

China CAMC Engineering builds foundation with IFS to support company growth



With the IFS platform underpinning its business, CAMCE gained full visibility into its project-based operations and increased the bid conversion rate for more projects to deliver on time and in budget. Furthermore, CAMCE consolidated its business operations, achieved quicker and more informed decision making while supporting business growth.

Disparate business systems impact business performance

CAMCE's objective was to diversify its skill set and be market leader while penetrating other countries worldwide. Before 2001 when CAMCE's main focus was procurement and project management to complex industries, there was little competition and profit margins were high. As competition increased, CAMCE were struggling to compete. "We realized the current business strategy alone was not enough to compete in the changing marketplace. We needed to diversify our expertise and become market leaders in engineering, procurement, construction (EPC) turnkey projects. But to do that, we needed to build a foundation to support our revised business strategy," says Pan Xulong, General Manager, Engineering Management Dept., CAMCE.

CAMCE started diversifying its portfolio. Project management, contract management, scheduling and procurement were a large part of its business. It had disparate systems to support these processes which did not communicate between other functions such as the finance department. "Each activity seemed to occur as a standalone process with more emphasis on administration than on managing the project," says Xulong. "We had no way of tracking project deliverables, subcontractors or the cost of a project, so cost blowouts and project delays were common. Of the nine projects we were running, 33% were not delivered on time, sometimes six months out. Furthermore, 44% of the projects went over budget, and we often received complaints from customers."

Staff found it very difficult and complex to use the disparate systems, manual data entry between the systems often caused a lot of errors, and it was hard to get one version of the truth. With many staff working remotely, they had to return to the office to enter data into the system, which would affect the accuracy and availability of information. They couldn't do it remotely. "For management, it was impossible to get accurate real-time data to make timely business decisions. It was even a lengthy process creating quarterly project and financial status reports," says Xulong. "This had a profound impact on the business and our decision making."

About China CAMC Engineering Co., Ltd.

China CAMC Engineering Co., Ltd. (CAMCE) is a global engineering, procurement, construction company that focuses on large-scale turnkey projects for industries including transportation, municipal engineering, irrigation works, power, construction materials, food, processing, textiles, telecommunications, petrochemical industry, agricultural machinery and construction equipment, etc.



“Our existing systems were impacting the business at all levels,” says Xulong. “They were disparate, complex to use and had limited functionality from a user perspective. From the business perspective, they hindered our business success. We needed to address our core business so that we could start competing as a real force in the market.

A complete solution for managing the project portfolio

CAMCE required an integrated project-based system that could support all its projects, subcontractors, financials and reporting. After reviewing a mixture of eight different vendors, “we quickly decided IFS was the right technology partner to deliver our requirements,” says Xulong. “They understood our business and had extensive knowledge working with project-based companies like ours. They are a truly global company, with exemplary customer references which resonated very well with us.”

Implementation was a speedy process taking only seven months. “We have a lot to thank the IFS team throughout the implementation phase. Not only did they map our processes, they made huge improvements in some of our workflows to enable further efficiencies. We improved our project management standards due to IFS and the team,” says Xulong.

CAMCE are now highly competitive, winning a higher percentage of bids. “IFS supports project development, allowing us to provide an accurate quotation in the bidding stage. We can accurately forecast material costs, human resources and the expected time of project completion. This is a huge improvement to our previous ways and wins us more contracts,” says Xulong.

Furthermore, CAMCE gained a holistic view of all its projects throughout the execution phases. It enjoys unprecedented knowledge from project inception, budgeting, contract management, scheduling and resourcing, procurement, and forecasting, to execution, management and actual ROI. Also, being able to forecast and track budget against a project has allowed much better resource utilization. “IFS helps us control the project and the processes throughout the project lifecycle. We can manage the risk and governance associated with each project, and IFS software gives us visibility when we have achieved a milestone in the project. Our customers are very happy knowing the project status,” says Xulong.

The IFS platform now underpins the success of its projects. “Since implementing IFS, we are currently working on 23 projects, of which only 17% are delayed, often only by one month due to unforeseen external factors. Furthermore, no project will be over budget; in fact, seven projects have saved us money on delivery,” says Xulong. Not only has the IFS platform had an impact on project success, but it has also helped build the foundation for the business’ success. “In the two years since going live with IFS, CAMCE’s market value has increased by a massive 71% despite market correction and the global financial crisis. The figures speak for themselves about how happy we are with IFS,” says Xulong.

Benefits seen using IFS

- 16% decrease in projects being delayed and no projects over budget;
- Complete visibility into the project portfolio;
- Quicker and more informed decision making;
- Streamlined and simplified processes

The IFS platform has helped CAMCE to reach other milestones that have had an impact on its success. In 2012, CAMCE won the prestigious IMPA award for its project management setup and implementations. Only 15 other companies in China have received this award. Its CEO received the coveted Forbes CEO award in 2012. In addition, CAMCE now has a really strong corporate social responsibility program. It has built a school in Chad, offers support to people with disabilities, supports rebuilding in natural disaster zones, and has supported other developing projects in P.R. China and globally. "Since implementing IFS and turning CAMCE into a highly successful company, winning these awards have brought CAMCE much deserved recognition. But more importantly, this has given us the opportunity to give back to society, and our employees are really proud to be working for CAMCE. It has given them a sense of value and pride. Even our customers and prospects look at us more favorably," says Xulong.

CAMCE takes pride in servicing and supporting its customers, conducting a customer survey twice a year. "Since implementing IFS, we have received only positive feedback from our customers," says Xulong. "The IFS platform has not only improved the way we work internally, streamlining operations, but it has also enabled us to service our customers for the better."

Another major benefit of implementing IFS is that CAMCE now has a standardized, easy-to-use, real-time IT platform throughout the company. "Staff can access and input data remotely in real time, and workflows have been streamlined and automated, creating efficiencies. Reporting and business intelligence are now standardized, clear and concise at the click of a button, and information quality has dramatically improved. We have had really positive feedback from the staff at all levels of our business. They are thrilled with how simple it is to use IFS software and the improvements it has made to their jobs, both in the office and offsite. But most importantly, the IFS platform has enabled us to make timely and more accurate decisions that ultimately have impacted business success," says Xulong

The IFS platform underpins business success

"The IFS platform has underpinned consistency and transparency in the organization, creating the foundation for business success," says Xulong. "The IFS team was very professional throughout the implementation process and has been available at any time to discuss the project's status." The team at CAMCE, including senior management, is now completely equipped to make sound decisions that support the business and the project's success. "We can now successfully operate as a true EPC company, supporting all facets of the project lifecycle to deliver projects on time and in budget," says Xulong.

Software

- IFS Document Management™
- IFS Project Management™
- IFS Human Resources™
- IFS Distribution™

"The impact of IFS on the business is that if we didn't have the IFS platform, we wouldn't have survived. IFS software has built the foundation for our incredible growth"

Pan Xulong, General Manager,
Engineering Management Dept.,
China CAMC Engineering Co., LTD.

Find out more

Further information, e-mail info@ifs.com, contact your local IFS office or visit our web site, ifs.com

