



## North Malaya Implements Pronto EMS



North Malaya Engineers Trading Co Sdn. Bhd. (NMET) was established in January 1961. The company started out as a manufacturer of wire mesh for reinforced concrete, barbed wire and wire netting.

In 1974, the company had expanded to manufacture its own steel wire and galvanized steel wire with the purchase of drawing machines and galvanizing equipment from Germany and Japan respectively. With the annealing pots installed later, various sizes of annealed wire had also been produced in NMET.

NMET is now one of the largest low carbon steel wire supplier in Malaysia. NMET is currently exporting various sizes of prime grade high carbon and low carbon steel wires to different countries in the region. Implementation of the upgrading plan for manufacturing facilities in recent years has further strengthened the position of company whereby new products such as high carbon steel wires, industrial s could now be produced with consistently good quality.

Besides these products, NMET is also a one-stop trading house for a complete range of building materials such as high tensile steel bars (from major steel mills), cement (OPC), asbestos-free products for roof, ceiling and partition (UAC), insulating foils for roof and air conditioning, paints, insulation glass-fiber sheets, sanitary wares and concrete piles.



Generally, there are many building materials trading company which leads to very competitive pricing and low margins. On the other hand the competition are few on the manufacturing side but because of the size of the market players and the diminishing market volume caused by the recent Asian crisis, it is still possible to get good returns on certain products. Hence the company was forced to be more efficient with regards to reducing expenses and payroll being one of the major expense, workforce was reduced whenever a person resign or retired (there was no replacement, the workload was redistributed or work reengineered). The workforce was reduced from 288 in 1991 to 187 by end 2000. Keeping abreast with the times and true to its commitments, NMET implemented PRONTO Enterprise Management System in 1999 to help them streamline and integrate their core business process in the areas of manufacturing and distribution.



For more than a decade, NMET had been using the Multisoft Software which was marketed by Olivetti (M) Sdn Bhd, a British based software since 1989. According to Mr. Heng Chin Hoon, IT Manager for NMET, "The problem with our previous system was that in 1996, Olivetti had some restructuring and discontinued its support for the software. We managed to contact its ex-employee for continued support. However as the Year 2000 approaches, the question of the software compliance arose and the management of the company took serious view of changing the system. Correspondence with an authorized distributor (the nearest support in Asia) did not yield a favourable response in terms of support and cost. So in 1998, we went around looking for a system which would fit our need, a software that would have features equal to if not better than our current system. There were not many around as those existing ones were deep in getting there software Y2K complaint or either too big or too small for our need. In fact we found none that suited our need. Then we were asked to review PRONTO which was used by three of the subsidiary in our group of company's and it had one feature which auger well with the end users; we could do forward processing regardless of date of the transactions and still get reports showing accurate figures by the correct month. Our old software would not allow us to do future posting as the future figures would be included under the current month. We could do a new month posting while awaiting previous month supplier's invoices without messing up the reporting period figures."

Less than six months after its implementation, NMET realized the significant improvements in its core financial business processes. With PRONTO NMET has a view of all financial information. They are now able to ensure there is improved financial reporting and decision making with budget performance reports being submitted way ahead of time.

Mr. Heng says "With PRONTO, we are able to enjoy the fruits and benefits the systems provide. With complete critical financial information available, we are able to make well-informed decisions regarding budgets with speed and accuracy. The Distribution and sales implementation began in June 1999 starting with Manufacturing. It has been three years now since we implemented PRONTO. Learning the software was not that difficult for the staff, having used a different software before and building up upon previous experience of pitfalls faced before. Recently we just bought the shop floor module to streamline the production floor efficiency and hope to be up and running in about 3 months. From here on it will be a matter of time to add on other modules which will have a positive result on our operation hence the bottom line. The distribution and sales implementation began in June 1999 starting with finished goods stock and sales processing with a roll up to KL and JB sales office. With PRONTO e-enable function NMET is able to link to all the sales offices with a centralized PRONTO system. PRONTO is helping us to cut down communication costs and we can get all the sales information on time. We are able to analyze company performance and product profitability, customer profile and credit limit, stock availability at anytime and anyway. MD of NMET can access company information through PRONTO when he is in an overseas trip. PRONTO is so simple to use even the NMET sales officer in HQ can train the staff in sales office. The sales system implementation is completed within 2 months followed by purchasing system with another 2 months. PRONTO sales pricing system is so comprehensive and flexible is another key factor to speed up our sales implementation. Without any customization PRONTO sales pricing can fit our sales operation. Our stock accuracy is approved and we are able to control stock and trace the stock movement as well as stock status. PRONTO stock stake system is flexible to help us to check or count stock at anytime in any location and stock group."



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