

CASE STUDY

Derungs Licht's illuminating journey to a cloud-based future with Infor

Derungs Licht AG is one of the world leaders for lighting systems and accessories intended for healthcare technology. Since 1999, the company has been part of the **Waldmann Group**. The organization combines innovative lighting techniques and a functional design to create state-of-the-art products.

Derungs Licht AG has been building its future with its solid know-how accumulated over the past 80 years. The company's motivated staff rely on this unique experience and offer solutions which have been researched down to the smallest detail to give a lighting suited to all the needs in the healthcare field.

A smooth transition in a tech-advanced world

As a leading supplier of lighting systems for medical technology in a highly competitive industry, Swiss manufacturer Derungs Licht faced a challenge in 2020: The fast-paced market required the company to constantly adapt to an evolving competitive situation. This continuous business-model churn exposed the inefficiency of internal processes. Instead of focusing exclusively on the core business, much time was spent on manual workflows and complex coordination regarding server availability and updates with Derungs' parent company, Waldmann Group. A modernisation of the digital infrastructure would remedy the situation. So, "Off to the cloud!"



Headquarters

Gossau, Switzerland

Industry

Manufacturing

Employees

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Infor product
Infor M3 CloudSuite™

Website

derungs.swiss

Until a few months ago, we were still doing many tasks manually and on paper. A lot of time was lost, and we could no longer meet our own demands."

ANDREAS SCHENKENBACH CEO, Derungs Licht

Derungs Licht is an expert in lighting solutions for medicine and care with over 80 years of experience in the market. The lighting manufacturer is best characterised by constant innovation, Swiss quality standards, good design, and the durability and sustainability of its products. Due to constant development of the business model, the ongoing digitalisation trend, and dependence on its parent company, especially regarding its IT infrastructure, the company's internal processes were reaching their limits. The amount of work in preparing quotations and processing invoices kept increasing, and the manual processes generated a high wastepaper load.

It was time to update the internal processes. A new ERP (enterprise resource planning) system would meet the technological standards of today. "The question we asked ourselves at the beginning was this: Where do we want to be in three to five years with our IT, with our business systems?" recalls Andreas Schenkenbach, CEO, Derungs Licht. "We didn't just look at the status quo, but also at what other options the cloud could offer us."

Moving to the Infor cloud

Derungs Licht had been a satisfied Infor customer on M3 (Movex) since 2006, moving to M3 CloudSuite in March 2021. "The move to the cloud was only logical for us," says Schenkenbach. "Although we were a current Infor customer on-premises, the decision to choose Infor was not clear from the beginning. We wanted a solution that not only met our current requirements but could also grow with us—and we found that with Infor."

Nevertheless, changing an IT system always requires careful consideration: "COVID was, of course, a factor in the decision-making," Schenkenbach says. "We were initially concerned about whether the changeover, as well as the training sessions, could actually take place in a pandemic-appropriate setting without affecting quality." Thanks to online workshops and support from the always supportive and competent Infor team, Derungs Licht's staff quickly learned the new system and still work closely with the Infor team to take full advantage of all the features and tools. "It went better than we initially expected, and that was mainly due to the great team that looked after us. Even though this is software, it's still about people working together."

Business challenges

Derungs Licht was mired in legacy IT systems that required lengthy effort and work with its parent company to change minor issues. As a result it faced:

- A fast-changing market with product evolution that its business processes could not keep up with.
- Reliance on paper-based processes, even with IT systems in place.
- Needed to focus on the core business and not managing processes and technology.

One of the goals of implementing a new system was to reduce paper consumption and take the first step towards a paperless office. In addition, the digitalisation of quotation and invoicing processes should improve workflows, which automatically increases efficiency. The cloud solution also offers the advantage that master data can be archived, and regulatory requirements and changes can be implemented quickly. Infor M3 CloudSuite is a flexible solution that delivers a platform with industry-specific functionality and flexible deployment options. It is highly scalable, rapidly adapts to business growth, and enables companies to respond to industry trends.

"We want to focus on our core business," explains Schenkenbach as one of his reasons for moving to the cloud. "We do need software for this, but just 'as a service' that is used by us and not as another construction site in the company."

This was different before the switch to M3 CloudSuite, as M3 was being maintained through a connection to the parent company. That meant it was not possible to act quickly and efficiently in the event of problems, new business needs, or short-term actions. By switching to the cloud, the company no longer needs its own IT landscape; it benefits from Infor's SaaS approach which allows the company to react more quickly to external disruptions and new requirements and strategies through increased flexibility. And cybersecurity is no longer an issue for Schenkenbach and his team, as the responsibility for this lies with Infor and Amazon Web Services (AWS).

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Already seeing operational improvements

M3 CloudSuite went live at Derungs Licht on March 22, 2021. The organisation rapidly saw improvements in its day-to-day operations. Until a few months ago invoices were printed, pre-assigned, and then given to the accounting department, where they then had to be assigned within the system. Now, the purchasing department can do the account assignment directly in the system, and the accounting department only releases the invoice. Since invoices in the three-digit range pass through this loop every week, the time saved is enormous.

Schenkenbach has not regretted moving to the Infor cloud: "Even though there are always a few stumbling blocks with such a large project, we were confident at all times that we would get it right. This was mainly due to our very competent contact persons at Infor, who supported us on our way to the cloud in a very committed manner, and enabled us to get off to a smooth start in a new, technologically more advanced world."

Business results

Derungs Licht found an efficient solution in the cloud to its various processes issues and is well set for the future with:

- More time to focus on core business issues and customer needs.
- Automated manual and paper processes resulting in a 50% increase in efficiency in the accounting area.
- No need to worry about cybersecurity or other tech issues.

Switching from on-premises to the cloud did involve some costs, but it allows us to increase efficiency by about 50% in the accounting area."

ANDREAS SCHENKENBACH CEO, Derungs Licht

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