

## GLOBAL SHOP SOLUTIONS CASE STUDY

# Harding Group

*Harding Group designs and manufactures point-of-sale and in-store product display solutions, including temporary, semi-permanent, and permanent displays and fixtures for the retail environment. Founded in 1927, the fourth-generation, family-owned business also offers co-packing, warehousing, and distribution services, making it a true “one-stop shop” for clients seeking successful in-store marketing solutions.*



*A sampling of Harding Group's family product displays*



*Harding Group employees hard at work on a co-pack line.*

Headquartered in Toronto, Canada, Harding Group's clients include leading retailers and brand manufacturers, such as Molson, Canadian Tire, Coca-Cola, Pfizer, and Jamieson. Committed to staying at the forefront of display technologies, Harding Group's marketing solutions include LED electrical components and visual touch screens with programmable Internet and chip-controlled display messaging. In an industry where manufacturers typically specialize in one type of display, Harding Group offers temporary corrugated displays, permanent displays, and semi-permanent displays all from one facility.

For years, Harding Group operated the business with an ERP system with limited functionality. Seeking a more up-to-date solution, company management began researching other ERP vendors. After on-site demos of several different systems, they decided that Global Shop Solutions ERP software offered the best fit for their environment.

“Most of the ERP packages we looked at offered similar features and functionality,” recalls CFO Kevin Mason, “but several things about Global Shop Solutions stood out. First, it was an all-in-one package, so we didn't have to buy it module by module. We liked the sophistication of the **barcoding and wireless features**, and were very impressed with how Global Shop Solutions is always updating the software. We didn't want to get stuck with another legacy system, so Global Shop Solutions' consistent, continual evolution of the software was a deciding factor for us.”

### **A Phased Implementation Approach**

What was life like at Harding Group prior to Global Shop Solutions ERP software?

Little to no **financial controls**. Manual processing of purchasing, invoicing, account receivables and other accounting functions. Redundancy of information and data entry. Poor inventory management and movement of parts and raw materials around the shop floor.

“Forklift drivers often spent significant amounts of time trying to locate product to take to the line,” recalls Mason. “We were usually two months behind in closing the books.”

Financials represented the first area of focus upon implementing Global Shop Solutions ERP software. Mason quickly discarded the old manual processes and began performing accounting functions like purchase orders (POs), receipt matching to POs and PO's to invoicing and sales order entry, shipment by sales order line item and invoicing through the ERP software.

Next, the company began using the inventory module to simplify the inventory management process. This was followed by shop floor control to create and issue work orders and bills of material, estimate and quote jobs, and buy materials through [Auto Purchasing](#). Finally, Harding Group began using [Advanced Planning & Scheduling \(APS\)](#) to better manage workflow through the shop floor. All of which led to significant improvements in virtually every area of the business.

### **Reducing Debt, Freeing Up Cash Flow**

In the old days, Harding Group bought all the parts required for a job as soon as it was booked. This led to over-buying and high inventory carrying costs, which, in turn, restricted cash flow.

With their new ERP software, Harding Group has much better visibility of inventory, allowing them to order parts and materials just in time rather than weeks in advance. As a result, inventory levels have dropped about 30%.

“Our manufacturing cycle ranges from two weeks to three months depending on the product,” says Mason. “Buying everything for a job all at once put a real strain on our cash flow and our debt load. Since reducing inventory, our debt load has dropped between 35 to 40%, which has had a huge impact on cash flow.”

“On the financial side, we now close the books in about three weeks,” continues Mason. “I can get 95% there within two weeks and finish the remaining five percent in the third week. However, any time before closing I can go into Global Shop Solutions and see where we stand in any particular area – and trust that the numbers are accurate.”

### **Going Mobile**

Mason credits the [sophisticated mobile](#) and lot tracking capabilities for the dramatic improvement in inventory.

After acquiring the software, Harding Group “racked up” to make better use of the vertical space in their warehouse. They also barcoded every bin and rack so that all materials have a designated location. Now, every item that comes through the door gets barcoded and put away in a specific location, making it easy to track down when needed.

“We offer speed to market, which means sometimes we have to bump jobs and reprioritize,” notes Mason. “In the past, when we bumped jobs in progress we would put away our work in progress (WIP) and have no clue where we put it. Using the wireless move ticket feature, we can now WIP things to bin and then bin them back to WIP with very little time and effort.” On the back end, barcoding and labeling makes it easy to find finished goods when it’s time to ship them. It also ensures that we ship exactly what the customer ordered. Shipping errors used to be a huge problem for us. Now they’re almost nonexistent.”

Global Shop Solutions ERP software also assists with Harding Group’s component-based inventory system, where they make and inventory components for their clients. When clients place an order, production workers assemble the displays and co-pack them with the client’s products before shipping them out the door.

“Our customers demand speed to market, and thanks to Global Shop Solutions we can provide that,” adds Mason. “Depending on the size of the order, under a component based business model, we can usually assemble and start shipping within 24 hours because we have complete inventory insight, we have an immediate understanding of what needs to be assembled and how, and we have the shop floor tools and insight to execute immediately.”

### **Eliminating Redundancy**

The transition to Global Shop Solutions ERP software required a bit of a learning curve for Harding Group. At first, many employees saw it as adding to their workload and impeding, rather than enhancing their productivity. To overcome their resistance, management constantly communicated the benefits of the system to individual employees and the company as a whole.



*Assembling a set of custom displays.*

“Prior to Global Shop Solutions, the redundancy of information in our organization acted like an anchor on the production process,” says Mason. “For example, a sales rep would get an order and write it in a book. The sales order then got rewritten on a work order docket. From there, it got rewritten on the production floor. And then one more rewrite on the shipping dock.”

“With our high volume of orders, it was extremely inefficient,” continues Mason. “When we explained that the concept of entering data only once in Global Shop Solutions, which would then be accessible throughout the transaction process, employees began to understand the efficiencies that would result. Once they began using the system and experiencing the benefits first-hand, they quickly came around.”

As the Global Shop Solutions “go to” person, Mason spends a lot of time learning new features and functionalities in order to help people improve their skills with the ERP software. His favorite screen is Supply & Demand, which provides a one-stop location for almost anything employees need to know about a job or customer. He also likes the **estimating and quoting tool**, which has dramatically changed the way Harding Group estimates and quotes jobs.

“When you do everything with manual spreadsheets, you can get a lot of inconsistency from one user to next,” Mason explains. “Someone could damage a link and nobody would know, which can lead to incorrect calculations. With Global Shop Solutions, we know the data is correct, so we can estimate and quote with confidence and accuracy.”

### **A Real Competitive Edge**

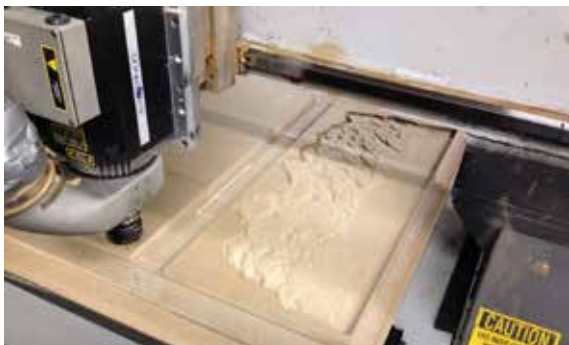
Where has Global Shop Solutions ERP software made the biggest difference for Harding Group?

“Everywhere!” says Mason. “The superb integration of the system ensures consistency and accuracy of data across all departments. When everyone works off the same data, it dramatically reduces errors due to miscommunication, lost data, and everything that goes along with manual systems. We didn’t have that before, and the ability to do it now has literally transformed the way we operate.”

Mason also believes that Global Shop Solutions ERP software gives Harding Group a competitive advantage that other middle market firms in their industry don’t enjoy.

“Global Shop Solutions helps us deliver the highest quality product and service we can,” he adds. “It supports our speed to market initiatives, which is critical in our industry. And it helps us operate more cost-effectively by lowering costs, simplifying processes, and enhancing cash flow. It gives us a level of sophistication that I don’t think other companies of our size have, and we see that as a big advantage going forward.”

“When you make an investment of this magnitude, you want to be sure that the product will evolve and grown along with the technology and the industry,” concludes Mason. “With Global Shop Solutions’ commitment to continually evolve and upgrade their software, we don’t see it ever becoming a legacy product that needs to be replaced.”



*A CNC saw prepares to cut a custom wood sign for a display.*



*Harding Group's automaton on the shop floor.*