

CASE STUDY

# ALS 적용을 통한 성공 사례 분석

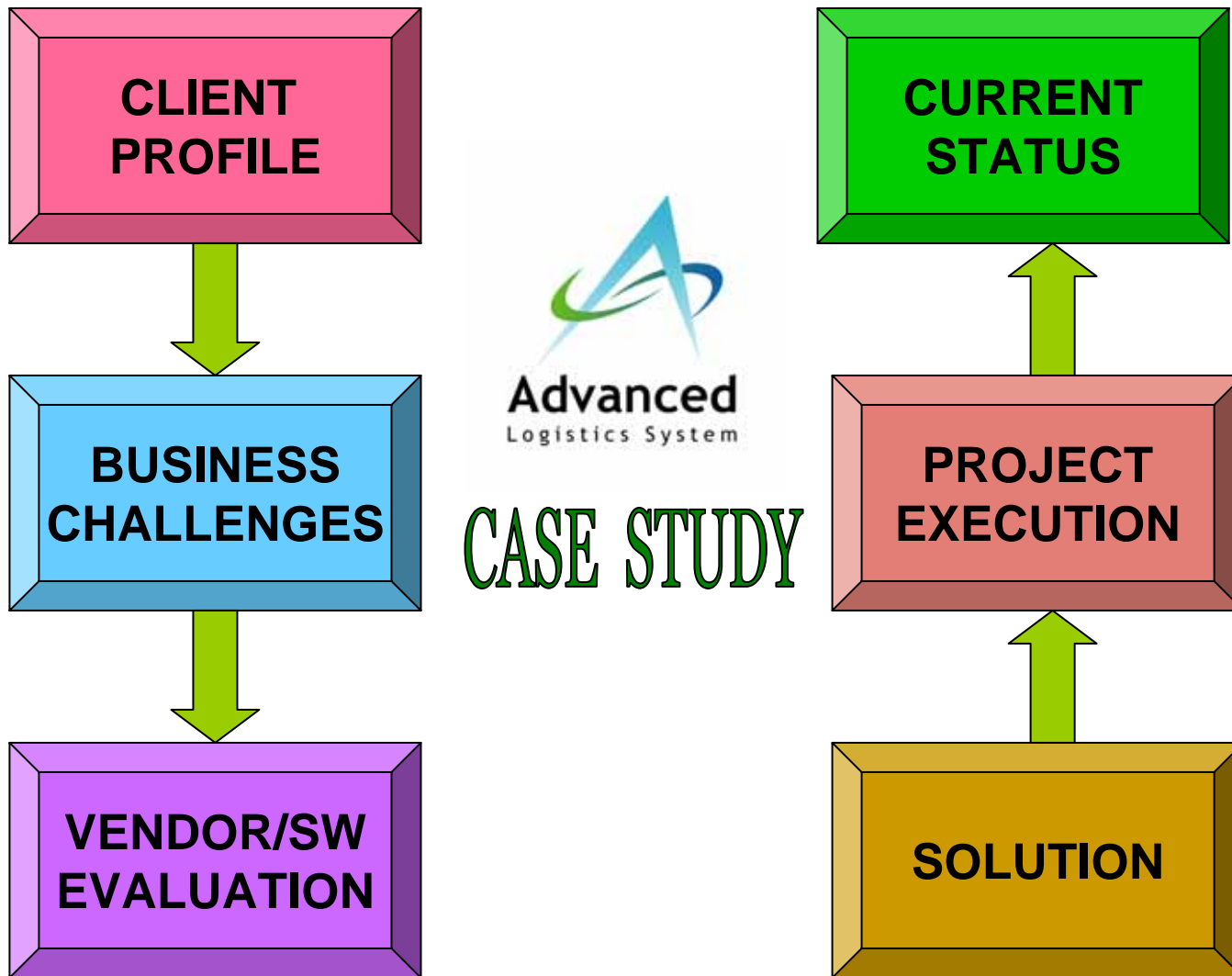
2005.11.17

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컨설팅 사업본부

(주)힐스로지스





## Client Profile

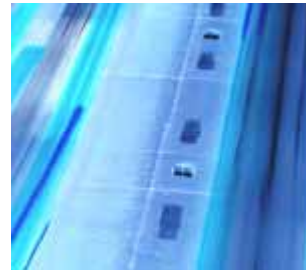
- ❖ Japanese company, established in mid 60s
- ❖ Offers integrated logistic services to its Parent Company
- ❖ Has over 2000 employees and 10,000,000 vehicles
- ❖ Awards & Accreditation:
  - ISO 9002 certified
  - Logistics Grand Prize “Encouragement Award” & “Technology Award”
- ❖ Parent company is market leader in manufacturing of
  - OA machinery
  - Electronics, electrics, and machinery parts



# Challenges

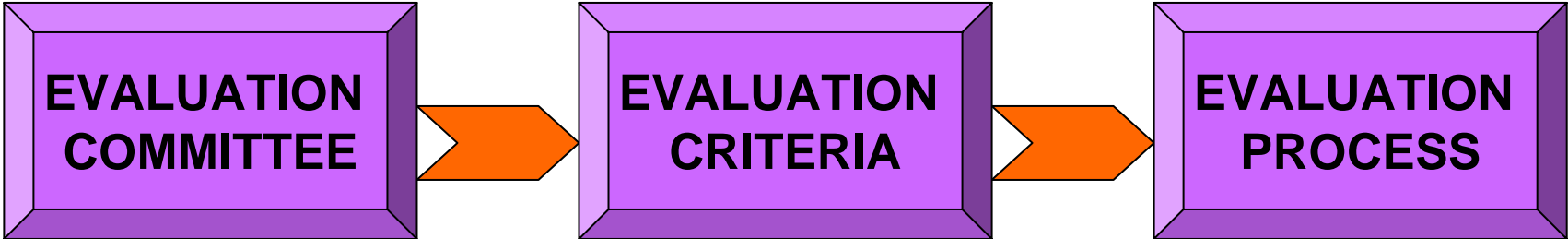
- ❖ Streamlining global processes, optimize productivity and eliminate inefficiencies
- ❖ Reliable time definite deliveries
- ❖ Monitor exceptions through event management & proactive problem notification
- ❖ Operation and financial visibility for better planning & agility
- ❖ Enable collaboration and enhance responsiveness
- ❖ Improve IT infrastructure, investment and ROI

**Engaged consulting firm for IT & Business Planning**





# Vendor and Software Evaluation





## Evaluation Committee

- ❖ Formal committee formed
- ❖ Sr Executive appointed as Project Sponsor
- ❖ Committee members represent requirements from global sites
- ❖ Committee works closely with external consultant to define evaluation criteria





## Evaluation Process

- ❖ Consulting firm appointed to scope requirements and prepare RFP jointly
- ❖ Vendors respond to RFP with functional details
- ❖ Evaluation committee rates and scores all RFPs
- ❖ Shortlisted vendors demo applications in detail & submit final proposal
- ❖ Reference checks are made on the candidates
- ❖ Successful vendor awarded

# Fit Gap Sheet (Sample)

Level1	Level2	Level3	Requirements			Fit Gap			Add-on Cost	
			As-Is Operation	Prod	Standard function	Add-on	Impossible			
Order Receipt	Order from new customer	01	Quotation	The system can create a quotation prospect (content of service, conditions, price, way of payment, price will be listed base on the service required)		Yes				
	Order from existing customers	02	Order Entry	Confirmed orders are assigned a job number and the rates are automatically pulled from quotation	-	Yes				
Export	Order taking	01	Search order information	Can search PO with certain conditions.	-	RM				
		02	Booking	Users can enter a booking on the system. (booking itself is done on a phone)	-	Yes				
		03	Freight Allocation	When single B/L contains multiple invoices, the freight charge can be allocated with a proportion of M3. Allocation can be done for billing for shipper, payment for carrier, and even for profit computation.	-	Yes				
	Freight Forwarding	04	Container Load Planning	The system can create a CLP and create cargo manifest						
		05	Import custom clearance	The system can maintain a necessary information for custom clearance	-					
		06	Document preparation for customs	For management purpose, the system can create statistical report to submit to customs (shipment summary report)	-					
		042	Billing for exporters	The system can create a bill for exporters (ocean freight and charges)	-	Yes		Yes		5

**Requirements**

**Availability of standard function**





# Evaluation Criteria

**P  
R  
O  
D  
U  
C  
T**

- Improve business productivity
- Harmonize operational processes
- Sharing data, rules, customers, rates..
- Configurable, reliable and proven solution

**Operating System**

- Increase efficiency
- Enhance security
- Value added tools
- Responsive to customers' needs

**Customer Focus**

- Enable closer interaction
- Improve control & monitoring
- Collaboration engine for B2Bi

**External Collaboration**

- Ease of use
- Simple solution not simplistic
- Extensible & scalable
- Documentations available

**Usability**



# Evaluation Criteria

**V  
E  
N  
D  
O  
R**

- Domain expertise
- Financial stability
- Proven performance
- Reputation and professionalism
- Project management methodology
- Project timeline
- Project risks
- Staff resources experiences and availability

**Domain**

**Project Rollout Plan**

- Return on Investment (ROI)
- 'Future-proof' the investment
- Extensibility available
- Support business growth strategy

**IT Investment**

# Scorecard (Sample)

	A	B	C	D	E	F	G	H	I	J
1	14-Oct-05	<b>Software and Vendor Evaluation Criteria and Decision Support Matrix</b>								
2		Add additional <b>Category</b> sections and related Criteria or Data Elements, as required.		Assign the <b>Category</b> an overall value that represents its <b>Relevance</b> to the evaluation		On a scale of 1-10		On a scale of 0-4		Calculated score based upon user provided values in the <b>Relativity Index, Weight and Ranking</b>
7	<b>Category</b>	<b>Relativity Index</b>		<b>VendorA</b>		<b>VendorB</b>		<b>VendorC</b>		
8	Criteria/Element	5 High - 1 Low	<b>Weight</b>	<b>Ranking</b>	<b>Weighted</b>	<b>Ranking</b>	<b>Weighted</b>	<b>Ranking</b>	<b>Weighted</b>	<b>Description/Notes</b>
9	<b>Technical</b>		<b>4</b>							<b>Technical Content/Merit of Proposal</b>
10	Scope of Effort			0	0	0	0	0	0	Depth of overall proposal content
11	Deliverables			1	2	1	2	1	2	Quantity and detail
12	Understanding			2	6	2	6	2	6	of CVS requirements, goals & objectives
13	Design			3	12	3	12	3	12	Includes consideration of world-wide WAN
14	Pilot			4	20	4	20	4	20	scope; processes; amount of detail
15	Roll Out Planning			0	0	0	0	0	0	scope and detail of information
16	Ongoing Ops			1	7	1	7	1	7	Final State status - ability to maintain the system
17	Tech Support			2	16	2	16	2	16	Post-installation availability of support resources
18	Integration Planning			3	27	3	27	3	27	for access to <i>ProductName</i> by other applications
19	Sub-total									0
20										
21	<b>Experience</b>		<b>3</b>							<b>Vendor's Corporate Experience with <i>ProductName</i></b>
22	Quantity			1	0					0 Number of previous <i>ProductName</i> installations
23	Size			2	1					2 Size/Scale of installations
24	International			3	6	2	6	2	6	World-wide installations
25	Personnel			4	12	3	12	3	12	Breadth/Depth of available personnel
26	Sub-total									15
27										

**Rating criteria**

This value represents a **Perfect** score within this **Category**

Vendor's total score and ability/position relative to a perfect score.

**Weightage against each function**

# Scorecard (Sample)

28	<b>Cost</b>	5								<b>Overall Cost of Proposal</b>
29	Duration of Project	This value represents a	1	0	0	0	0	0	0	Higher score indicates shorter duration of project
30	Labor Rate	"Perfect" score, based upon all	2	1	2	1	2	1	2	Average rate of all categories proposed
31	Labor Mix	Relativity and	3	2	6	2	6	2	6	Variety/mix of appropriate personnel proposed
32	Labor Quantity	Weight values entered in this	4	3	12	3	12	3	12	Adequate range of resources proposed
33	Overall Cost	Relativity Index column	5	4	20	4	20	4	20	Lowest Cost Proposal (High score=low cost)
34	Sub-total		75		40		40		40	
35										
36			<b>Perfect</b>	<b>Vendor A</b>	<b>Vendor B</b>	<b>Vendor C</b>	Enter summary evaluation comments here. This documents the final recommendation and why it was made. This justifies the final scores.			
37	<b>Total Proposal Score</b>		193	95	95	95				
38	<b>% of Maximum Proposal Score</b>		100%	49%	49%	49%				
39										
40	<b>Summary:</b>									
41	<b>Technical</b>		80	40	40	40	Technical Content/Merit of Proposal			
42	<b>Experience</b>			15	15	15	Vendor's Corporate Experience with ProductName			
43	<b>Cost</b>		75	40	40	40	Overall Cost of Proposal			
44										
45			<b>Importance to CVS:</b>	<b>Weight</b>	<b>Ranking</b>					
46			5 Most Important	10 Mandatory	4 Surpasses all aspects of the requirement					
47			4	8 Highly desirable	3 Fully meets the requirement					
48			3 Important	6 Desirable	2 Satisfies the requirement; lacks robust suport					
49			2	4 Nice to have	1 Meets the requirement in a limited fashion					
50			1 Least Important	0 Intangible	0 Does not satisfy the requirement					
51										
52										
53	<b>Notes:</b>		This section brings down the "Bottom Line" of each major category evaluated, along with each vendor's score within that category. It simplifies reading the <b>Total Proposal Score</b> values directly above.			This section explains the meaning and importance of the respective values used in this matrix.				
54			Add additional notes here, as required							
55										
56										
57										

**Total score of various vendors**



## The Solution

# IPACS Advanced Logistics System



# Advanced Logistics System



Speed

Visibility

Execution

Optimization

Collaboration

Connectivity

## CONNECTORS

Financials

Carriers

Customs

Others

## MULTI MODAL OPERATIONS

Sea Freight

## EVENTS MANAGEMENT

Service Plan

Workflow Control

## REVENUE & COST MANAGEMENT

Invoice

Payment Req.

Job Costing

Profit Share

## GLOBAL CUSTOMERS & VENDORS

Customer Profile

Vendor Profile

## SYSTEMS CONFIGURATION & BUSINESS RULES

Organization & User

Corporate Structure

Business Rules

Charge Code

Service Plan

Form Designer

UI Configurator



# Value Propositions



**Meet  
Business  
Objectives**



**Rich Solution  
Features**



**Outstanding  
Technical  
Architecture**



**Proven  
Methodology**



## Meet Business Objectives

Total  
Fulfillment

Technology  
Efficiencies

IPACS Proven  
Methodology



- Comprehensive solution
- Performance driven
- Collaborative capabilities
- Seamless Integration



**Meet Business  
Objectives**

## **Solution features for Total Fulfillment**

**Technology  
Efficiencies**

**IPACS Proven  
Methodology**



- **Integrated solution**
- **Global management of customer & vendors**
- **Comprehensive freight operation**
- **Service plans & workflow engine**
- **Job costing & profit share visibility**
- **Integrated billing and payment registration**
- **Flexible reporting & document printing**

**Meet Business  
Objectives**

**Total  
Fulfillment**

## **Technology Efficiencies**

**IPACS Proven  
Methodology**



- **Superior architectural framework**
- **High portability & scalability**
- **Maintainability & flexibility**
- **Internationalization & Localization**
- **Deployment flexibility**

**Meet Business  
Objectives**

**Total  
Fulfillment**

**Technology  
Efficiencies**

**IPACS Proven Methodology**



- 20 years of domain expertise in Logistics industry
- Regional presence with strong global support network
- Proven R&D and PM methodologies
- Strong quality assurance (ISO9000 certified)



# Project Execution



**Project team**



**Project Methodology**



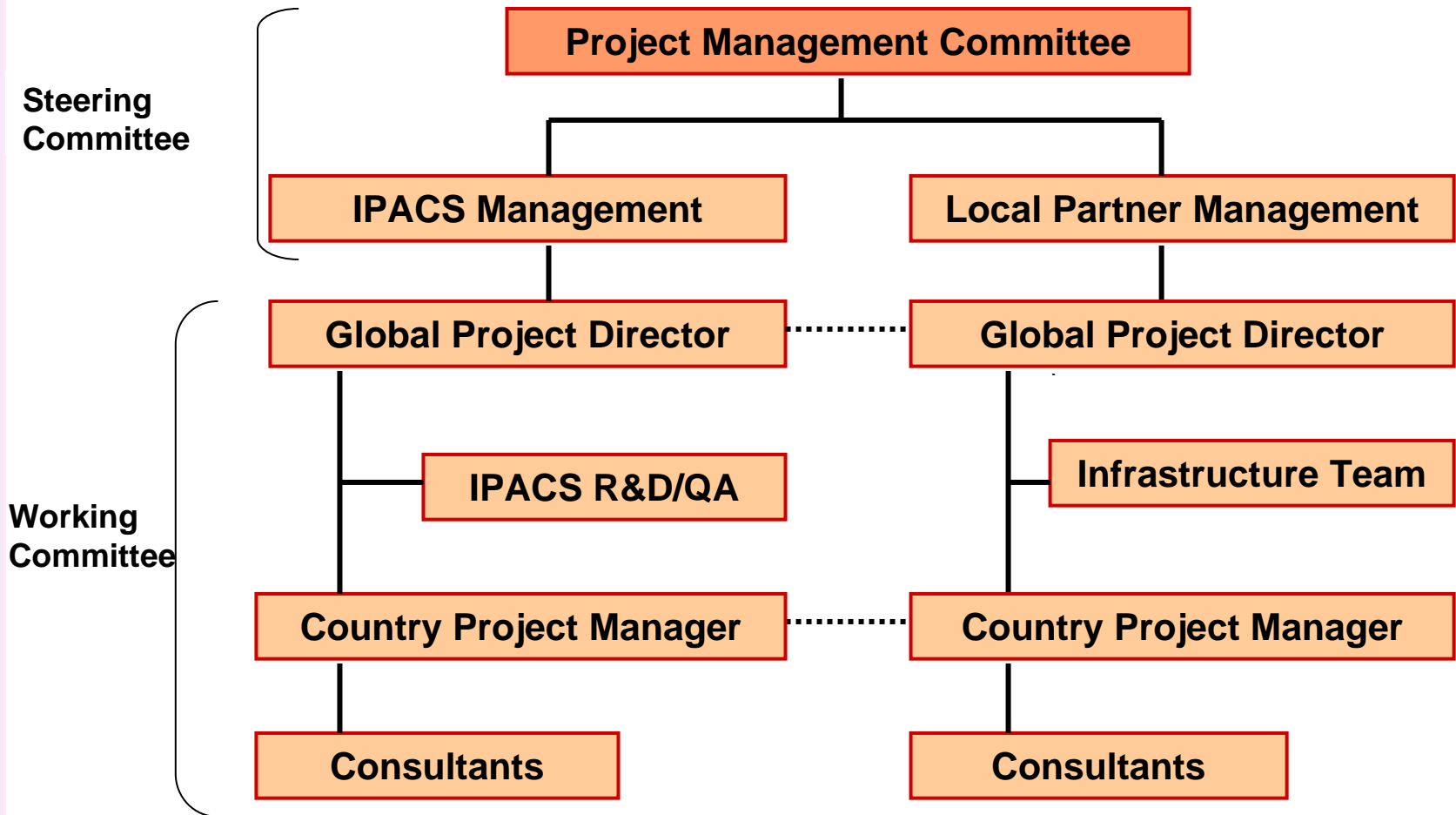
**Project Schedule**



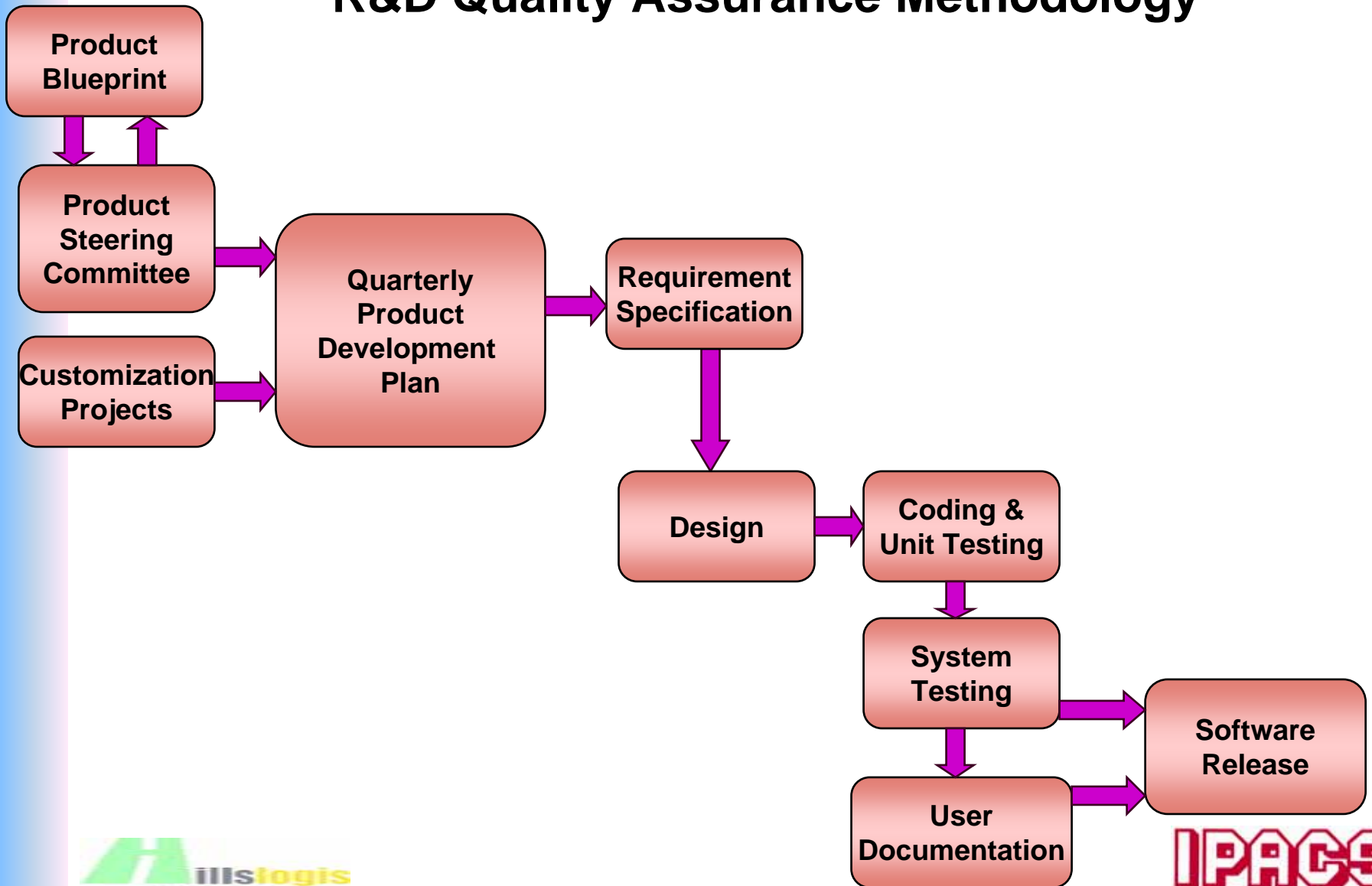
**Project Challenges**



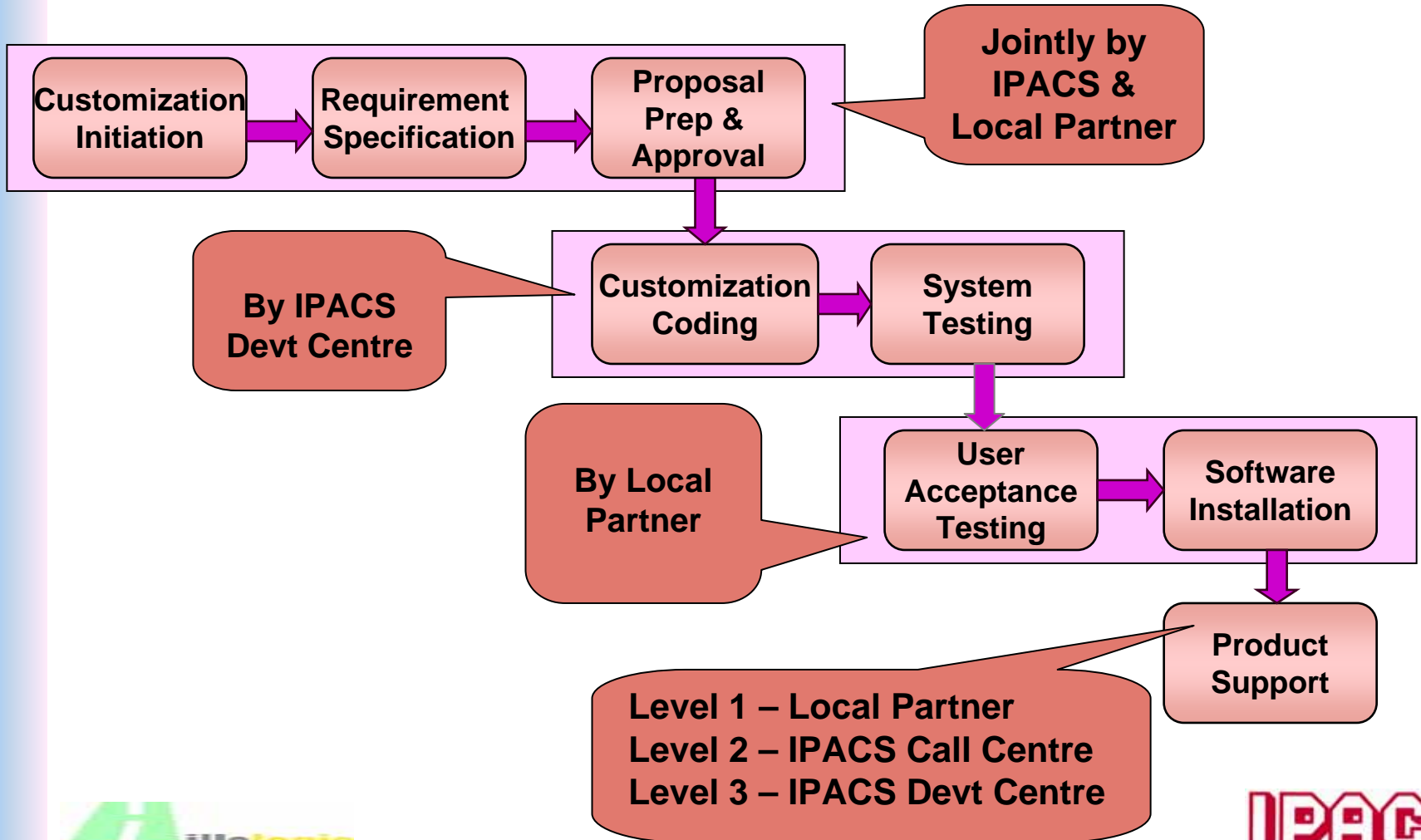
# Project Team Structure



# R&D Quality Assurance Methodology



# Product Deployment Methodology



# Project Timeline - Gantt Chart (Sample)

IPACS eSolutions Project Implementation Schedule

ID	Task Name	Duration	Start	Finish	Pre-event	Resources
1	Project Preparation (IPACS)	5 days	Mon 14 Feb '05	Fri 18 Feb '05		
2	Resource Planning and	5 days	Mon 14 Feb '05	Fri 18 Feb '05		IPACSPM,IPACSC,IPACSR&D
3						
4	Trip 1	23 days	Tue 22 Feb '05	Thu 24 Mar '05		
5	Project Preparation	4 days	Tue 22 Feb '05	Fri 25 Feb '05		
6	Internal Project Kick-off	1 day	Tue 22 Feb '05	Tue 22 Feb '05		M,IPACSC
7	Project detail plan	3 days	Tue 22 Feb '05			SC
8						
9	Project Initiation	5 days	Mon 28 Feb '05			
10	Project Kick-off	1 day	Mon 28 Feb '05			SC
11	Business Modeling	19 days	Mon 28 Feb '05			
12	ALS System Overview	2 days	Mon 28 Feb '05	Tue 01 Mar '05		IPACSC
13						
14	NVOCC operation	17 days	Wed 02 Mar '05	Thu 24 Mar '05	12	
15	Master Files	2 days	Wed 02 Mar '05	Thu 03 Mar '05		IPACSPM,IPACSC
16	Operation	5 days	Fri 04 Mar '05	Tue 10 Mar '05	15	IPACSPM,IPACSC
17	Billing/Payment	1 day	Fri 11 Mar '05	Fri 11 Mar '05	16	IPACSPM,IPACSC
18	Business Modelling Blueprint Documentation	2 days	Mon 14 Mar '05	Tue 15 Mar '05	17	IPACSPM,IPACSC
19	Customization Specification Requirement & Documentation				18	IPACSPM,IPACSC
20	Specification Review				19	IPACSPM
21	Specification Finalization for customisation				20	IPACSPM
22						
23	Trip 2					
24	Business Modeling	17 days	Mon 18 Apr '05	Tue 10 May '05		
25	Forwarding and Customs	17 days	Mon 18 Apr '05	Tue 10 May '05		
26	Master Files	2 days	Mon 18 Apr '05	Tue 19 Apr '05		IPACSPM,IPACSC
27	Operation	5 days	Wed 20 Apr '05	Tue 26 Apr '05	26	IPACSPM,IPACSC
28	Billing/Payment	1 day			27	IPACSPM,IPACSC
29	Business Modelling Blueprint Documentation	2 days			28	IPACSPM,IPACSC
30	Customization Specification Requirement & Documentation	5 days				IPACSPM
31	Specification Review	2 days				IPACSPM
32	Specification Finalization for customisation	0 days	Tue 10 May '05	Tue 10 May '05	31	IPACSPM

**Work Breakdown Structure**

**Resources Required**

**Task Duration**

**Start & End Date**

**Dependencies**





## Project Challenges

- ❖ ☹ Localization requirement (e.g. currency handling, language translation )
  - ☺ *Project schedule catered to localization work*
  - ☺ *Stagger releases to allow frequent review and early user acceptance*
- ❖ ☹ Language hindrance affects communication efficiency
  - ☺ *Local partner actively participates in project activities to ensure clear communications*



## Project Challenges

- ❖ ☹️ **Client's IT security policy forbids remote access by vendor**
  - 😊 *Similar IT platform set up in Devt centre*
  - 😊 *Facilitate simulation of errors reported & ease troubleshooting*
  
- ❖ ☹️ **Customs' travel restriction for support members (tedious paper work for Chinese members to visit Japan)**
  - 😊 *On-site support trips are planned ahead*
  - 😊 *Ensure travel documents can be obtained in time*

# Current Status

## *Modules Purchased*

Seafreight module, 100 user license for Japan & other stations

## *Sites & Modules Implemented*

Phase 1 - Japan: Seafreight (Gone live in November 2005)

## *Deployment Pipeline*

Phase 1 cont'd – Other stations: Seafreight

Phase 2 – Japan: Customs interface

## *Deployment Environment*

Database server:

- Intel Based CPU 1.2GHZ  
Ultra SPARC III Cu, (8MB cache) x 2
- 4GB RAM,
- 6 x 73GB HDD (10000rpm, FC Disk)
- Solaris 9, Oracle DB Std. Edition

Application server:

- Intel Based CPU 1.2GHZ  
Ultra SPARC III Cu, (8MB cache) x 2
- 8GB RAM,
- 2 x 73GB HDD (10000rpm, FC Disk)
- Solaris 9, Oracle 10g

# THANK YOU



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