

## GLOBAL SHOP SOLUTIONS CASE STUDY

# Foundation Systems & Anchors, Inc.

Founded in 1991 in Canton, Ohio, *Foundation Systems & Anchors, Inc.* (FSA) manufactures and supplies a variety of threaded rod products to municipal, state and federal highway projects, the electric utility industry, and general steel fabricators for the commercial construction markets. The company specializes in serving industries that require domestically-produced products that can be certified to exact project specifications.



*FSA headquarters in Canton, Ohio.*



*Hook anchor bolts and 18J rebar cages ready for shipment.*

FSA's 15 employees turn out a variety of custom and **made-to-stock** threaded products, using the latest production equipment. Their state-of-the-art machinery includes double-head bolt threading machines, a custom designed double-head planetary roll threader, Phoenix computer-controlled automatic band saws, and a Gaumer hydraulic bending machine that can bend J-hook anchor bolts and large U-bolts up to two inches in diameter. All of the steel and hardware that goes into FSA products is 100% melted and manufactured in the U.S.A., and meets all applicable ASTM and/or AASHTO specifications.

Recently, FSA added a new state-of-the-art tool to its arsenal – Global Shop Solutions ERP software. The software has quickly become the anchor of their business, generating new operating efficiencies, and significantly better access to the shop floor data needed to run and grow the business.

### **Surprisingly Easy Implementation**

According to Vincent Codispoti, Chief Financial Officer for FSA, the decision to implement Global Shop Solutions ERP software was primarily **accounting** driven.

"We wanted to go from our old accounting system to more of a manufacturing system," he explains. "Our old system crunched the numbers adequately. But in order to grow the business, we needed a system that could do cost analysis, track quoting, automate purchasing, and everything else today's manufacturing companies need to compete."

Codispoti attended **initial training** at Global Shop Solutions' headquarters in November 2011. He then spent the next several months devoting 90% of his time to learning the software and getting the company ready to migrate to the new system. His Herculean efforts paid off with a relatively seamless transition, which took place in February of 2012. Codispoti credits the experienced Global Shop Solutions **implementation Consultants** who worked with his company for much of that success.

Within 24 hours of signing the contract, a Global Shop Solutions project manager called Codispoti to get the process moving. She provided an in-depth overview of what FSA management should expect, and made herself available to answer any questions they had. If she didn't have the answer to a particular problem or issue, she put Codispoti in touch with someone who did.

From November through February, four Global Shop Solutions Consultants worked with Codispoti and his team to keep things moving forward. During this timeframe, company employees engaged in eight days of on-site training and 10 hours of online training. Between the extensive training and great support from the Global Shop Solutions Consultants, the “go live” process went surprisingly well.

“I had some experience using a different ERP program at another company,” says Codispoti. “The key for me was not so much learning to use the software, but figuring out how our people would interface with the system and how to fit our business into the Global Shop Solutions model in order to get the highest return on our investment.”

“It takes a lot of work upfront to get your business ready,” adds Codispoti. “But we found that when you invest the time and do things right, the implementation goes much smoother. We anticipated a lot more problems than we actually had, and the whole process went better than expected.”

### **Taking Control of Costs**

After only three months, Global Shop Solutions ERP software produced significant improvements in many areas for FSA – including purchasing, billing, and invoicing.

Backroom personnel are performing these and other accounting activities faster and more efficiently. But Codispoti believes the biggest dividend has come in the area of cost control.

Previously, FSA tracked direct labor manually. Now, shop floor personnel electronically log on and off each job by entering their time into the **Shop Floor Data Collection** stations by scanning barcoded badges to record their hours. Codispoti sees the ability to accurately track direct labor as a huge step forward for the company.

“Before Global Shop Solutions, we didn’t have the capability of tracking the number of hours for any one job,” he explains. “We tallied all our labor costs and hoped we didn’t spend too much time on any given job. Now that we can track direct labor, we’re starting to get more into **job costing**, in particular paying attention to estimated versus actual. The ability to get that data in real time is huge for us.”

“We’re still in the process of gathering the data and comparing it to where we thought we were,” says Codispoti. “Going forward, this accumulated data will enable us to estimate and quote more accurately. Ultimately we’ll be able to cut labor costs by identifying where it’s taking too long on a job and looking for ways to shave time off certain processes.”

### **Simplifying Purchasing**

As CFO, Codispoti likes to keep close tabs on backroom activities, such as purchasing and **inventory management**, that also contribute to controlling costs. Here again, Global Shop Solutions ERP software lends a hand.

“I’m big on job costs,” he acknowledges. “I like to see what it costs us to make a particular product. But I also want to know where in the process those costs reside. Work in progress? Finished goods? Cost of goods sold? I can quickly find out where those costs reside in our ERP software. If we’re invoicing someone for an order, I want to know all the costs to go along with it. Global Shop Solutions lets us track, report, and analyze that kind of data with remarkable ease.”

Because FSA manufactures both stock and **made-to-order** parts, keeping a handle on inventory costs is also a priority. Prior to Global Shop Solutions ERP software, inventory personnel typically used the “eyeball” technique. If inventory levels looked good, no action was taken. Once they got down to a certain level, people had to manually count the stock, see that it was running low, and place an order for more.

Now, the ERP software makes it simple to manage inventory by automatically tracking reorder points and levels.



*FSA production facility.*

“We’re just starting to get fully involved with Auto Purchasing in the Inventory application,” says Codispoti, “but it’s already simplified the purchasing process. When inventory on a particular part or raw material falls to a certain level, the ERP software automatically sends a reminder and we issue the purchase order to get more parts or materials.”

Global Shop Solutions ERP software’s automated work order process also contributes to more efficient inventory management. **Mixed-mode manufacturing** requires keeping a certain level of stock parts on hand as well as the ability to quickly order materials when a custom order comes in. This requires a smooth flow of information between work orders, routers and purchasing.

In the past, FSA lacked tight controls over how purchase orders were generated. Now, the work orders and routers are already created in Global Shop Solutions ERP software. When someone issues a work order, getting the right materials at the right time becomes part of the normal job process.

### **Great Tech Support**

According to Codispoti, FSA employees have adapted very well to using the new ERP software. He attributes this outcome to three key factors – management commitment, open communication, and excellent support from Global Shop Solutions.

“Any time you switch software programs or get a new one, it’s a big change,” notes Codispoti, “especially with a system like Global Shop Solutions that can do so much. But so far our people have adapted without too much difficulty.”

“We told them up front that it would take some time to learn the system and that we didn’t expect everyone to get everything perfectly,” continues Codispoti. “When we made mistakes, we learned from them and moved forward. Once people saw that management was truly committed to the new system, they bought into it as well.”

Global Shop Solutions’ multi-faceted training options have also played a key role in helping people get up to speed with the software. After their initial training, many workers began using the online classes and virtual training to get more proficient with the system.

Codispoti has begun attending **Friday Feature webinars**, and regularly accesses the Help section to get help on specific issues the company is trying to work through. He’s also used the **Global Application Builder (GAB)** to create several custom Crystal reports – a feature he plans on using more in the future. And as the company gets deeper into Auto Purchasing, accounting personnel have also benefited from the online training.

One area that surprised Codispoti was the high level of online tech support.

“Based on previous experience with another software company, I had some reservations about using Global Shop Solutions’ online support,” he explains. “And we did have a few problems at first, but not nearly as many as anticipated. Now that we’ve got the bugs worked out, we’re getting responses to questions and issues within 24 hours, and often less. We’ve been pleasantly surprised with the speed and quality of the tech support.”

“Global Shop Solutions has done a lot for our business,” concludes Codispoti. “The biggest benefit has been the level of job costing sophistication and the ability to automate many of the activities and processes we used to do manually. Before, we never had the shop floor control we needed to really grow the business. With Global Shop Solutions, we have it now.”



*Recently completed double-ended studs with anchor plates.*