



## Global Company Sika Opts to Streamline New Zealand Operations with Microsoft Dynamics

### Overview

**Country:** New Zealand

**Industry:** Manufacturing and distribution

### Customer Profile

Sika (NZ) Ltd is part of the global Sika organization based in Switzerland that produces specialty chemicals for the construction, automotive and marine industries. Sika was founded in Switzerland in the early 1900s and the New Zealand company has been in operation since 1959.

### Business Situation

Sika has a strong strategy for growth and wanted to make sure that their local iteration of the AX solution would facilitate that growth.

### Solution

Sika (NZ) Ltd, as part of a global Sika group technology solution, has worked with HP to implement Microsoft AX.

### Benefits

- More productive and efficient information management
- Speedy information retrieval
- More efficient financial and customer record management
- Enhanced reporting to global HQ
- Better visibility of stock and inventory

We're looking forward to realizing the benefits from AX. We know it's going to bring considerable efficiencies to our inventory and help us better meet customer requirements.

[Ellen Hume, Project Manager, Sika \(NZ\) Ltd](#)

Sika (NZ) Ltd is part of the global Sika organisation based in Switzerland, producing specialty chemicals for the construction, automotive and marine industries. As a global organisation, Sika (NZ) Ltd is well supported by a broad network, however, as Sika Project Manager Ellen Hume explains, because operations are spread across the globe, the company had a large number of relatively disparate computer systems.



## Situation

Supporting a strategy for growth  
Sika's previous financial system was very robust, but lacked the production, purchasing and enterprise resource planning functionality that AX could provide, says Project Manager Hume.

"The main challenge we faced was the burden of manual intervention. Staff would download information to assess current stock levels and determine order quantities, then use this information as the basis for manually entering POs; all of which is very time consuming," explains Hume.

As a global company, Sika has a strong strategy for expansion and wanted to make sure that their local iteration of the AX solution would facilitate that growth. Sika (NZ) Ltd is on a growth trajectory, driven through current business and acquisitions, with the objective of doubling the size of the business in the next 12 months.

The decision to adopt AX on a global scale in the medium-to-small sized branches of Sika was made by the Swiss head office. Hume outlines that the global headquarters gave quite specific guidance on the system specification, although there was room for local adaptation to develop a system relevant to the New Zealand market.

"We knew there would be significant benefits from having real-time information around stock, customers, production and global financial reporting. Overall, we wanted to ensure AX would help make our operation more streamlined and help us meet our global requirements more effectively, at the same time as supporting our growth."

## Solution

### Partner shopping

In her search for a New Zealand technology partner, Hume approached a series of providers, looking for a company who were on

top of the AX product and had worked with a global organization like Sika before. Sika's partner search began in August 2004 and after a selection process, implementation commenced in February 2005.

"We looked at four companies, giving them a little information about Sika, our current situation and what we wanted, then asked them to come back with a written pitch. We then met with all four potential partners to hear them pitch their solution.

"We were impressed by the way HP Services proposed running our technology implementation. The way they looked at our systems and their approach to making us self-sufficient was appealing; their recommendation to build up our knowledge and leave our team skilled-up to progress with AX was spot on," added Hume. Hume's decision to select HP Services was also influenced by chemistry.

"We felt confident with the people we met, their skill level was right and HP was a good cultural fit for us. The Sika culture is very 'go ahead' - individuals take responsibility and have lots of autonomy - we have a strong team and have lots of fun.

"HP Services understanding of our global position was good too and they had experience with taking a global solution and applying it locally, while being mindful of the global demands for branch consistency."

James Page, HP's Middle Market Solutions AX Service Line Leader says his key priority was meeting Sika's business goals by implementing an AX solution under the framework of the international Sika guidelines.

"Largely due to the capability of the Sika team, we managed to deploy AX under the constraints of the international reporting framework, with minimum disruption to

business and a high degree of system integrity. It has also helped to have such a strong working relationship with Ellen and her team, who are professional, inclusive, friendly and decisive,” Page adds.

## Benefits

### Working Smarter

“AX has provided more visibility of our inventory position across the business, enabling us to serve our customers more effectively,” says Hume.

In the New Zealand branch all main areas of the Sika business are represented, including marine and automotive products; although the main products are supplied to the construction industry, such as concrete admixtures and powders.

“We’re looking forward to realizing the benefits from AX. We know it’s going to bring considerable efficiencies to our inventory and help us better meet customer requirements. We deal frequently with the construction industry, which is very project based, so it’s not always easy to dictate demand.

“AX will help our team better anticipate and respond to customer demand by giving greater control of stock. We always try to avoid keeping stock on the shelf longer than necessary because of the storage costs and also the lifespan of some products, so greater efficiency in stock control is also going to help us save money too.

“We’re expecting to quickly see time savings as a result of automating the stock purchase system and production process. Greater visibility of information, including customer records, sales trends, stock inventory and financial reporting will also be noticeable soon.”

HP’s Page adds that the AX solution will provide the Sika group with a standardized

accounting approach and method for analyzing the business as a whole.

### Limitless Opportunities

For several years Sika has operated a central call centre, which now houses a team of five people dedicated to providing customer support and taking orders. Orders are made in a variety of ways, including via telephone or via Sika representatives who visit customers and then call back in with their orders.

“We may look at upgrading our customer ordering to facilitate an online service in the future and we also hope to explore the ways in which AX will help facilitate the transfer of orders via hand-held electronic devices,” Hume concludes

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– Microsoft Dynamics AX

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