ALGOL PARTNERS WITH IPTOR TO REDUCE RISK AND ACCELERATE MODERNIZATION

IPTOR´S MODERN ERP SOFTWARE GIVES ALGOL GROUP STATE-OF-THE-ART CAPABILITIES

Algol Group uses Iptor's DC1 to improve their user experience and require less customization in their system

- Accelerated ROI

- Improved Data Collection

- Faster actionable insights

- Indentify critical areas for improvement

COMPANY PROFILE

- Name: Algol Oy
- Region: Europe, Finland
- Operation: Manufacturing, Sales and Distribution
- Products: Chemicals, laboratory diagnostics, medical devices, material handling solutions, and assistive devices for rehabilitation and product training
- Employees: 500
- Website: www.algol.fi

ABOUT ALGOL

Algol Group, headquartered in Espoo, Finland, imports and supplies thousands of products for the industrial and healthcare sectors. Algol offer services related to their business areas, such as design services, tailored delivery solutions, and installation, maintenance and training services. Algol Chemicals also has its own product manufacturing business. The company employs nearly 500 experts in the areas of sales, product and service solutions, project deliveries, marketing, technical service and maintenance.

ISSUES

- Legacy Iptor ERP system last updated in 2004
- Many modifications added cost and complexity to system upkeep
- Outdated user interface did not meet new user expectations
- Five companies migrating onto the new platform

SOLUTION

- Cross-functional IT and business team representing Iptor and Algol Group
- Two-phase transformation, addressing IT/user issues first, followed by optional improvements
- Limited new modules implemented to reduce risk and speed implementation
- On-premise installation on Algol's IBM iSeries platform

VALUE

- Phase 1 go-live across three Algol Group companies by May 2022
- Reduced transformation cost, time and risk
- Standardized, modern platform reduced training and accelerated ROI
- Upgraded user interface increased user satisfaction
- Process re-engineering around the new system established best practices
- Improved data collection and reporting tools for greater accuracy and faster actionable insights
- Enhanced system functionality

"The success of this project confirms the value of our long-term relationship with Iptor. Our people already know and trust the Iptor system, and with Iptor's deep understanding of our business already established, project decisions come easier and overall risk is reduced. We are very pleased to be moving forward on our new Iptor DC1 platform."

Arto Peterzens | Algol CIO

ENHANCING ALGOL'S PRODUCTIVITY AND USER SATISFACTION

BACKGROUND

Algol Group is a Finnish family-owned business and multibranch company active in international trade since 1894. The Group includes Algol Chemicals, Algol Technics, Algol Diagnostics, Algol Trehab, Histolab Products and Suomen Unipol. The company has been an Iptor (IBS) customer since 1984, and their last ERP system upgrade to IBS Enterprise ASW 5.5 was in 2004. Since then, they have modified the system continuously. Algol internal IT team has a positive working relationship with Iptor and a deep familiarity with the system. So, in 2020, they decided to abandon further modification projects and transition to a more "standard" version of software, starting in October, 2021.

THE CHALLENGE

Algol has four companies using the Iptor system. The legacy version, which has been modified numerous times since it was deployed in 2004, is past due for an upgrade. Existing modifications would need to be reviewed against the new DC1 capabilities to determine which modifications are no longer valid. 16 years of company ERP data exists in various locations across the Algol Group. Finding specific information often involves an elaborate search. The time had come to migrate all the data onto a new system, thereby creating a single version of truth. The user interface also has outgrown its utility, with a new look and many new features added to Iptor's ERP software since 2004. Some business processes that were engineered around the old software will no longer be necessary; new ones may emerge. A total review of the current state compared to the new state is needed to establish best practices on the DC1 platform.

IN RESPONSE

In Q4 2020, Iptor and Algol assembled a cross-functional team of IT and business leaders to explore modernization and develop a scope of work for the system upgrade. The upgrade began in Q4 2021, encompassing two phases.

- Phase 1 would address Algol Trehab, Algol Diagnostics, Algol Oy and Algol Chemicals first, followed by Algol Technics. The initial focus would be on IT issues, ensuring a rapid, low-risk implementation of DC1. This provided the opportunity to evaluate and adapt new processes based on the new system functionality while also allowing for users to perfect their understanding of the system before starting Phase 2. The core system would support standard, group functionalities and finance. New modules would be limited to a real-time BI client and output solution, with an API gateway service architecture to accommodate integrations and persistent modifications, including WMS APIs. The system would be installed on Algol's IBM iSeries on-premise hardware in phase 1.

Upon validation of each phase, Iptor would conduct user training on selected processes, by company, to identify critical areas for improvement. Training documentation updates would reflect any changes, preparing the first system go-live with certain companies in Q2 2022, then with Algol Chemicals in Q4 2022, with the remaining companies going live in 2023.

- Phase 2 will focus on business improvements, with the cornerstone solution established in phase 1.

In the future, a 3rd phase will see the entire solution moved to a cloud-native platform hosted on Iptor.com, but preparations are already underway for this.

THE OUTCOME

The phased approach reduced risk in Algol's ERP modernization project. Iptor's agile methodology enabled an incremental adoption of the new system, effectively compressing the time to launch. Phase 1 of the transformation is expected to go live in May, 2022. Iptor's DC1 will support Algol's operations using a standard solution across the group with a minimum number of modifications.

Throughout the project, best practices emerged that will help Algol become more efficient and productive moving forward. These practices, supported by DC1's modern system tools, are already improving data collection and report creation for the company, speeding production and reducing cost for more in-depth, accurate business insights. The new graphical interface is also contributing to enhanced productivity and user satisfaction.