▶ CASE**STUDY**

Produced by
CXO Research Services
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RESEARCH INSIGHTS ANALYSIS
A BUSINESS UNIT OF CIO PAKISTAN

Mayfair

SAP The Best-Run Businesses Run SAP™   **SIEMENS**   CIO | CIO   IDG

Moving To A Consolidated Business Environment Cross-Vertically

QUICK FACTS

Company

- Mayfair, a brand name to Asian Food Industries (AFI) started operations in 1969
- Holds a presence in more than 25 countries
- Expansion of multiple Biscuits Line in 2010 and 2011
- Conducts business with sensitive markets of Hong Kong, China, Far East and Europe
- Owns some of the world's latest Textile Spinning Machinery
- First company to introduce Gum, Chews and Deposited Candies in Pakistan
- Operates out of three business locations – Corporate Office, Asian Foods Ltd., Mayfair Ltd.

Challenges and Opportunities

- Managing Change
- Bringing all stakeholders on a Common Platform
- Overcoming Data Integrity Issues through End-to-End Master Data Management
- Integrating the Shop Floor with the Top Floor
- Empowering the End User
- Cross-departmental Integration
- Sharing Responsibility

Objectives

- Produce premium quality products
- Stand out as a leader in Quality and Innovation in the field
- Gain customer appreciation by reinforcing commitment to Quality, Price and Consistency of Supply.

MAYFAIR

Implementation Highlights

- SAP Implementation Duration : 6+1
- Prioritizing Knowledge Transformation and Training enabled the implementation
- A Distributed Environment operational on Multiple Platforms was consolidated
- It was a Business-led initiative with clearly defined Value and Success Criteria
- Emphasis remained on Business Process Optimization
- Minimally customized as it leveraged standard functionality
- Strongly aligned to the business requirements
- Structured Change Management
- Senior Management involved to a large extent
- Employed ASAP methodology to rapidly implement SAP solutions
- High-caliber Siemens and Mayfair Project Team were brought together

Benefits

- Improved productivity of process and personnel
- Lowered costs of products and services purchased
- Reduced Lead Time
- Quickened product / service searches with savings time and money
- Automated ordering and payment, cutting down payment processing and paper costs
- Increased organizational transparency and a faster access to data.

Why SAP?

- More than 87500 companies are using SAP world-wide
- SAP is highly scalable, user-friendly and covers all Business Processes End to End
- It holds an edge over others in MRP Control, Overhead Management, Production Planning and Execution Control
- Started expansion in Back-Processes in 2005
- Enabled connectivity between remote sites through VPN (Virtual Private Network) through a setup of 150+ nodes at the three business locations

Starting out with just the confectionary wing in 1969, Mayfair is a brand name to Asian Foods Limited. With additions to its portfolio of multiple Biscuit Lines in 2010 & 2011 following an expansion into Textiles Spinning in 1991, Mayfair currently holds a business desk in more than 25 countries around the world. Employing a resource base of over 1000 with Asian Foods Limited only, Mayfair has consistently gained customer appreciation on quality, price and rigorous supply. Similarly, Mayfair's Textile Spinning Division is known to be a leading market player as a cotton yarn manufacturer, producing high quality yarn via the latest in Textile Spinning Machinery worldwide.

Mayfair was the first company nation-wide to introduce gum, chews and deposited candies. It was a first mover from the local industry to receive BRC certification for quality, prompting it to enter a highly competitive biscuit industry with a chocolate-enrobed biscuit called "Chocday".

Sustaining a leading position in the market within each of the business units was made possible by defining specific goals and objectives for each of these. For its confectionary business unit, Mayfair strives to be known for a premium quality produce within both the business units innovating the field to outdo quality benchmarks industry-wide. As a result, Mayfair's Textile Spinning Unit has managed to sustain a remarkable growth in its sales and volume output, translating into a higher stature of the brand in itself.

In an attempt to bring efficiency to the various business processes, Mayfair opted for a holistic migration from independent legacy systems in a distributed business environment to an all-in-one SAP ERP Implementation in early 2010.

"Enabling the smooth migration was a team of Subject Matter Experts from each domain as part of the IT Team that facilitated the implementation of individual modules," asserted Waseem Rasheed, Group CIO at Mayfair Group.

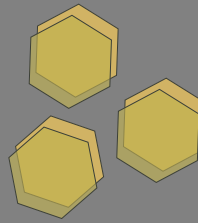## Energizing Efficiency through the Organizational Machinery

Before migrating to SAP, the IT environment at Mayfair was an island of legacy systems with no cross-integration between the various business process modules. The infrastructure in place was built on Enterprise Client Servers like the IBM Database Server for the Enterprise Clients that ran applications scripted in various high-end programming languages like the Structured Query Language, integrating all from shop floor to top floor with all efforts directed towards an empowerment of the end-user. "This in itself was a challenge as the users' skill-set levels weren't at par. Here, the SAP Implementation Team had to convert end-users into smart-users," Waseem Rasheed added.

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What had to be eliminated in the process were obsolete platforms, duplication/wastage of work that would often cause a delay in the decision-making process. And therefore, the objective has been to align the organizational machinery with changing business needs that ensure availability of right information at the right time.

As Rasheed explained it, the decision taken with limited information has limited credibility to it.

Executing the implementation within less than a year (6+1) was a challenge in itself. Posing a roadblock to the implementation process was an active legacy system throughout the implementation process. Dealing with these effectively was managed by an active Siemens-Mayfair IT Support Team that aligned business with IT seamlessly enabling a round-the-clock availability of SAP Landscape with quick Disaster Recovery, IT Support and Infrastructure Support and Data Security via Cisco 5510 firewall .

Via a 5-step process that started with a Project Preparation Phase spanning over 2-3 weeks, a Siemens-Mayfair IT Team responsible for the implementation of SAP throughout both business units was setup. Moving on to the next phase, a Business Requirement Blueprint for Mayfair was put together signed by all the relevant stakeholders. Proceeding to the Realization Phase, all the business needs/requirements identified in the blueprint were configured into the proposed SAP System facilitated by a Power-User Training, an End-User Training and a User-Acceptance Training.

Monitoring progress of work, the Siemens' and Mayfair's IT Support Team would meet on weekly basis for a review aided by an IT Dashboard used for both the monitoring and controlling of IT Landscape. Facilitating this, was a Virtual Private Network connecting the three sites otherwise remote, a Solution Manager enabling Change Management, and a Service Desk in place round-the-clock to provide timely end-user support. Following it was the Go-Live Phase as the system was finalized and ran organization-wide with Siemens-Mayfair partnership entering the final phase, which is the Post Go-Live Period. Extending to date, Siemens Pakistan has remained actively involved with Mayfair to ensure that the SAP ERP System implemented runs smooth.

A SAP-enabled business environment did bring in tangible and intangible ROI to Mayfair. Direct monetary gains in savings were realized through automated ordering and payment cutting down costs of paper, faster product/service search, reduced levels of obsolete stock, inventory and lead-time reduction. This eventually reduced the business's cost of product/service procurement elevating the productivity levels of existing processes and personnel. Driving intangible revenue was an increased- level of organizational transparency and responsibility sharing, enormous time-saving in data entry, accurate and faster access to data for timely decision-making, improved customer response, a reach-out to a larger number of vendors bringing in competitive bids, and a reduced risk of resource wastage with a larger number of controls in place.

"Furthermore, reports produced under the legacy system would often take as long 2 weeks putting out numbers that had integrity issues. To overcome this particular bottleneck amongst others, the Directors decided to opt for an SAP All-In-One Best Practice Solution," Waseem Rasheed commented.

Long-term gains of a SAP-enabled business environment as expected are better-aligned strategies and operations that were flexible and cost-efficient, improved financial management and cost governance, optimized IT spending, immediate access to enterprise information, and retention of top performers. Working towards these, the IT team at Mayfair intends to put to use lessons learnt during the implementation process. These included prioritization of knowledge transformation and sharing, keeping all stakeholders on the same page, planning sound before executing and showing teamwork.

"A huge plus point of Siemens is its wide range of consultants, that do not leave room for any obstacle to remain. They are always ready with a solution," *Waseem Rasheed observed.*

Establishing The Partner Connection

Siemens was selected as an Implementation Partner for SAP by Mayfair post evaluation of various other products (Oracle, iSCALA etc) and vendors. A positive market feedback coupled with the input of various Business Owners, favored Siemens as it holds a remarkable record of having deployed SAP with 87,500 companies.

With an incredible, top-notch resource base, an After-Sales SAP Implementation/Support Team, Siemens was the only plausible option for the Mayfair Group. Mayfair Group opted for SAP as it is highly scalable, user-friendly and an End-to-End Solution Provider with strengths in MRP Control, Overhead Management, Production Planning, and Execution Control. Above all, Siemens Pakistan is the only implementation partner nation-wide that has executed 50 plus implementations within a decade only across various industry verticals. These have included Mayfair and Colgate Palmolive in the FMCG Sector, Getz, Ali Gohar and Hilton Pharmaceuticals in the Pharmaceuticals Sector, and Indus Motors and Atlas Honda in the Automotive Sector to name a few.

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Mark Of Excellence And Leadership

An Authorized Gold Partner for SAP, SAP Siemens Partnership gave Mayfair a number of benefits including improved productivity, paper and postage cost, inventory and lead time reduction. Further, implementing the SAP ERP Modules improved customer response and by increasing vendor outreach, produced more competitive bids. Siemens Pakistan also holds expertise in newer SAP products such as BOBJ, CRM and various industry-specific solutions amongst others.

Improved alignment of strategies and operations, increased productivity and insight, reduced costs, an internal environment adjustable to changing industry requirements, and higher ROIs are just some of the many benefits that implementing the SAP Technologies has brought to Mayfair.

Above all, it was a smooth implementation of SAP ERP Modules across two business units from independent industry verticals with a tight deadline on top that was exemplary for others to follow.

The Road Ahead

Siemens and Mayfair's close collaboration taught the taskforce the importance of team work, planning ahead in order to better meet pre-planned goals and targets, buy-in all stakeholders and at the same time keep all of them on the same platform and in close coordination with each other.

Moving forward, a number of opportunities still await the Mayfair Siemens partnership. After all, Mayfair had opted to pursue Siemens post-evaluation of range of other vendors that included IBM, Technology Concepts and various others.

With the SAP Siemens work system in place, the multitude of exciting opportunities for mayfair to look forward to include a possible change in the management. This will allow Mayfair the opportunity to assess and re-invent their management and its policies. It will also enable the organization to empower their end- users, ensure that responsibility is shared evenly and fairly across all levels of management within the organization, mobilize the extremely competent SAP resources to their benefit, gain good market repute across the industry, ensure an after sale/ implementation support system and implement Best practices as per the delivery commitments according to industry standards in the organization. It will also help Mayfair choose one of two Best Partners in Pakistan as well as give them the chance to make Success Stories out of the various organizational systems that Mayfair engages in.

However, at the same time it will also pose a lot of challenges to Mayfair. The challenges that Mayfair has faced in the past to be addressed in the future as well include overcoming Data Integrity issues through End-to-End Master Data Management, integrating the Shop Floor with the Top Floor, and honing the ability to understand business transformations using SAP Technologies.

Additional SAP Projects in the pipeline at present include implementation of Material Ledger, Recruitment Module, Travel Management, Budget and Planning, and Business Objects. As the usage of the existing SAP ERP System at Mayfair evolves, a need for newer features and functionalities is likely to surface with Siemens Pakistan on board for the long haul to cater these.