DISKOVER in Action

Case Study:
Oras Group

A customised solution improves the Oras Group’s planning and controlling of procurement and production
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By Andreas Capellmann, Olli Mäkilä, Steffen Trautwein

The implementation of DISKOVER SCO provides the Oras Group with a sophisticated solution for more efficient planning and controlling of procurement, production and assembly.

The Oras Group (headquarters in Rauma, Finland), is the leading brand of sanitary taps in Finland and absorbed Hansa Armaturen GmbH, located in Stuttgart, Germany, in 2013. This step promoted Oras into the league of top brands of sanitary taps in Europe. The 1370 employees generated 245 million Euros in 2015, spread across the four productions sites in Burglengenfeld (Germany), Kralovice (Czech Republic), Olesno (Poland) and Rauma (Finland) plus stores in 20 countries.

The merging of the two companies required new business processes in the entire order fulfilment and planning and controlling of procurement and production processes as well. While Oras planned and controlled their value streams in the American ERP system QAD, Hansa GmbH worked with BAAN IV in the background. The operational system for handling order fulfilment, however, was the add-on DISKOVER SCO, developed by SCT GmbH in Herzogenrath/Aachen in Germany.

A comparison of both processes showed very quickly the superiority of QAD over the outdated release of BAAN IV. Hence, the decision was made to use QAD across the entire group in the future. But this was not the only clear decision: DISKOVER’s wider range of options to efficiently arrange and structure the order fulfilment than the ERP system on its’ own, was equally obvious. So, the strategic decision to stay with QAD for ERP and DISKOVER for operative planning and controlling across the entire Oras Group was made. By mid-2015, the former Hansa sites Stuttgart (administration), Burglengenfeld (production) and Kralovice (assembly) switched to QAD, by the end of 2015 the transition from BAAN IV to QAD was complete.

The implementation of DISKOVER in Oras Group’s sites in Rauma and Olesno was an easy task, due to the system’s prominent level of usability. To fully ensure the efficient support of planning and controlling processes, the roll-out was scheduled for a period of 12 months. Apart from three workshops in Finland and one workshop in Stuttgart, the entire system implementation happened in telephone and web meetings. A major focus lay on weekly coordination meetings right from the beginning of the project.

Since the outset of the roll-out project, several production sites, distribution centres and stores were involved to ensure the consistency of the multiple site planning. Initially, the focus lay on the analysis of data and the detailed definition of how the actual processes and supply relationship should be mapped.

1 Olli Mäkilä is Materials Manager of the Oras Group, Steffen Trautwein is VP Purchasing & Logistics of the Oras Group.
Today, the Oras Group elaborately processes the entire order fulfilment from sales forecast to process planning and procurement in DISKOVER SCO. A total of 80 employees use DISKOVER in their daily routine for assistance in a wide variety of specialised sub-processes:

**Sales has overview of the state of supply**
The first sub-process is the connection to sales. The sales department can check the stock / demand level of an item ordered by a customer on a web interface. They can look at the available stock, the dispatched orders and a summary of the incoming items for the week. If a supply bottleneck should occur, the production planners can leave comments which the sales team can read in their list. In most cases, this information is sufficient to determine the delivery date for the customer order. In critical cases, they can also rely on the ATP function of QAD.

**Kanban design and automatic determination of storage location**
The production and assembly sites’ supply chains in Kralovice and Burglengenfeld are linked by Kanban processes. The *completion* receives its’ supplies from *prefabrication* (electroplating and mechanic processing) by a Kanban system which also supplies prefabrication with parts from *foundry*. The design of the Kanban control cycles is based on DISKOVER’s Kanban algorithm and allows to adjust any Kanban control cycle to an individually defined service level. Since the storage capacity in the completion site in the Czech Republic is not very high, only fast-moving items are on stock. The other items remain at the site in Germany and are only delivered to Kralovice upon order. DISKOVER determines which items will be stored in the Czech Republic and which ones in Germany based on specifically determined key figures.

**Heijunka board for a balanced foundry workload**
Since the optimal set-up on one hand and the balance of the capacity on the other should be levelled out, the sequence of production orders must be sophisticated. To achieve this level of differentiation, Oras works with DISKOVER’s Heijunka board. In this module, production orders can be dispatched to the different casting implements by drag & drop.

**Automatic generation and dispatch of pick lists**
Every production order requires material from one or several storage locations which may be at the same site or in another place. DISKOVER automatically generates a pick list per storage location for each production order. This list will either be emailed to the location, printed directly on the network printer or uploaded into the warehouse management system. Each warehouse collects the items ordered on the pick list and tags the batch with the production order number. When the batch reaches the assembly location, each item is ticked off a complete list DISKOVER has generated. As soon as every component is available for assembly, the batch will be delivered to the workstation marked on the complete list.

**Complete service and continuous process coordination**
Due to the special service concept of DISKOVER SCO, the continuous coordination between the users at Oras and the developers at the SCT service centre is always on point, granting an ongoing optimisation of the processes. In the next step, for instance, the sales department is involved even more in the demand planning by means of DISKOVERS sales forecast module.