

# First Microsoft Dynamics installation in Cloud Infrastructure

## About the company

MARKAN LTD. possesses seven subsidiary companies, covering different aspects of the construction activities. Among those are: research and design; electricity, water supply, and sewerage maintenance; maintenance of air-conditioning, heating, and ventilation installations; interior design and many others. Thanks to its structure and its rich product portfolio, MARKAN LTD. gives its clients a full variety of services, which guarantees the coordinated project execution and construction supervision efficiency.

### Goals:

- Higher efficiency
- Optimized business processes
- Automation of business operations

### Industry:

- Construction

### Country:

- Bulgaria

## The situation

Since its founding, MARKAN LTD. has established and handles intensive communication with **many subcontractors and suppliers**. This necessitates tracking and maintenance of **a large number** of contracts, each with specific conditions and clauses. Use of various non-integrated software systems in each of the company departments (Procurement, Finance and Accounting, etc.), as well as use of separate databases, makes tracking of contract execution a **very difficult task**. This time-consuming process takes lots of human resources and is a prerequisite for mistakes when obligations are paid.

Another basic problem for the executive and the operative staff of the company is the management of the warehouse facilities. This includes available materials in the main warehouse, as well as materials on construction sites. Tracking their movement between locations is also difficult due to a **lack of integration** between the separate databases and complexity of working with unfriendly system interfaces.

The biggest challenge for MARKAN LTD. is the **time** departments need to prepare and present precise and thorough inquiries on key performance indicators (KPIs). It usually takes the employees from different departments **two weeks** to collect data from various sources (accounting software; electronic tables and even paper), and to provide the management all the reports they need.

## The solution

Facing all these difficulties on a daily basis, the managers at MARKAN LTD. realized that if they want the company to prosper in the future all these problems should be solved in a fast and effective manner. That's how the active research of the local Business software market begun. After a thorough analysis of the available products and vendors, the company chose the high-end business management system **Microsoft Dynamics AX** with executor of the project Intelligent Systems. The reasons were that the preferred software and implementor met all of their requirements.

The Microsoft Dynamics AX implementation started in July 2011 and the **modules** that were implemented were finance and accounting,



supply chain management, warehouse management, project management, customer relationship management, and sales management.

What was challenging in this implementation process was not the complexity or specifics of the IT settings, but the fact that the project at Markan Ltd. was the **first in Bulgaria** to introduce a Microsoft Dynamics **system as a cloud service (IaaS/SaaS)**. This way, instead of investing in the creation of their own highly protected hardware environment, the client simply rented one that is expressly designed for this purpose. Besides the **virtual SQL server** on which the integrated business management solution is set, the construction company also rents the application itself. The company uses Microsoft Dynamics AX functionalities through the flexible **SPLA /Service Provider License Agreement/ license model**, which gives customers the opportunity to pay only what they use. Being the first of its kind project in the country, the subject of greatest interest was the time the deployment process would take.

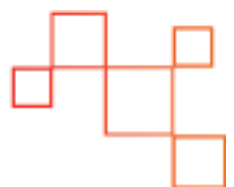
The answer came a couple of months later when Microsoft Dynamics AX started to function in Markan Ltd. with data successfully migrated from the accounting system used prior to the implementation. The project also included a couple of services which provided not only wireless access to the Microsoft Dynamics AX ERP system, but also gave Markan Ltd. employees the opportunity to work with an Active directory and e-mail client through the cloud. An **OS MS Windows Server 2008** was also rented as well as an MS Exchange Server 2010. The final stage of the deployment required the installation and setup of a **business intelligence (BI)** solution, thanks to which the management can instantly identify problem areas on the basis of the data stored in Microsoft Dynamics AX.

With the full set of services that Intelligent Systems provides, the management team at Markan Ltd. can **already** feel a number of improvements thanks to the deployment of an integrated business management solution. The company can now **easily plan** and **carry out new projects**, estimate budgets and decrease expenses related to both tangible and intangible resources and assets.

## Key benefits

Among the most distinguishable advantages for MARKAN Ltd. are:

- Improvement in **the relationship with subcontractors** and vendors and **precise performance** of the taken obligations
- Improvement of the communication, data exchange, and collaboration **between separate departments, sites, and employees**



## Next steps

Contact us to find out what is the right solution for your company.

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- **Automation** of standard procedures and **optimization** of the company activities
- Assistance in **planning current and future capacity** in the context of the available resources
- **Fast reactions** when new trends and opportunities emerge
- Improvement in **handling relevant legislative regulations**
- Improved **employee productivity** and better allocation of idle resources to other projects and activities of high priority to the company
- **Maintenance of up-to-date inventories** and determination of their exact location throughout sites and warehouses

In addition, the management discovered many advantages of **cloud technology**:

- **Decreased expenses** related to initial investment in hardware, software, premises, and hiring skilled stuff to maintain them
- Assigning the maintenance of data and systems used by the company to **professionals**
- **Easily adapt** the necessary IT resources according to the ups and downs in the business environment
- **Real-time access** to the newest business data, consistent with the role and needs of each use

*"For a very short period we improved many important business processes related to our competitiveness. However, the biggest benefit is that we found an easier, faster and at the same time much more effective operating model." – Valentin Kanazirev, Manager Markan Ltd.*

