

MICROSOFT DYNAMICS™ NAV

McHugh & Kramp is one of Ireland's leading machinery component wholesalers selling primarily to the agricultural market. The company was set up in 1973 by Seamus McHugh in partnership with UK businessman Jack Ashurst as Jack Ashurst Ireland Ltd. Dutch company Kramp bought out Ashurst's holding in 1984 at which point the company changed its name.

The company originally started out with only three to four employees but 32 years later the workforce has grown to 50 spread among back office, sales and marketing and warehousing. "The company has grown steadily," says Derek McHugh (pictured), financial controller and son of the founder, who along with his two brothers now runs the company. "We have 20,000 active products in our warehouse from bolts to transmission parts to plough parts. We offer a 24-hour service to the island of Ireland."



*Derek McHugh,
Financial Controller,
McHugh & Kramp*

The company was first computerised in 1979 and up until two years ago it used a character-based management system that ran under Unix and dated back to 1988. "That product was not being sold in Ireland any more," says McHugh. "We had kept it alive with satellite pieces of software within our network such as additional databases and so on."

It was clear that if the company was to move forward a new system would be needed. Sysco, a company that provided and maintained the Unix-based system, offered Navision a fully integrated package that could handle accounts, sales, purchasing, stock control and warehousing management. By coincidence, Kramp was using the same system at its headquarters in Holland and McHugh had a chance to see it in action while on a visit. He was immediately attracted to its functionality and ease of use.

Before installing the software, however, the company had to make some fundamental changes. "The year before we installed the software we upgraded our network and bought PCs for everyone," says McHugh. And for the first time, the warehouse was computerised. The Navision system went live in April 2003 but in the six months up to that, every member of staff was trained in its use.

"Because we had been using the previous system for so long we knew it was going to affect people who had been here a long time," says McHugh. "So we had a training issue to deal with. The training was made somewhat easier because for several months we had our users in a Windows environment using Microsoft Office applications and Navision has very much the look and feel of Microsoft products."

According to McHugh, the installation of the software and training of staff was a six-month project. At the end of it in April 2003, however, the system went live without a hiccup. The new Navision system ran for three days in parallel with the old system at which point the old system was turned off definitively. According to McHugh, the fact that software supplier Sysco had been dealing with the company for so long and knew how McHugh and Kramp worked, and had provided both the older and newer software eased the transition. "We were able to take what we wanted out of the previous system and transfer to Navision without having to rekey anything."

"With Navision we were able to embrace most of our requirements within a single system," McHugh says. "We were able to move away from printout-based reporting and management to screen-based reporting and management because Navision lends itself to preview. It integrated us within our network to our office applications. You can drop data between Navision and Microsoft Office."

Implementing the system has also meant the company could rationalise its printing. According to McHugh, the company used to need up to 13 different printers preloaded with different preprinted stationery. Now, however, the same results can be achieved with only four networked laser printers. "This has meant a lot of cost savings," he points out.

New hardware and software were not the only changes. "We took the system as standard and made certain

modifications to suit. But we did make substantial changes to our business processes, particularly on our warehouse side. We are still evolving on that side in that our next stage would be to introduce bar-coding into the warehouse structure.”

McHugh believes his company is now much more productive and is looking forward to upgrading to Navision 4.0 — the first major release of the product since it was purchased by Microsoft — later this year. “The main aesthetic change is a look and feel of the Office 2003 products,” he points out. However, Version 4.0 will include a full-blown customer relationship management (CRM) module. “Because of the diversity of our products and our customer base we need a strong CRM product. We have evaluated a number of products but we feel the product in Navision is very strong.”

By David Stewart

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