

WebSphere. software

IBM Montpellier restores supply chain efficiency with business integration solution.

Overview

■ Challenge

Faced with escalating costs and inefficiencies from complex manual business process interactions, IBM needed to improve communications and order tracking

■ Why On Demand?

To provide an end-to-end, integrated supply chain process that would enable the facility to respond with flexibility and speed to client requests

■ Solution

Update the parts-replenishment process to integrate critical availability information across supplier systems

■ Key Benefits

Improved efficiencies in the supply chain process gained through business process optimization; combined end-to-end management system with business integration software to enable IBM Montpellier to focus on business process results and to enable continuous improvement



International Business Machines Corporation (IBM) is the world's leading information technology company, with more than 90 years of leadership in helping businesses innovate. IBM helps its clients, IBM Business Partners and developers in a wide range of industries that leverage the power of the Internet to drive on demand business. The company's primary business goal? To lead in the invention, development and manufacture of the industry's most advanced information technologies,

“We realized that our facility depended on manual processes to track parts. This situation presented an opportunity for us to streamline operations by restructuring these time-intensive, error-prone processes.”

—Pascal Durazzi, process transformation program manager, IBM Montpellier

Simplifying access to parts information to maximize employee productivity

On Demand Business Benefits

- Online monitoring capability shortens decision-making process
- Reduced potential for errors when fulfilling orders
- Increased productivity by automating the parts-replenishment process
- Ability to respond to client requests in real time

“With WebSphere Business Integration software, we have the ability to continuously improve our processes to meet our evolving business requirements.”

—Pascal Durazzi, process transformation program manager, IBM Montpellier

including computer systems, software, storage systems and microelectronics. And to translate these advanced technologies into value for IBM clients through professional solutions, services and consulting businesses worldwide.

The IBM Montpellier facility refurbishes and stores parts from used IT servers. These materials are returned to the manufacturing plant at the end of a lease or after a repurchase, where they are verified and stored until another client order triggers their reuse. Then, the asset is reconfigured, tested and shipped to the new client. In the previous year, IBM Montpellier had experienced several factors that affected its ability to deliver prompt parts-replenishment services to its clients: an increase in customer demand and new products pushed resources to their limits, and a reorganization spread formerly centralized activities across three separate buildings. The result? Reliance on paper-intensive tracking processes, e-mail and phone calls left gaps that increased the potential for error and limited the number of orders that could be processed. And inadequate communication affected the facility’s ability to optimize materials usage and to apply parts-supply rules consistently.

Developing an end-to-end parts-replenishment process to increase efficiencies

The IBM Montpellier facility replenishes parts from seven locations. When a client placed an order, staff needed to assess parts availability and respond in less than half a day. To accomplish this goal, the facility needed a system that could track location and shipment of parts in real time. A strong business integration solution would provide the end-to-end continuity the facility needed to closely monitor and manage the parts-replenishment process and to simplify communication among the facility’s suppliers.

IBM Montpellier wanted to be able to model and then optimize its complex parts-replenishment processes. Modeling processes would give the Montpellier team a well-documented and agreed upon starting point, as well as the ability to test and simulate options to change and improve the processes. The Montpellier team

also wanted to set particular tracking mechanisms in place. They wanted to monitor specific events and items to ensure that the processes that they modeled actually delivered the planned efficiencies. By validating the modeled approach using the monitored real-time information and then feeding the information back to improve the models and processes, IBM Montpellier would have a foundation to support continuous process improvement.

Responding more effectively to client and marketplace demands

The IBM business integration team worked with the IBM Montpellier facility to streamline its parts-replenishment process. By leveraging IBM expertise, the facility implemented a solution that enabled the plant to get the parts it needed to complete configurations promptly and deliver the servers to its clients on schedule. Now, IBM Montpellier can track and monitor parts supplies and choose those that best suit its clients' needs. Real-time visibility and management capabilities make it easier to proactively detect impacts on orders.

A comprehensive business integration solution that optimizes business processes

IBM Montpellier used IBM WebSphere® Business Integration Modeler to enable the facility's business analysts to model, simulate and analyze business processes, and cross-functional teams to optimize them. It also facilitates return-on-investment calculation for process changes and generates code to speed process deployment.

WebSphere Business Integration Modeler works with IBM WebSphere Business Integration Monitor to help set specific measures in the process for monitoring as the processes execute. WebSphere Business Integration Monitor then allows managers to see the process in execution, address any issues (for example, by reallocating tasks) and keep track of the key business indicators—delivering visibility into the processes in a dashboard on the manager's desk. This real-time management dashboard helps reduce workload by eliminating the need to manually generate status reports and by enabling faster decision making, which helps ensure customer satisfaction.

Key Components

Software

- IBM WebSphere Business Integration Modeler
 - IBM WebSphere Business Integration Monitor
 - IBM WebSphere MQ Workflow
-

By using WebSphere Business Integration Modeler and WebSphere Business Integration Monitor, IBM Montpellier has created a structure that facilitates continuous improvement. And because WebSphere Business Integration Modeler generates code that can be used by IBM WebSphere MQ Workflow, IBM Montpellier can get its new parts-replenishment solution up and running quickly.

Connecting the right people to the most accurate information available

IBM Montpellier is pleased with the success of its business integration solution, and the facility plans to extend the solution to other processes. As a result of the IBM business integration solution, the new system can more efficiently scan the seven ordering systems to locate potential suppliers to satisfy parts requests. From parts-request submissions to accounting and invoicing activities, employees' jobs are simplified by handling the appropriate level of information to perform a particular task, as well as to maintain a strong focus on process execution. As a result, overall productivity has improved and business efficiencies have increased all along the end-to-

end process. Users can also easily track parts shipments and view updates—and catch potential errors—on the fly.

Future enhancements include automating IT systems transactions (using IBM WebSphere Business Integration Adapters), to allow Montpellier to send problem alert messages to mobile devices.

For more information

Please contact your IBM sales representative or IBM Business Partner. Or visit us at:

ibm.com/websphere

ibm.com/websphere/integration



© Copyright IBM Corporation 2004

IBM Corporation
Software Group
Route 100
Somers, NY 10589
U.S.A.

Produced in the United States of America
08-04
All Rights Reserved

IBM, the IBM logo, ON(LOGO)DEMAND BUSINESS and WebSphere are trademarks of International Business Machines Corporation in the United States, other countries or both.

Other company, product and service names may be trademarks or service marks of others.

References in this publication to IBM products and services do not imply that IBM intends to make them available in all countries in which IBM operates.

This customer story is based on information provided by IBM Montpellier and illustrates how one organization uses IBM products. Many factors have contributed to the results and benefits described; IBM does not guarantee comparable results elsewhere.