

Rajam Towers: Multivista Global Limited's corporate office in Chennai; MVGL has business units engaged in diverse activities such as print solutions, leather shoe manufacturing and industrial distribution services

# IT's All About Tapping Multiple Opportunities

From a small distribution agency trading in industrial components to become one of South India's most multi-faceted companies, Multivista Global Ltd (MVGL), is doing it all to live up to its name. The company's growth and successful diversification into different business domains in the last few decades has been exemplary. It is interesting to note how MVGL has used technology to scale up operations and bring in the best practices into its workflow.

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Stephen Shapiro—a business innovation speaker, wrote in his book, *'24/7 Innovation'*, “Companies need to think about how to retool—how to put technologies to work in the innovative ways and how to take advantage of sophisticated new technologies to drive new business models.” Somewhat similar practical wisdom and best practices have paved the way for success at Multivista Global Ltd (MVGL), a business

conglomerate engaged in diverse activities such as print solutions, leather shoe manufacturing and industrial distribution services.

Headquartered in Chennai, the company was founded by late Shri S Rajagopal, known as *Rajam* by his friends and relatives. Deepak Subramaniam, vice president, Sales and Marketing, MVGL (who is also the grandson of the founder), goes down memory lane to narrate the story thereon, “The company was formed in the early 1970s when the trade for auto components was gaining momentum in South India. The early initiatives were related to trading of spares for the auto component industry. But gradually Rajagopal's four sons also joined him and diversified the existing operations.”

What started out as a small distribution agency of industrial components slowly grew into a vibrant



Kolbus—an "Online" soft cover book finishing line

and mature distribution business. Today the facility sells hardcore industrial products, sourced from outside the country as well as from manufacturers within India, for its customers all across the country.

"The distribution service was our first business, but thereafter we founded two other business units—the print facility and the leather shoe manufacturing unit during the 1970s and 1980s. These ventures were established under different names. But all these units were brought under a single corporate umbrella, christened Multivista Global in October 1992," reveals Subramaniam.

### Unity in diversity

MVGL now is a closely held public limited company driven by an employee strength of over 500 people. The company is into diverse operations and runs several business units and facilities with panache. The MVGL organisational tree has the following strategic business units:

*Distribution services unit:* Through its distribution business the company provides support to several leading manufacturing firms in the country by fulfilling supply chain activities of marketing and rendering logistics and post sales services, thereby freeing these firms to focus on their core competencies.

A wide distribution network comprising multiple branch locations has been set up to enhance marketing coverage. The branch offices are located at Chennai,

Madurai, Coimbatore, Bangalore, Hyderabad and Cochin. The locations are integrated using a client-server based network that ensures real-time availability of information.

*The print solutions unit:* MVGL has a fully-integrated printing house with some of the world's most sophisticated printing technology in operation, executing large volume print runs for its publisher clients, mostly based in the UK and USA.

The state-of-the-art set-up comprises a host of Heidelberg Speedmaster printing machines for single, two and four colour printing, Muller Martini and Kolbus online binding machines, a complete finishing system and many other supporting equipment.

To provide better end-to-end services to its publishing clients, the company launched TexTech in 2005 offering e-publishing and content management services. The e-publishing services include all operations and processes that come into play from the stage when a manuscript is obtained from an author to making it ready as a print file for the press.

The printable versions made ready at TexTech are taken up by the MVGL print facility for further processing. Subramaniam explains the aim behind venturing into e-publishing: "Chennai is the global e-publishing hub in the world. There is about 100 million dollars worth of business that is happening from Chennai, in this domain. The company has thus done

a backward integration of its printing operations and diversified to capture this emerging market."

*The leather shoe manufacturing unit:* In 1989, MVGL expanded its vistas and ventured into leather shoe manufacturing. In this unit, innovative technology, quality raw materials and superior craftsmanship are being deployed to manufacture formal and semi-formal shoes and sandals. "Keeping in view the competition that this segment is witnessing by way of new players jumping onto the bandwagon from China and Pakistan, we are focusing more on consolidating and expanding our product line," reveals Subramaniam.

### In pursuit of perfection

MVGL believes in adopting the best operational practices and leveraging the best of technology. As opines Subramaniam, "You need to deploy the right technology and right processes to stay ahead of competition and succeed. Besides, the technologies adopted and operational processes prevalent in an organisation need to complement each other. For both our printing and leather manufacturing units, we have state-of-the art infrastructure. We are an ISO certified company and that takes care of the quality of our processes."

### Towards a smart IT move!

With such huge and diversified operations, MVGL increasingly felt the need to streamline its operations. The management realised that the IT backbone was slackening a bit. MVGL was running several outmoded and complex legacy systems that could no

### Awards in recognition of MVGL's commitment to quality

- The award from the All India Federation of Master Printers
- Second place for quality in printing of educational books
- Excellence in printing of dictionaries and encyclopedias



Deepak Subramaniam, vice president, Sales and Marketing, Multivista Global

**“You need to deploy the right technology and right processes to stay ahead of competition and succeed.”**

longer keep pace with the company's expanding operations, and, as a result, the company was plagued with inefficiencies. It lacked a structured information system to manage its growing businesses effectively. “Our business was more people-focused rather than process-driven. We were relying on legacy systems and islands of information, and maintaining the systems was becoming extremely difficult,” shares Subramaniam.

MVGL thus looked for a state-of-the-art system that would connect operations across multiple divisions and diverse lines of its business and enable access to real-time/up-to-date information for accelerated decision making.

### MVGL SApped

MVGL reviewed Oracle, Microsoft, as well as individual modules of Oracle before opting for SAP.

The company initially chose SAP Business One, but soon realised that the solution did not meet the requirements of the diversified nature of its business, and eventually moved forward to implement SAP ERP, which seemed custom designed for MVGL's

requirements.

The group selected TVS Infotech as its implementation partner for the project. “We liked their approach and thought that they would be able to provide focused attention for the project,” says Subramaniam.

The project, which took around 10 months to complete, had its share of complexities. “The task of integrating three business units at MVGL was quite challenging,” avers N.Sridharan, practice manager-SAP, TVS Infotech Limited.

But Subramaniam feels that the change has been worthwhile. With a centralised system in place, information across the business is available to the management, not just as raw data, but also in detailed reports. Employees can now quickly produce reports without logistical headaches. Rich reporting and analysis functionality enables the management to identify opportunities and risks; leading to improved monitoring. With improved information flow and enhanced visibility, the management can track the status of its business as and when it wants. The company is in a better position to identify business pain points easily.

SAP ERP supports financial analysis and reporting and includes business activities such as planning, budgeting, forecasting, working capital and cash flow management,

etc. “The new ERP system helps us have a tight check on production schedules, just-in-time inventory, and work in progress information, apart from various statistical analysis on rejections, material consumption patterns and management information,” says Subramaniam.

SAP ERP has streamlined and simplified operational processes and has reduced the dependency of the company's branch offices on the head office for any kind of information. According to Subramaniam, duplication of work has been eliminated at all levels across the organisation.

Employees could spend their time analysing data rather than searching for information and validating the data, which is likely to result in enhanced productivity, feels Subramaniam.

Post the SAP ERP deployment, the company has plans to go in for the SAP NetWeaver Portal. MVGL is also planning to deploy a few more solutions from the SAP repertoire that will address inventory bar coding with information access on handheld devices.

### The challenges on the human resources front

When MVGL decided to take this leap towards SAP ERP, it was well aware of the challenges that



Complete sales team for MVGL's distribution operations



MVGL's print solutions unit has state-of-the-art set-up comprising a host of Heidelberg Speedmaster printing machines

might emerge from the human resource side. The management knew that steps to gradually change the mindset of employees and make them receptive to work on the new platform, were necessary. Like any organisation that has been in existence for over three decades, MVGL's workforce comprises both the tech savvy as well as old employees who are not so conversant with technology. To ensure that there was no resistance from the employees' side and also that the transition period for all employees adapting to the new platform was the minimum, MVGL formed a core team of 35 people to which training was provided to kick-start the implementation in the first phase.

In the second phase, this team began imparting the necessary know-how to the remaining employees, across different sites so as to disseminate the processes throughout the organisation, uniformly.

Besides the SAP ERP platform, the firm leverages an interesting blend of hardware and software technologies for functions like data storage, data back-up, virus protection, etc. (For more on the MVGL technology deployments, please refer to the box given alongside.)

### Entering new territories

MVGL is headquartered in Chennai and has a network of branch offices and warehouses at several different locations. The company has been doing well and has ambitious plans for the future. Last year, MVGL took the next step in its growth plans—to expand its printing capacity. It inaugurated a state-of-the-art green field print house at Kellambakkam, in the outskirts of Chennai.

The company is aiming to ramp up operations on all the three business operations, simultaneously. As Subramaniam rightly points, "We have projects and plans to grow all the three units, but at the same time, ensure that one is not growing at the cost of the other."

For the distribution business, MVGL is planning to grow both organically as well as inorganically. Subramaniam reveals: "For the distribution lines, we are planning to grow by observing and then building on the developments happening in the country, in terms of infrastructure, competition, etc. We are also looking at some inorganic growth by adding new product lines and are even looking at obtaining trade rights from MNCs planning to venture into India."

For the leather operations, MVGL is aiming to add more capacity to

### Technologies that drive MVGL

Hardware infrastructure comprises:

- 4 servers for SAP related components
- E-mail server for internal routing of e-mails based on Linux software
- Firewall to limit access into the servers from external locations
- High-end file servers with RAM (random access memory) and multiple processor capacity to maintain customer data for its printing operations, in order to store and modify print ready files
- Data recovery server for data back-up
- Automatic loader tape drive for data back-up
- Desktops of various configurations
- Laptops for sales and marketing associates

#### The software on board

- Licenced software for Microsoft products, viz: Windows / Office / Server 2003
- Adobe
- VPN/virtual private network licence
- Coreldraw / Prinect (for printing operations)
- Oracle
- SAP

#### Miscellaneous

- ID card access for employee attendance and access control to sensitive areas.
- MVGL has a website ([www.multivistaglobal.com](http://www.multivistaglobal.com)) that has been optimised for Internet search.
- Wireless data cards for the sales force to access the MVGL network via VPN.
- Leased line for connectivity between important locations.
- Broadband access for remote locations with limited access requirements.

support more product lines.

For the last four to five years, MVGL has witnessed over 20 per cent growth in its distribution business and over 12 per cent rise in the print business. The leather business is also growing steadily. Now, the aim is to double the turnover by 2010.

With the precision at which the company is adopting technology, expanding and at the same time integrating operations, the target seems well within reach! ■