers that were starting to go global so the company had two options – to follow its customers and continue to support them or leave the door open to its competitors. The company opened a subsidiary in 2004 in India and then 2012 in China.

Following the financial crisis of 2009, leadership realized it would require a system that offers visibility into its manufacturing and production costs and enables the company to optimize its supply chain and other business processes. “When we decided to start with a new system, I first hired Mr. Tagliani and started building a new team, says Grimm. “We had an IT team, but they were not up to date.”

Requirement for change

“What I found when I first joined the company,” says Tagliani, “is that one of the key components that was missing was a global IT information system.” With the decentralization of assembly from the headquarters to Asia, China and India, Egger needed an infrastructure that was able to integrate and share the data between locations.

The requirement for change was shared by other executives in the company including CFO Laurent Tolck and COO Alain Poncioni. “Our goal was to optimize finance processes between our subsidiaries and the parent company,” says Tolck. Poncioni wanted to provide the production plants with a global vision of workload, price and delivery. “Our goal for operations was to change from three separate production plants to one global production plant based in three different countries.”

Microsoft Technology Adoption Program

The company started to explore options with Microsoft, but one of the critical requirements was that the solution be web-based. At the time, Microsoft’s flagship ERP product was being re-architected. Microsoft offered Egger an opportunity to participate in its exclusive Technology Adoption Program – TAP – where the company allows customers to partner with them in development while implementing prototype systems.

The solution – Microsoft Dynamics 365 for Finance and Operations – was the first cloud-based ERP system built to run natively in the Azure cloud platform. Microsoft invested millions of dollars into the new technology and made a strategic decision in 2014 to move its development into its cloud division to enable a true integration with Azure.



“Without Avanade, we would never have the success we have today.”

- Michel Grimm, CEO, Emile Egger



“Avanade has made a significant difference for us with this implementation. Together we were able to improve our processes beyond ERP.”

- Laurent Tolck, CFO, Emile Egger



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– Raphael Tagliani, CIO, Emile Egger

“The experience with the TAP program has been excellent and very exciting,” says Tagliani. “You have the chance to implement this brand new version that no one else can access and you will be doing something great for your company.”

Sylvain Chatton, ERP manager at Emile Egger, found the new solution to be a good fit. “Egger is a multinational company with several production plants, a wide range of products, inter-subsidiaries, and traceability requirements from supplier through production to the end customer,” says Chatton. “Dynamics 365 was great in that it was robust to handle complex operations yet it could easily handle a small subsidiary of only three people. The system also offered project management and multi-company functionality as standard features.”

Emile Egger chooses Avanade as its implementation partner

When it came time to choose an implementation partner, Egger considered a few candidates but decided on Avanade, a company formed in 2000 as a joint venture between Microsoft and global management consulting and technology firm Accenture. Avanade had the global presence, Dynamics 365 skill set and industry expertise Egger was seeking.

“We chose Avanade among all of the partners we could choose from because they were able to get us through the whole process of the change management, the implementation of the software and the training,” says Tagliani. “Avanade has consultants across the world. We have affiliates in India, the US, Europe and China. For us it was key to find a company that could support us worldwide.”

“Avanade has made a significant difference for Egger with this implementation,” says Tolck. “Together we were able to improve our processes beyond ERP. This is a great benefit. Avanade helped us achieve very quick user adoption – there was no analysis for months followed by development of unnecessary features – the software was installed on the first day. Avanade was able to configure the software to our requirements. It has been an agile process that has benefited us greatly. In fact, we needed almost no development.”

Chatton shares this sentiment. “You must have an alchemy between the consultant and your key users – for that Avanade was clearly better than their competitors. As project manager, I prefer agile project management in order to meet budgets and deadlines constraints. Avanade offers an effective method for implementing an ERP system using these principles; they make it look easy but it is not.



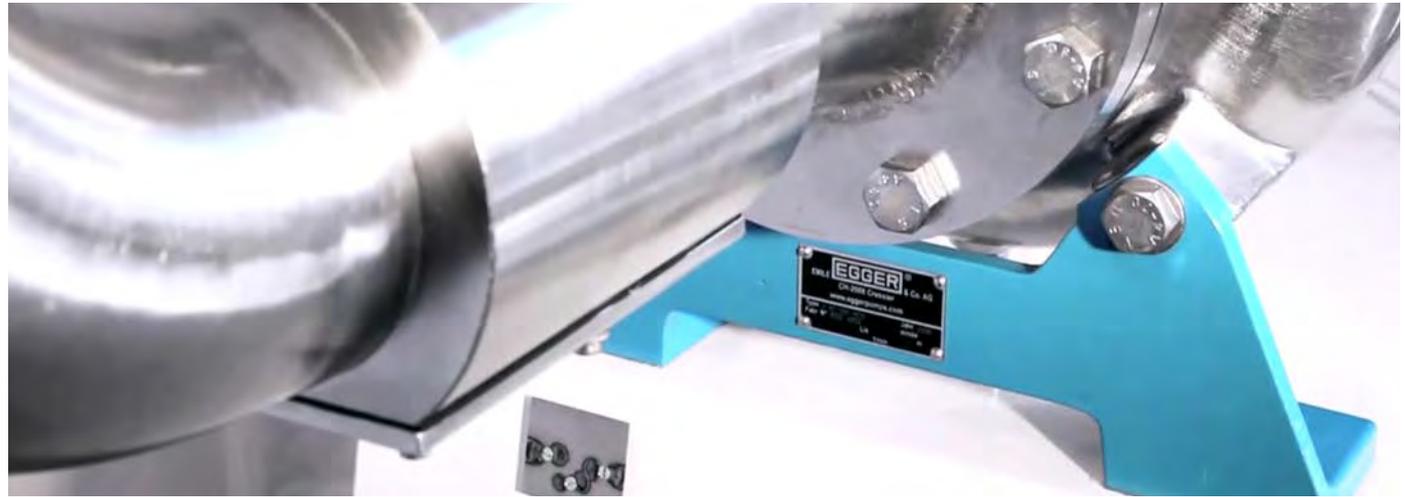
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"I have a background in ERP and I think the future is Dynamics 365."

- Alain Poncioni, COO, Emile Egger



You must also build an extremely motivated team that is able to transform the company on a deep level and they were experts at this."

Tagliani offers his perspective on the importance of industry expertise. "What is striking about Avanade consultants is their deep knowledge of your industry," says Tagliani. "These people don't work in your company but they fit in – in a matter of days. They understand your business processes and what you need from them immediately. That's just excellent."

Avanade Global Delivery Network

The system was implemented in phases with go-live dates in three regions – India, Switzerland and Germany. Avanade leveraged its Global Delivery Network (GDN) comprised of several delivery centers across the globe to enable the implementation despite the challenge of going live in India with localization that is not yet officially available. Avanade's India Delivery Center (IDC) played a crucial role.

"India went live despite a very challenging timeline and technical challenges inherent in pre-release implementations," says Fabrice Sirvent, Avanade project manager for the implementation. "Our IDC colleagues were very creative and implemented a solution to enable the go-live about 18 months before the first Microsoft release to web deployment in this country."

Web-based cloud solution with new user interface

"Dynamics 365 being available in the cloud was key for us because it enabled us to start our project immediately," says Tagliani. "We didn't have to worry about where to put our servers and other considerations. We were able to start from day one with a new ERP system and people working on the core business, not on technology. While we started in the cloud, it is still possible for us to move to on-premise later on."

One of the key features of Dynamics 365 is its HTML-based user interface that is accessible on any device including desktop, laptop and mobile devices.

"Microsoft really understands how to make a user interface," says Tagliani. "Microsoft offered users an interface that is so natural to use that they just use it without asking how to use it." The user experience is also enhanced by workspaces, task guides and task recorders that facilitate self-training and adoption. "You can see on one screen everything you need for your particular work," says Tagliani. "Your training is dramatically reduced."

CFO Tolck agrees. "The first impression of the finance team on Dynamics 365 was really positive just because of the interface."

“I am looking at – at least a 20 percent increase in productivity within the first six months.”

– Ramakrishnan, CEO of India, Emile Egger

Projected benefits for Emile Egger:

- + 20 percent increase in productivity in first six months
- + Improved business forecasts
- + Time savings
- + Cost savings from global financial controlling
- + Improved interoffice operations

Projected benefits for the customers of Emile Egger:

- + Accurate information on delivery dates
- + Better follow up on order status
- + Optimized customer service



Project goals and results realized

Tolck goes on to highlight some of the goals of the implementation. “The main benefit of Dynamics 365 will be to work as an integrated company – to have the Swiss company working with smaller subsidiaries all over the world with different localization, different kinds of people and to be more efficient in all processes. In processing things faster, we will be able to save costs.”

COO Poncioni is looking forward to increased visibility of operations including real-time access to information to determine the workload capacity, costs and efficiency of three manufacturing plants. “With a global ERP system, I can decide when and where to buy or produce – ensuring a consistent quality and allowing our production plants throughout the world to operate as one. And as a side benefit, Avanade helped us to build a strong team within Egger.

Ramakrishnan, CEO of the Emile Egger subsidiary, India, highlights some of the benefits to both the company and its customers. “The benefits in terms of cost savings is going to be really high for Egger,” says Ramakrishnan. “We are able to monitor, control and improve on all the cost centers. All of this happens in real time – you do not need to spend hours to prepare an analysis – it’s just

there on the screen for you to see what is and what is not possible – it’s perfect.”

“I am looking at – at least a 20 percent increase in productivity within the first six months,” says Ramakrishnan. “For our customers, moving to it gives us the opportunity to give them more accurate information on delivery dates and better follow up on order status.”

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Avanade's International Rollout of Dynamics 365

Avanade uses Microsoft Power BI to showcase its global capabilities through its exclusive Dynamics 365 International Rollout Program - AXIRO



Small company – Big dreams

Emile Egger may be a small to mid-size company with 400 employees, but they are global and were ready to transform their paper-based operations with a modern ERP solution. Avanade and Microsoft enabled this transition.

“What Avanade and Microsoft did is help us digitalize and mine all of this data so that we can know in which market we perform best and where we stand on what products,” says Tagliani. “Avanade and Microsoft were able to bring us from a paper-based company to a digital company.”

“I have a background in ERP and I think the future is Dynamics 365 for Finance and Operations,” says Poncioni.

“With this modern ERP system and Microsoft and Avanade as partners, we are ready for the next century,” says Chatton.

CEO Michel Grimm echoes the sentiment, “It’s a nice story. It’s a dream. We tell our customers that we, Emile Egger, were selected by Microsoft to help develop their new system. Without Avanade, we would never have the success we have today.”



About Avanade

Avanade is the leading provider of innovative digital and cloud services, business solutions and design-led experiences delivered through the power of people and the Microsoft ecosystem. Our professionals bring bold, fresh thinking combined with technology, business and industry expertise to help fuel transformation and growth for our clients and their customers. Avanade has 30,000 digitally connected people across 24 countries, bringing clients the best thinking through a collaborative culture that honors diversity and reflects the communities in which we operate. Majority owned by Accenture, Avanade was founded in 2000 by Accenture LLP and Microsoft Corporation.

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