



ITK Template Approach + Dynamics CASE STUDY

www.itksolutionsgroup.com

Executive Summary:

A Telco Cooperative had an aging ERP system from Lawson Software (now Infor). This twenty-year-old system included many customizations they had undertaken to make the system specific to their historical requirements. They needed to modernize to get their disparate systems talking to each other and sharing data. They also needed to update their business processes to reflect current best practices. Members of the Client team had implemented the Lawson software almost eighteen years ago and that long-running relationship is why they reached out to the same team at ITK, again.



itk In The Know
Solutions Group
Process first. Technology second.

CHALLENGES

Questions this Telco Coop was asking...

- How can we be more efficient with IT spending and fixed costs while encouraging growth in the future?
- How can we move away from growing monthly maintenance costs for outdated software?
- What ERP System should we use that integrates with our systems?
- How can we get our disparate systems to work together better?
- How can we become more competitive and market-driven?
- How do we update our IT skill set and tool set to keep up with best practices? (They were using AS400 technology, which was very fast twenty years ago but outdated by today's standards)

This Telco Coop had an ERP system that was a patchwork of Lawson, smaller archaic systems, custom code and aging hardware. Their CEO was particularly interested in modernizing to improve efficiency today and also to pave the way for future growth. Telco Coops have had a history of being supported in their mission to bring phone coverage to rural areas by government subsidies. However, the government is no longer investing as heavily in rural phone lines since broad cell phone adoption entered the picture. This has led to a greater burden of phone infrastructure support and infrastructure software technology improvements being borne by phone companies. Translation: there is a pressing need at this company (and other similar companies) to do what they do better, smarter and more efficiently. In particular, they needed to shift from a company supported by government investment to a market-driven, competitive business mindset.

SOLUTIONS

- Microsoft Dynamics AX
- Finance/General Ledger: Accounts Payable, light Accounts Receivable, Project Accounting (project and financial accounting consistent with FCC Part 32 Accounting regulations)
- Microsoft Dynamics Payroll - Customized web timesheet entry w/approval process (They had a customized timesheet entry form that we were able to improve upon)
- Inventory & Expense Purchases - Customized internet requisitions with workflow approval to control inventory and expense purchases
- ITK Template Approach: a less expensive, more time efficient, streamlined ERP Implementation. Makes a modern ERP system affordable to Telco Coops like this Telco Coop
- Change management plan to ensure adoption of new (more efficient) business processes in line with industry best practices and the newly implemented technology

RESULTS

- Nine Month Implementation
- Lowered the Financial Barrier to Entry by using the ITK Template Approach
- Modern ERP system with the same business processes as Fortune 500 companies
- Reduced ongoing IT expenditure
- *Business Insights made possible by shared access to data throughout the company*
- Allows for ease of acquisition of new legal entities, corporate assets and strategic investments (because they now has a more flexible system, which can easily integrate with new assets.)

“We can’t and should not celebrate our technology, the only thing worth celebrating is the success you have with our technology.”

- Satya Nadella

THE RESULTS: A CLOSER LOOK

- *Nine Month Implementation*
 - Thanks to the ITK Template Approach we could shrink the time of the implementation
 - A traditional ERP implementation would be 12-16 months compared to 9
- *Lowered the Financial Barrier to Entry by using the ITK Template Approach*
 - The ITK Template Approach requires a smaller investment than a traditional ERP Implementation
 - Telco Coops are facing shrinking margins and intense competition from cellular providers and many cannot afford a traditional ERP Implementation
- *Modern ERP system with the same business processes as Fortune 500 companies*
 - Along with a modern ERP system, they also has updated business processes in line with industry best practices
 - Brings them into the 21st Century with processes used by Fortune 500 companies
 - These processes help them be more efficient, more nimble and overall, more competitive
- *Reduced ongoing IT expenditure*
 - Monthly maintenance costs reduced by 75%
 - Payroll tax software no longer needed as it's part of Dynamics AX
 - New hires are easier to onboard which saves both initial education and ongoing support costs
- *Ease of acquisition of new legal entities, corporate assets and strategic investments*
 - It's difficult if not impossible to acquire other business assets and plug their systems into your systems when you're using a twenty-year-old system
 - They now have this flexibility

PROJECT IMPACT & FUTURE VISION

- **ROI** – expected ROI will be in two to three years
- **Improved Speed to ROI** – we used a simplified implementation methodology we call the ITK Template Approach to provide for a faster, streamlined engagement
- **Scalable** - by implementing a modern ERP system this Telco Coop can acquire legal entities and other assets without worrying about how to plug their systems into their systems. This opens the door any number of acquisition scenarios