



SUCCESS STORY – Volvo Trucks



Volvo Automates Invoice Handling to Improve Efficiency, Save Time and Give Staff Improved Access to Information



Success Highlights

Challenges and Opportunities

- When the central dealer management system was implemented and took over handling of invoices, information had to be transferred into Epicor iScala
- There was a large amount of information that had to be transferred between the two systems so a manual solution was never a possibility
- Volvo IT preferred to use a standard application that they could continue to use and support in-house

Epicor Solution and Services

- Epicor iScala
- Epicor Service Connect

Benefits

- Standard, streamlined solution
- Improved access to information
- Easier to double check and control data
- Improved reporting
- Supported in-house

Company Facts

- Location: Bulgaria
- Industry: Automotive
- Number of Locations: 1
- Web site: www.volvotrucks.com

“I would definitely recommend Service Connect to other markets that use iScala because it makes operational tasks easy and now that it’s supported by the central Volvo IT department there’s really no reason not to implement it.”

Nikolai Kolev, IT manager, Volvo Bulgaria

Last year Volvo Trucks in Bulgaria decided to implement Epicor Service Connect as an interface between their local accounting system, iScala, and their dealer management system, LDS. As a result the IT department gained a standard system that is easily supported in house; the finance department can easily produce the required reports; and the parts workshop can access the information they need at the time they need it. The project team whole-heartedly recommends the application to any other office worldwide that are running iScala and LDS and talks about their lessons learned below.

Second Largest Truck Brand in the World

Founded in 1927, Volvo is one of the world’s leading manufacturers of heavy commercial vehicles and diesel engines. The Volvo Group has approximately 72,000 employees, production in 25 countries and operates in more than 185 markets.

The Volvo Truck Corporation is the second-largest heavy-duty truck brand in the world and Volvo trucks are sold and serviced in more than 140 countries all over the world. The company’s retail strategy is based on customer orientation and is supported by over 2,300 dealerships and workshops. The trucks are the core products, but the company’s total offer also includes aftermarket, service and extended offers. With 17,000 dedicated employees, Volvo Trucks strives to have satisfied customers and to be an attractive employer.

About Epicor

Epicor is a global leader delivering business software solutions to the manufacturing, distribution, retail and services industries. Epicor serves more than 33,000 customers in over 150 countries.

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Central and Local Systems

In line with Volvo's overall IT strategy, every office uses as many central applications to manage its business as possible, but local finance departments are allowed to choose their own accounting system to ensure compliance with local accounting regulations.

In 2009 Volvo Trucks in Bulgaria implemented Epicor's enterprise resource planning (ERP) solution iScala to manage its warehouse and accounting processes. Not long after, the local workshop decided to implement Volvo's central dealer management system, LDS. This meant that the workshop was running a separate system from the finance department who ended up having to stick information together from the different systems into iScala. This resulted in reporting becoming a real challenge for both the finance department and the parts workshop.

Prior to using the LDS all invoices were raised and processed in iScala, which meant that the finance department had to manually input information about labor and services from the workshop into iScala. This was time consuming and it was easy to make mistakes.

"The LDS is one of the central applications that the Volvo Group makes available to all markets," says Nikolai Kolev, IT manager for Volvo in Bulgaria.

"It manages all our dealer activities such as parts and services, and when we migrated all warehousing and stock tasks into the LDS it became apparent that we needed to integrate the system with iScala to ensure that our accounting department was provided with correct data in order for them to produce the reports they require."

After the move to the LDS, all invoices are entered directly into the LDS, but they still need to be transferred to iScala for accounting and reporting purposes. The data transfer includes goods received information.

Automating the Interface

"We installed Epicor Service Connect to help us automate the interface between the LDS and iScala," says Kolev.

"Service Connect now transfers invoices automatically twice a day, and we can do a manual transfer if necessary.

Depending on the daily workload the system automatically transfers between 20 and 100 invoices every day. We would never be able to do this manually without Service Connect, it would be an immensely time consuming task and we would have to consider customizing or writing our own solution, something that has its own support issues."

One Streamlined System

Teodora Petkova, finance member of the project team, says that the finance department can now easily check results in iScala at the end of the month because the data is more or less the same in both systems. She says, "It feels like we have one system with streamlined, standard, data."

Parts manager and local project leader Ekaterina Todorova agrees, "The connectivity was a real innovation for us because tasks became much easier. For us in the parts department Service Connect has made a huge difference. We can now access information much easier, we can double check data quickly, and reporting is also a lot easier."

Todorova explains that one of the biggest advantages with Service Connect is that Volvo now has an alternative. "We've only had similar interfaces developed for our larger systems before, but now the smaller companies within the organization have a smart, standard, solution."

Petkova agrees about the improved access to information. "Everyone now has access to the right information at the right time. It all works very well on an operational level and we can focus on the daily business. The benefits for us in finance include improved reporting, and having all information in one place makes it easier for us to check everything and feel confident that we're in control."

Cost Effective, Easy to Use and Easy to Implement

According to Kolev the main benefit of Service Connect for the IT department was that it solved the interface issue without the IT department having to spend time on developing their own solution. "We had to migrate to using LDS for invoicing and we just had to find a way of exporting data into iScala. With Service Connect we now have a standard way of transferring data. Our in-house IT team can implement and support it in any country that wants to use it, so it makes it cost effective and easy to use."

"Implementing Service Connect as an application wasn't a difficult task," says Kolev. "We knew how to do that from the beginning but once we started to transfer real data, as opposed to test data, we could see where the discrepancies were. We realized early that the data structure was different in each system and we ended up using MS SQL to manipulate the data, but once we got the structure right it was only a matter of days to implement the system."

Now that Volvo has the knowledge in-house of how to use Service Connect, and how the data structure is set up in both the LDS and iScala, it's easy to implement it in other offices that are using the LDS and iScala.

Focus On Doing Business

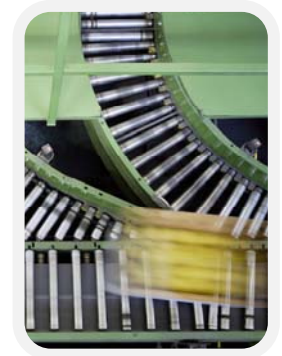
The Service Connect project needed expertise from all areas, from finance, to IT and the workshop, to make it work.

Kolev recommends that any who is considering implementing Service Connect appoints one person in charge of the project. He says, "That person should be deeply involved in the project and able to understand the data structure in both systems as iScala can vary from country to country depending on what version and set up the local office is running."

Kolev comments, "I would definitely recommend Service Connect to other markets that use iScala because it makes operational tasks easy and now that it's supported by the central Volvo IT department there's really no reason not to implement it."

"One big advantage," says Todorova, "is that we can now focus on doing business rather than focusing on how do it!"

Martin Arvidsson, CFO for Volvo Bulgaria concludes, "I am happy to conclude that we now have a good base that we can build the business on. Before this implementation it was hard to analyze the numbers, and a lot of assumptions had to be made. Now we know the business in detail."



EPICOR®

Worldwide Headquarters

San Francisco Bay Area
7683 Southfront Road
Livermore, CA 94551 USA
Toll Free: +1.800.999.1809
Direct: +1.949.585.4000
Fax: +1.949.585.4419

Latin America and Caribbean

Blvd. Antonio L. Rodriguez #1882
Int. 104
Monterrey, Nuevo Leon, CP 64650
Mexico
Phone: +52.81.1551.7100
Fax: +52.81.1551.7117

Europe, Middle East and Africa

No. 1 The Arena
Downshire Way
Bracknell, Berkshire RG12 1PU
United Kingdom
Phone: +44.1344.468.468
Fax: +44.1344.468.010

Asia

238A Thomson Road #23-06
Novena Square Tower A
Singapore 307684
Singapore
Phone: +65.6333.8121
Fax: +65.6333.8131

Australia and New Zealand

Level 34
101 Miller Street
North Sydney NSW 2060
Australia
Phone: +61.2.9927.6200
Fax: +61.2.9927.6298