



Final costing discloses actual costs

The Maschinenbau Kallfass GmbH & Co. founded in 1949 is a mechanical engineering firm in which 70 employees produce machines for wood-processing. The breakthrough for the Black Forest firm into the industrial production area came with the advent of the first multiple circular cross-cut saws. Today Kallfass is more a plant and construction firm whose systems extend from automatic feeding to automatic stacking. The customers from more than 30 countries are mainly sawmills, parquet and pallet factories as well as planing plants. A new factory has been build in Wernigerode in the Harz mountains.

Initial situation

At Kallfass virtually nothing is standard. Everything is produced in an order-oriented manner in many variants using the modular construction system principle. A large number of parts and modules are manufactured in small series and put in stock. Up to the end of the 70s, organisation was by word of mouth and construction was accomplished with the use of outline sketches. At that time the company, with just ten employees, was still easy to manage. With the growing expansion and more complex products, however, this became more difficult. 'Modern Times' then started with the arrival of the current CEO in the firm - Ernst Kallfass, who bought the first drawing-board. In 1991 it was replaced by a CAD system. This was done with great foresight. It was clear even then that computer aided design was only a lead-in into an integrated CAD-PPC-PDC concept.

Compatibility, adaptability and simplicity.

In 1992 the second step was tackled. "This step was somewhat more difficult", reports production manager Hans Haist who took part in all planning and decision stages of the ERP project. "It was clear that the effects of the new organizational measures would be noticeable for the first time as far as the shopfloor."



"Therefore the new system had to fulfil some qualifications:

- Compatibility with the existing CAD system or with the time recording system
- Adaptability, because being forced into a fixed structure was to be avoided easy to use, easy in its systematics and easy in the data administration."



A medium data technology system would have been too expensive and complex. "We were also conscious of the fact that our measures should not be taken as an additional strain by the people on the machines. The system was to be mastered and used by our employees - all EDP lay people - without having to go to a large training effort", explains Hans Haist.

Managing director Ernst Kallfass also had a clear image of the new system: "The great strength of companies of our size in general and at Kallfass in particular lies especially in the flexibility - above all in the very short period of time taken to react to the numerous changes in customer requirements. Anything limiting or endangering this flexibility, we will turn down!"

Final costing with abas Business Software

With these specifications, the decision in favor of the ABAS ERP software was made. Important to the Black Forest firm in taking this decision was in the main the low purchase price and the comparatively reasonable subsequent costs for maintenance and upgrades, besides the fact that the abas Business Software did fulfil all set requirements.



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"What should be emphasized is the flexible standard user interface which can be (additionally) adapted with the help of the easy, intelligent tools to fit the needs and demands of our users in the workplace.", according to Haist. "With this we could meet our many special demands ourselves and master the software - without being dependent on a software house or programmers."

For example, data capture is now standardized which has led to a considerably improved level of transparency. In case of sickness or holiday related absence, any employee can take on the tasks at any time without any problems. Faxes can be sent directly from the purchase order screen and there are telephone dialing helps in the customer, supplier or employee screens. In doing this even the dialling code is checked and the best rate dialling code is automatically included. The creation of an order which was programmed at Kallfass via the 'Flexible User Interface' takes place via menus.

A further feature is the work order which consists of an integrated "Parts list - work plan". This accompanies the order as a 'job ticket' through the entire production process and serves as a cost or actual data record sheet. Haist: "After all we do produce machines and not paper mountains."

In addition to these time saving work easements, abas Business Software offers useful support in the area of production: Operations were compiled into three different, but typical for particular machines, catalogues of operations, in which a maximum of nine different operations are possible respectively. Which of these three operations catalogues is in fact applicable, is already defined in the CAD system and transferred together with the items of the parts lists into abas Business Software where the work processes are printed out. By means of these barcodes, the actual figures of the orders and the attendance times of the employees can be exactly determined using the time recording system.

These actual figures for orders enable Kallfass for the first time to carry out a final costing which is easily accomplished by the interaction of the abas Business Software system and the time recording system. The actual times are simply recorded by barcode and code pen via 'check-in and check-out' of the work processes, assigned to the order, automatically cleared of breaks and similar times of absence, valued by hourly rates and then sent back to the abas ERP system.

As the attendance and absence of the employees is simultaneously recorded, the productive share of the entire operating time is known - i.e. the share which

can be directly assigned to the orders.

In this way it is known at Kallfass exactly how much an order has really cost when it leaves the plant, since the introduction of abas ERP.

Flexibility gained

Great advantages were gained by the multiple warehouse management. Today it is no longer difficult to uniformly administrate the warehouses of the plants in Klosterreichenbach and Wernigerode from one client. "We see the reason for the success and the associated expansion of our company in combining the CAD-ERP-PDC systems, whereby the abas ERP system has played a very decisive role. Today we can produce considerably more in even better quality with the same number of employees and achieve an extremely low processing time", production manager Haist sums up. "Even if we are riddled with CAD and ERP support in administration and production, we have not lost any of our flexibility thanks to the high adaptability of the abas Business Software - on the contrary, we rather profited."

Although numerous individual adjustments were carried out in abas ERP at Kallfass, the upgradability of the system is not impaired. All modifications undertaken remain intact after an upgrade thanks to the layered architecture. Consequently, the decision was taken to employ exactly the same systems and modules in the new branch operation in Wernigerode in the Harz mountains as in the main plant in the Black Forest. The two plants are linked via an ISDN router.