CASE STUDY

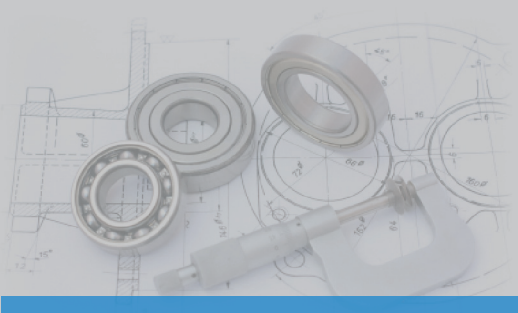
Centralizing procurement: A Leading manufacturer of Process Control & Automation Instrumentation gains real-time supply chain visibility for timely planning

The Idea: Executive Summary

As part of a global manufacturing company, the Process Control & Automation Instrumentation division frequently encountered challenges in managing the procurement processes and mapping it to the supply chain system. This in turn led to redundant efforts that adversely affected the entire business process and frequently, the manufacturing process. Operating in a business environment that necessitates optimized and efficient operations to counter margin pressures, the company realized it needed to centralized procurement process that would enable efficient planning, provide a collaborative environment and reduce costs. Centralizing procurement would help achieve greater economies of scale, standardize process, reduce redundancy and gain better control.

CLIENT

The Manufacturer is the world leader in the design and manufacture of instrumentation, including a complete line of pressure, temperature, flow and level products.



BUSINESS CHALLENGES: BEFORE

Disparate information systems and a clear disconnect between the US and Asia operations in the procurement process did not provide the desired visibility into the supply chain operations. Lack of accurate real-time data caused low responsiveness and lengthened procurement lead times. In addition, it brought down the planning accuracy. Manual, non-repeatable processes lead to information duplication and redundancy. As a result, the company faced difficulties in maintaining desired inventory levels and often experienced stock outs.

(Contd on next page)

WIPRO SOLUTION: HOW WIPRO HELPED

Wipro introduced a new role in the Supply Chain organization and created a centralized global buyer role located at Singapore to increase efficiencies and reduce cost. We used third-party tools to seamlessly integrate disparate ERP systems and provide the global buyer with aggregated information on global demand, forecast, supplies and on-hand inventories. The consolidation of data facilitated global planning. Another key feature of our solution was the initiation of Global Planner Action Messages to alert buyers and planners and take appropriate action.

BUSINESS RESULTS: AFTER

The Manufacturer derived the following benefits from Wipro's solution:

Integrated supply chain across the entire enterprise, resulting in:

- Improved customer service through increased productivity, and shorter lead times owing to better supply/demand visibility
- Formulation of manufacturing plan based on ASCP and supplier collaboration
- Improved strategic decision making by Global Buyers and Planners

Enabled online supplier collaboration thus helping:

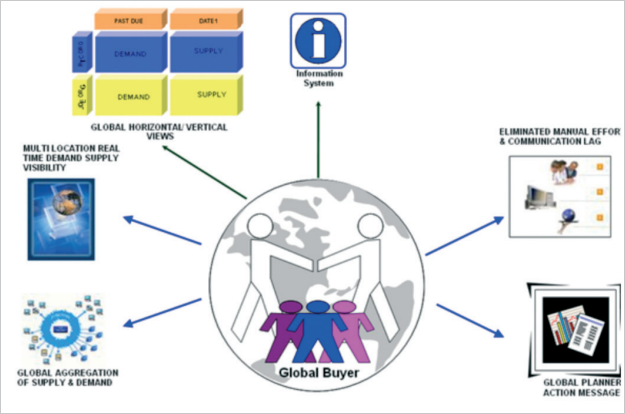
- Reduce the number of expedite orders
- Provide real-time global visibility
- Buyers and planners to take action based on generated exception messages prioritized on business rules through the Global Planner Action Message
- Centralize purchasing and thereby improving supply base management and reducing cost

Provided cost reduction opportunities through:

- Transaction automation and material cost savings
- Reduced inventory in the overall supply chain
- Optimal utilization of Procurement personnel

Improved reporting and analytics through:

- Implementation of key performance indicators thereby enabling informed and timely data based decision making



For further information, please contact:

Wipro Technologies
Visit us at
www.wipro.com
Copyright © 2010 Wipro Technologies
All rights reserved.
All trademarks mentioned herein
belong to their respective owners.