

# NEPEAN – Generating productivity and customer satisfaction gains

Over the next five years, the Australian mining industry is set to increase its level of maintenance activity by nearly 60% as companies endeavour to maintain a competitive edge. As a sector, the mining space is particularly complex as businesses must navigate fluctuations in resource prices and availability, as well as the introduction of new technologies and automation processes.

Controlling costs throughout the entire mining product lifecycle across exploration, construction and operation to retirement is a challenge. As a result, mining businesses need to maintain control of their financial components, embracing technologies that enable a full view of equipment and operations to remain competitive and profitable.

One example is NEPEAN, Australia's leading privately owned engineering, mining services and industrial manufacturing organisation, with operations in six continents and more than 1,200 employees. Founded in 1974, the company supplies mining equipment and fabrications to more than 65 countries and manufactures building products in Australia for the local construction industry.

## Boosting efficiency by streamlining processes

Due to its expansive network, NEPEAN needed to streamline its reporting and business management processes to create efficiencies, increase profitability and strengthen competitive advantage. The company leveraged Pronto Software's flagship enterprise resource planning (ERP) solution, Pronto Xi, to build a strong foundation for consolidation and insights. NEPEAN started using Pronto Xi in 1999; however, the company still opted to run much of its business on Excel spreadsheets. As a result, financial accounts took weeks to reconcile. As a large and complex organisation with many different business units including mining, steel fabrication, machinery and construction, it was facing significant challenges when it came to managing and streamlining its operations. One of the major frustrations for the leadership team was that the company's disparate systems made unified financial reporting and analysis challenging. This impeded the gathering of the critical business-wide insights that are needed to support strategic decision-making.

Inventory management was also a concern for the organisation. NEPEAN was often unable to tell customers if the item they wanted was in-stock and when delivery might take place.

Andrew Honnibal, CIO – Technology & People at NEPEAN, explains: "We realised that there were a range of issues in how we had set up and used Pronto Xi. Fundamentally it was a good solution, we just needed to find a way forward by integrating ERP, financials and reporting."

## Conveying a focus on efficiency and customer service

According to Honnibal, the decision to upgrade to the latest version of Pronto Xi was taken for several reasons, including the fact that employees found the system easy to use.

"For any new system, adoption rates are critical for success and this often depends on how quickly users can become confident and complete their key tasks," he says. "I knew with Pronto Xi our employees would see a familiar tool they trusted."

NEPEAN completely reimplemented its Pronto infrastructure, beginning with one of the more demanding units.

"A recent acquisition meant that our conveyor business expanded rapidly and we had to support about 65% more IT users," Honnibal adds.



The upgrade to a later version of Pronto Xi and the integration of previously separate business entities delivered instant improvements.

"We were able to automatically report a P&L on a project-by-project basis, something that was not possible in the past," says Honnibal. "This is significant because since the mining downturn in Australia margins have been tighter than ever. The real-time insight we receive from Pronto Xi enables us to ensure we do not deviate from plans and budgets, which helps us remain profitable, even with lower margins."

NEPEAN's building and infrastructure intel business, Galintel, was the next to upgrade. This has enabled the business to respond rapidly to customers enquiries with accurate inventory availability, product lead times and quotes. NEPEAN also gained clear insight into the profitability of different stock keeping units (SKUs).

"We went from managing businesses using hundreds of error-prone spreadsheets to having a fully integrated system containing all pricing, materials and inventory in one system – Pronto Xi," says Honnibal.

NEPEAN's Weldlok business has also reported strong gains from the Pronto upgrade. Honnibal remarks: "We used to do monthly stocktakes in this area but we now do them annually and the last stocktake showed zero variance."

The company has also benefited from improved Business Intelligence (BI): "We now have clear dashboards and can see all our open orders, and details show if we are on track to meet the commitments we have made to customers. The right people also receive alerts and can extract the information they need to identify trends and make better decisions for our business."

BI has also really helped NEPEAN with critical financial reporting after acquisitions.



“When we acquire a business, especially those offshore, we can now produce consolidated financial results from day one,” Honnibal comments. “It used to take us a week to do this and now we do it with a single button press. This is a tremendous time saving and of significant value to business leaders who require timely insight.”

In addition, NEPEAN utilises the Pronto Xi Payroll and HR module, and Honnibal notes that this is delivering significant benefits: “Most other Australian ERP providers do not offer payroll and it’s a great addition that Pronto provides. We are able to very efficiently bring timesheets straight across from the manufacturing module, improving project costing.”

“Overall, Pronto Xi gives NEPEAN measurable productivity and customer satisfaction gains, which is a phenomenal achievement as it directly impacts our revenue.”

### **Empowering mobile teams to seal the deal**

Pronto Mobile CRM is another key feature of the upgrade, enabling NEPEAN’s field-based sales staff to better service customers with faster quotes, more accurate pricing and inventory information.

“Our sales teams can visit a customer, take an order and check to see, with absolute certainty, how much stock we have of that item,” says Honnibal. “They can then provide quick quotes, which are all automatically integrated back into the core Pronto system – reducing the chance of error. Shorter lead times and accuracy are critically important in our business. Pronto Xi enables us to give our customers reliable information, quickly, as it’s needed.”

NEPEAN chose a hybrid cloud infrastructure, and according to Honnibal this has given them an added layer of assurance.

“Having access to Pronto Cloud’s technical expertise to manage the server is important,” he says. “With Pronto Cloud monitoring and managing the machine, we know we have better uptime and faster results.”

Today’s leading manufacturing companies operating in the mining sector need the ability to control their financial components and consolidate disparate business processes. Through access to real-time, actionable insights and a comprehensive inventory management process, companies like NEPEAN are enhancing productivity and boosting customer satisfaction. By deploying resources like Pronto Xi, businesses can enhance the scalability of their operations, and also leverage predictive monitoring and accurate financial reporting to support smarter business decision-making.

“Pronto Xi is an excellent solution, especially when it comes to managing the complexities of a business like ours,” concludes Honnibal. “Pronto does what it says it can do. The total cost of implementation is low, the ongoing costs are low – therefore the return on investment is very good.” **AMT**

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