Digital Planet Boosts Cross-Team Collaboration and Alignment Through Acumatica ERP

OVERVIEW

For 20 years, South African based Digital Planet used various proprietary systems and manual processes to run its operations. Seeking one version of the truth and a scalable solution, the smart-device fulfilment company deployed cloud-based Acumatica ERP as its platform for rapid growth. Unexpectedly, it also gained greater collaboration among its employees.

KEY RESULTS

- Gained a single source of truth, providing visibility throughout the business
- Reduced time to accomplish tasks by implementing a single solution, increasing employee productivity
- Increased transaction volume with lower staff compliment, allowing the business to grow efficiently
- Pivoted to work from home seamlessly during the COVID-19 pandemic, avoiding business interruption
- Increased collaboration among siloed teams leading to greater operational efficiencies

INTRO/CHALLENGES

Digital Planet believes that education paired with technology can change the face of South Africa for the better, through their mission of enriching every South African's life with access to technology and education, they are doing just that. By combining technology products, software and services, Digital Planet helps businesses like local banks and telecoms create one-of-a-kind complimentary business channels and uniquely structured offerings. Digital Planet creates value to customers by delivering more than just a technology device. Through an extensive partner network, Digital Planet connects customers with exclusive offers that bundle technology (laptops, cellphones, smart tv's) with educational platforms, entertainment vouchers, WIFI access and more. Digital Planet also manages all touchpoints from product to consumer including call center order management, customer service, customer product tech support, consumer home delivery and after sales warranty.

For years, the company operated on an in-house order and stock management system, two separate financial management applications, a standalone workflow management platform and in-house developed application that surfaces reporting data from Microsoft SQL. While their financial management application worked for financials, it couldn't handle the operations side of the business and thus Digital Planet had to build its own systems to manage operations. With so many disconnected systems, Digital Planet was also forced to retain many manual processes.

Working in Isolation with Different Sets of Data

"We had no single point of truth. The warehouse team was on a different system, the finance team was on a different system, production was on another system - we had to add a lot of systems to create efficiencies in all our departments, but each had its own data sets, its own points of truth, and very few told the same story," says Zane Zietsman, chief strategy and digital officer. "It became a big barrier. Our financial platform had an antiquated way of working."

The company considered moving to a new system for several years. "However, we always found the consideration very daunting," Zietsman says. Top executives worried about the change management involved with a new system and the impact on its employees. "We were concerned with what if something goes wrong and what if the software doesn't do what we want," Zietsman explains. "Could we roll it back?"

Much of that apprehension stemmed from a failed implementation of another ERP system. "We engaged with partners and only after 13 months we realized that it wasn't scalable and couldn't handle our transactions," he says.

Company
Digital Planet
www.digitalplanet.co.za

Industry
Computer and Electronics Hardware Reseller, Distributor

Number of Employees
Approx. 130 full time employees

Location
Johannesburg, South Africa

Products
Acumatica Advanced Financials with Distribution, Intercompany Accounting, Fixed Assets, Warehouse Management, CRM, and Case Management

Customer Social Sharing Details

www.twitter.com/digitalplanetsa

www.linkedin.com/company/digital-planet

Partner Details

Palladium Business Solutions
www.palladium.co.za

Second ERP Search

Digital Planet reverted to its legacy financial management system and embarked on a new due diligence process to find an ERP that fit its purpose, was customizable to the way the company did business, and would allow it to scale. "Our business continues to grow year on year and we needed a system to support that growth. Our legacy financial management suite wasn't able to do that," says Zietsman.

"Our financial management suite was an on-premises client server application that required software installed on workstations. With 19 years' worth of transactional data and business structures, the data became impossible to manage," says Chris Opperman, solutions architect. "We hit the limit of what our financial platform could do, and the demands we had of the system wouldn't let us go forward."

The new search strategy included learning from past mistakes, understanding the key functional requirements of each business unit, and creating a plan to run the new system in parallel with the old so if something didn't work, the company would remain operational. They then talked to local vendors and partners and evaluated several ERP systems.

SOLUTION

Cloud-First and Scalable

Whatever system they chose, it had to be cloud-first, allow the company to scale, and be customizable. "We wanted our developers to have access and the flexibility to make changes to suit our business," Zietsman says. The Digital Planet team created a scoring system and initially evaluated 12 products.

Digital Planet eliminated many systems because they were too rigid and relied on version updates when it came to customization, says Opperman. Eventually they narrowed their choice to two options.

"We realized the partner was going to play a big part in our success," Opperman says. "Because the scoring on functionality was close, the track record of a local Partner with a successful implementation history swung us in Acumatica's favor."

In addition, Acumatica's capabilities aligned with Digital Planet's vision of being cloud-based, scalable, customizable and it came with a flexible licensing model, Zietsman says.

"Our Acumatica partner, Palladium Business Solutions, was actively involved in an in-depth process consultation phase to map our requirements against Acumatica's base functionality and provided us with a project plan and timelines upfront giving us a good idea of what the journey would look like, what would be quick wins and what would take a little more time and require upfront customization," Zietsman says.

Digital Planet implemented Acumatica in a short amount of time and the need to run parallel systems was brief, alleviating executives' fears. They made a few customizations such as connecting to a 3PL partner, an internally developed order communications platform and are actively looking at additional integrations.

BENEFITS

Unexpected Benefit: Deeper Alignment

The single biggest benefit from implementing Acumatica was unexpected.

"With our previous systems, departments would work in isolation as each had their own system focus with little consideration for how actions affected another department," Zietsman says. "With Acumatica's one version of the truth, the understanding and realization that what one department does affects another has created deeper alignment and decisively improved collaboration between departments."

More Efficient, Productive

Digital Planet's departments are much more efficient working in a single, easy-to-use, connected solution.

> " Our people are more effective and can focus on relevant issues rather than manual work and that's as good as gold. "
>
> – Zane Zietsman,
> Chief of Strategy and Digital Officer,
> Digital Planet

They have:

- Cut out the need to maintain multiple systems
- Reduced administration, operational and infrastructure costs
- Eliminated the reliance on spreadsheets
- Gained the ability to run reports from a single data source, eliminating "version of the truth" discussions

As a result, executives estimate productivity increases and time savings of 30 percent in finance, 20 percent in operations, 20 percent in after sales and 20 percent in the warehouse. "We now get more done in the same timeframe with increased accuracy," says Opperman.

Finance productivity increased 30 percent because invoicing is now automated. Previously, receiving a purchase order would take 20 to 30 minutes and it now takes less than 10 minutes including attaching paperwork, which previously was a headache.

"Our people are more effective and can focus on relevant issues rather than manual work and that's as good as gold," adds Zietsman. "We've gone through substantial growth and as our order volume has grown, our headcount has shrunk. We're able to do more with less, and financially, that is a very big win for us."

More Efficient Warehouse Operations

Acumatica's easy-to-use solution allows Digital Planet to track key metrics like never before. They can visualize the full warehouse flow from purchase order to courier handover and manage employee performance using customizable dashboards, Zietsman says. They have better visibility into stock and its movement, which provides accurate accounting of its value, and reflects accurate transaction statuses across accounts receivable and accounts payable in real time.

In addition, Digital Planet has optimized and streamlined its warehouse processes, eliminating duplicate processes and transactions. They reduced 25 percent of the time it takes to manage the procurement process, for example. Where they previously had to use two systems, they now use just one. In transitioning to the Acumatica WMS, they forecast they will optimize the warehouse by at least another 15 percent.

Effortlessly Pivoted to Remote Work

When the pandemic hit, Digital Planet employees easily shifted to working from home.

"The current state of the world given the Covid-19 pandemic has highlighted the enormous value of the cloud," Zietsman says. "Our staff has been on lockdown for six weeks with many more weeks expected working from home. Acumatica has allowed us to continue working as we would normally and eradicated a potential situation where 130 people would not be able to accomplish much remotely."

"We closed our office doors with a chain and a lock, but we were able to keep operating at full capacity," he adds. "If we did not go with Acumatica, there is no way we would be able to cope. We were not geared up for large scale remote access to the office. We would have been in deep trouble when trying to mobilize our workforce."

"With Acumatica we can access our data; it's just a browser click away."

Modern ERP Allows DP to Do More with Less

Digital Planet's ERP implementation is delivering a powerful business platform that can scale and adjust to the unique needs of its business, allowing the company to grow. Acumatica can be accessed from any device, anywhere at any time. The solution is increasing accuracy, productivity and bringing efficiencies by automating manual processing, transaction entry, and data consolidation tasks, which is improving the speed of order and financial processing. With one version of the truth, Digital Planet executives receive accurate reports and make strategic decisions.

In short, Acumatica helped modernize Digital Planet, Opperman says. "In the cloud, we have access to unlimited capacity to adjust resource levels on the fly, accommodate any change in demand in seconds, access data from anywhere, and have empowered our workforce to set their own working hours."

Adds Zietsman, "Automation is going to be the thing that allows us to grow, but what it is really going to do is give us greater efficiency and allow us to focus on important work versus manual work, turning our workforce into knowledge workers as opposed to task workers."

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