

The Phoenix Group

Made2Manage® ERP

Made2Manage ERP System Helps The Phoenix Group Triple Sales



Service Provider Also Drastically Reduces Inventory Levels and Turnaround Time for Orders

Achieving Rapid Growth

The Phoenix Group needed an enterprise resource planning (ERP) system to manage its diverse products and services and 15 remote facilities, as well as provide a web solution to remote users and customers.

“The technology infrastructure that we have developed has been the foundation for our service offering, marketing strategy and core capabilities,” said Bryce Durham, Director of Business Systems for The Phoenix Group. “Made2Manage ERP has supported our company over the past four years as we have increased our sales by approximately 200 percent. Despite this rapid growth, it has been necessary to add only one administrative employee.”

The Phoenix Group is comprised of three businesses that service manufacturing and retail companies, across the world. The Phoenix Group, Inc. (TPG) provides engineered assembly services to the worlds best automotive and retail media industries.

Phoenix Material Management (PMM) provides material management, third-party logistics, and returnable packaging management and cleaning services to the automotive industry. Phoenix of Texas, The Phoenix Group’s newest division, provides complete logistics (both global and domestic), consolidation, and project management support to the retail, oil, hotel, and health care industries.



ROI at a Glance:

The implementation of the Made2Manage ERP system helped The Phoenix Group, a leading provider of manufacturing services, gain a competitive advantage. Specifically, The Phoenix Group has:

- Tripled sales, while adding only one administrative person.
- Reduced inventory levels by \$50 million.
- Saved approximately \$80,000 per year in inventory write-offs.
- Reduced turnaround time from receipt of order to delivery from five days to one.
- Generated labor savings of \$35,000 per year.

“Made2Manage ERP has supported our company over the past four years as we have increased our sales by approximately 200 percent.”

— **Bryce Durham**, Director of Business Systems, The Phoenix Group

Upgrading Technology Platform

In the past, The Phoenix Group site managers and field representatives took orders from customers on paper forms and entered them into spreadsheets. The information was later extracted and keyboarded into the accounting system. “The previous manual process required that data be entered multiple times, was prone to errors and only provided management information several weeks after the fact,” Durham said. “It was clear that we needed an integrated system to deliver up-to-date information in order to improve the decision-making process.”

Durham said the company selected Made2Manage ERP because it provides all of the functionality needed to run every aspect of the company’s businesses, including receiving, purchasing, inventory, materials resource planning, shop floor data collection, lot control and financial accounting. Made2Manage ERP also provides a web solution to customers and remote users for placing orders and reviewing inventory, shipment and sales data.

The Phoenix Group dedicated two teams to implement Made2Manage ERP at two of the company’s businesses: PMM and PRM. The teams defined the business requirements and processes and mapped them to the software. The initial project covered two full financial companies, four operational tracking companies and over 2,500 SKUs. The overall process from purchase to production took about six months.

Efficiency Improved in Ordering and Purchasing

The new software and processes have substantially improved nearly every aspect of The Phoenix Group’s operation. For example, the company previously had a staff of five customer service representatives whose primary responsibility was to take orders from customers over the phone. Now, the company uses the M2M VIP Suite to provide each customer with a website, including a catalog that is customized to their needs. Customers can place orders that are automatically entered into the ERP system and also view shipping, invoice and payment information. As a result, only one customer service representative is now needed.

Some of The Phoenix Group’s larger customers use Electronic Data Interface (EDI) to communicate with suppliers. “The EDI module of Made2Manage ERP enabled us to go from no EDI capabilities to ‘Best in Class’ capabilities,” Durham said. “This has helped us gain share in the automotive industry where EDI is widely used.”

The Phoenix Group receives hundreds of orders every day and most create demand for purchased materials. In the past, administrators had to review each order, check inventory levels and, if necessary, manually generate a purchase order. Now, the MRP functionality in Made2Manage ERP explodes each order and aggregates demand for purchased supplies. The net requirements for purchased supplies are presented in the purchasing queue. The M2M MRP module has helped The Phoenix Group reduce inventory levels by \$50 million, and made it easy to adjust inventory thresholds in response to changing demand.

“Made2Manage ERP gives us a competitive advantage in our industry, not only from a technology perspective but also from an efficiency and data perspective. Creating a culture that blends professional knowledge with technical horsepower enables The Phoenix Group to provide world-class service to our customers.”

— **Bryce Durham**
Director of Business Systems
The Phoenix Group

In the past, it was difficult to keep track of which inventory was stored in which facilities or whether it was assigned to specific customers. The multi-site capability of Made2Manage ERP makes it possible to maintain a large number of virtual inventory accounts and more easily track inventory. The result is that The Phoenix Group has saved approximately \$80,000 per year in write-offs caused by inventory discrepancies.

“Our administrators now simply have to check off a box to generate a purchase order that covers our complete requirements based on complete demand for a product,” Durham said. “This means that each administrator can now handle three times as many orders as was possible in the past. The cycle time from when we receive the order to when we deliver the product to the customer has also been reduced from five days to just one.”

Less Time Required for Production Scheduling

The Phoenix Group also used to spend hundreds of hours per month using spreadsheets for production scheduling. The Made2Manage ERP job order queue has greatly simplified this process by aggregating demand and providing a list of products that need to be built. Schedulers can now generate a schedule by checking off boxes and generating work orders. As a result, the time required for scheduling has been reduced by 50 percent.

Additional time was saved by the Made2Manage ERP shipping queue, which works in a similar way to the purchasing queue. Since the company ships several hundred orders per week with 5-150 line items each, this feature generated labor savings of \$35,000 per year.

Accounting Integration Improves Reporting Timeliness

Durham says that Made2Manage ERP also offers excellent accounting functionality. “The key advantage of Made2Manage ERP from an accounting standpoint is that it is fully integrated with all of the other modules,” Durham said. “This eliminates the time and potential for error that was involved in the summary entries that we had to make every month in the past.”

“Made2Manage ERP gives us a competitive advantage in our industry, not only from a technology perspective but also from an efficiency and data perspective,” Durham concluded. “Creating a culture that blends professional knowledge with technical horsepower enables The Phoenix Group to provide world-class service to our customers.”

About Consona ERP

Consona Corporation is a worldwide leader in providing customer relationship management (CRM) and enterprise resource planning (ERP) software and services for companies of all sizes. Consona serves more than 4,500 customers worldwide and across a variety of industries.

Consona Corporation

450 East 96th Street, Suite 300
Indianapolis, IN 46240

P: (888) 826-6766 or (317) 249-1700
F: (317) 249-1999

info@made2manage.com
consona.com
made2manage.consona.com

