



## Overview

**Country or Region:** United States

**Industry:** Manufacturing—Automotive and industrial manufacturing

### Customer Profile

Hydra-Power Systems, headquartered in Portland, Oregon, is a national distributor of hydraulic and pneumatic machinery and a manufacturer of customized hydraulic manifolds and power units.

### Business Situation

The company wanted to increase its ability to serve customers, help employees be more productive, streamline key business processes, and gain greater returns from technology investments.

### Solution

Through the Microsoft Technology Adoption Program, Hydra-Power Systems implemented Microsoft Dynamics AX 2012 in integration with other Microsoft technologies and business-specific software tools.

### Benefits

- Enable decision makers to take control
- Run a scalable solution by using only company resources
- Enhance the quality and competitiveness of customer service
- Help employees boost their effectiveness



## Industrial Equipment Company Advances Its Business on Innovative ERP Solution

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Bob Jablonski, Operations Manager, Hydra-Power Systems

Hydra-Power Systems, a distributor and manufacturer of hydraulic and pneumatic systems, has used Microsoft Dynamics AX for years. Presented with the opportunity of joining the Microsoft Technology Adoption Program to gain early access to Microsoft Dynamics AX 2012, the company chose to participate. Hydra-Power enjoys connecting with the community of business technologists in the program and helping to advance the business value of the solution. With the business management software as a strategic business enabler, Hydra-Power has equipped people with the information and tools to serve customers more effectively, make the company more competitive, and generate efficiencies and savings. In Hydra-Power’s experience, Microsoft Dynamics AX 2012 is a highly dependable, flexible, and scalable solution, which the company can deploy and run efficiently and economically by using its own resources.



“Microsoft has done a wonderful job with the reporting features in Microsoft Dynamics AX 2012. I can’t say enough about the benefits that we expect in terms of insight and business control.”

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## Situation

[Hydra-Power Systems](#) is primarily a national distributor of hydraulic and pneumatic systems. The company also manufactures custom hydraulic manifolds and power units and offers installation and training services. Hydra-Power represents leading manufacturers including Continental Hydraulics, HydraForce, Oilgear, Sun Hydraulics, and many others. The majority of its customers are original equipment manufacturers and resellers of hydraulic equipment and plant automation systems. In Hydra-Power’s multisite operation, most of the employees work at the company’s headquarters in Portland, Oregon, and a sales team and warehouse are located at a branch office in Birmingham, Alabama.

Since 2007, Hydra-Power has used [Microsoft Dynamics AX](#) as its enterprise resource planning (ERP) system to manage the business. Bob Jablonski, Operations Manager at Hydra-Power Systems, says, “We depend on the ERP system to run the company and help employees perform their jobs. We looked at many systems, but we chose Microsoft Dynamics AX because of the possibilities it presented to us. That means there is a strong motivation to make it even better than it is already.”

Jablonski and Hydra-Power’s small team of IT professionals are always looking for ways to introduce new efficiencies and enhancements to help the business run more smoothly and improve the responsiveness and reliability of customer service. Specifically, Hydra-Power wanted to make improvements in reporting and analysis. Managers asked for more extensive analytical and performance management capabilities, and Jablonski wanted to make reporting more efficient and manageable with minimal resources. In addition, Hydra-Power hoped to avoid the

expense of custom report development by replacing it with standard functionality or modifications that would not require specialized resources to implement.

In other areas, Hydra-Power aimed to simplify manual, time-consuming processes such as gathering inbound-freight charges and recording them on invoices for correct customer billing. Manual data entry in these processes also resulted in errors, which Hydra-Power hoped to avoid.

When Microsoft and Hydra-Power’s long-standing technology provider, Microsoft Gold Certified Partner [Hitachi Consulting](#), issued an invitation to participate in the Microsoft Technical Adoption Program (TAP) for Microsoft Dynamics AX 2012, Hydra-Power was delighted to join.

“Through our TAP participation, we have an opportunity to help improve Microsoft Dynamics AX and develop it in a direction that fits with our company’s goals,” says Jablonski. “For me, I get closer to the professional community that develops, supports, and extends the solution.”

## Solution

Within the TAP, Hydra-Power received early access to the programming code for Microsoft Dynamics AX 2012 and began upgrading the solution long before its wider release to the market. As Jablonski describes, “I largely handle the upgrade on my own, and with Microsoft Dynamics AX 2012, I can do so in a smooth, efficient process that does not disrupt people’s work. I still get to all my other tasks, keeping the upgrade workload very manageable.” Hydra-Power uses a phased, gradual approach in which it implements functionalities of the solution for specific business activities and requirements over time.

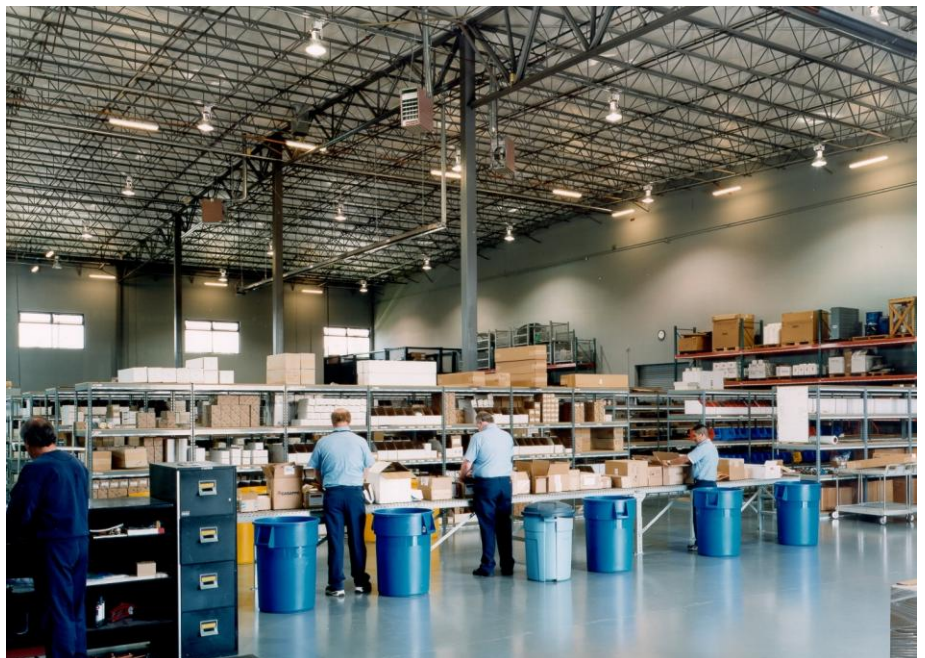
In performing the implementation, Hydra-Power keeps a development and a test environment live at all times. "As we develop new processes, we work them through in the development environment, resolving issues on our own," explains Jablonski. "Because Microsoft Dynamics AX 2012 provides us with so many new capabilities that are critical for Hydra-Power, we customize less and remain much closer to the solution's standard functionality than in the past. That also means we can move forward quickly, because we are anxious to bring the new features of Microsoft Dynamics AX 2012 into the business."

At Hydra-Power, Microsoft Dynamics AX 2012 integrates with Microsoft SharePoint Server for content and document sharing with easy retrieval through robust search functionality. The solution also connects with [Microsoft SQL Server](#), [SQL Server Analysis Services](#), and [SQL Server Reporting Services](#) to support sophisticated reporting and business insight based on information

from the ERP system. With the new add-ins for [Microsoft Office 2010](#), users of Microsoft Excel and Microsoft Word can bring information from Microsoft Dynamics AX 2012 into their familiar software tools for data analysis and document creation. The solution also synchronizes with Microsoft Outlook, which lets Hydra-Power make its address book and database consistent and ensure that inside and outside sales work with the same information. Once Hydra-Power completes its implementation of [Microsoft Lync Server](#), the company might integrate Microsoft Dynamics AX 2012 with Lync Server, streamlining communications around the ERP system with instant messaging, presence, and other capabilities.

Hydra-Power engages with Microsoft Gold Certified Partner Hitachi Consulting to perform technical and business process consulting and to develop any custom coding required for the implementation. The company also required three solution

The receiving area in the Hydra-Power Systems distribution warehouse.



providers to join it in implementing Microsoft Dynamics AX 2012, because their solutions already helped extend the previous version of the business management software with important functionality:

- [Bottomline Technologies](#), a Microsoft Gold Certified Partner, updated its solution, [Create!form for Microsoft Dynamics](#), to integrate with Microsoft Dynamics AX 2012, offering an easy-to-use, drag-and-drop design tool for technology users who need to format data outputs to design forms and distribute them.
- [Data Masons Software](#), a Microsoft Certified Partner that specializes in electronic data interchange (EDI) technology, worked with the application integration framework in Microsoft Dynamics AX 2012 to ensure interoperability for its solution, [Vantage Point EDI for Microsoft Dynamics AX](#), which helps Hydra-Power eliminate manual transaction processing across the supply chain, without customizing the ERP system.
- [RF-SMART](#), a Microsoft Gold Certified Partner, provides mobile data collection and barcoding technology that automates data capture in the warehouse for inventory movement, receiving, transfers, cycle-counting, order-picking, labeling, and advanced logistics processes. RF-SMART is a [Certified for Microsoft Dynamics AX](#) solution.

Employees at Hydra-Power will use Microsoft Dynamics AX 2012 to perform all the tasks that are central to their jobs; for example:

- Company leadership accesses reporting based on ERP data to review business performance and take control of the company's activities.

- Inside and outside sales teams work with the solution through the Enterprise Portal to set up customer accounts, check on customer orders and sales commissions, verify stock, and generate production and purchase orders.
- Engineering managers track the production orders and run manufacturing projects through the solution's projects accounting module.
- The finance team uses the collections capabilities in Microsoft Dynamics AX 2012 to streamline accounts receivable management.
- Managers use the solution's case management functionality to perform consistent quality management.
- Warehouse employees scan tracking numbers to charge customers proper freight costs, and use Microsoft Dynamics AX 2012, which connects with UPS WorldShip and FedEx Ship Manager systems, to perform efficient management of inventory, receiving, and shipping.
- With the employees at the Birmingham location set up as a separate company on the same instance of Microsoft Dynamics AX 2012, they can generate sales and purchase orders and assist customers.

In addition, Hydra-Power is planning on using the touch-screen capabilities within Microsoft Dynamics AX 2012 to give shop-floor workers a way to accurately record production times, replacing manual time cards. As Jablonski explains, "We'll make it easier for employees to enter their job times, and the adoption rate will likely be very high. We will also have more accurate data, which will help us establish proper costing for jobs. That, in turn, will help us be more competitive in taking our products to market."

“With Microsoft Dynamics AX 2012, it’s very easy to scale horizontally or vertically to meet the challenge of whichever requirements the business presents. The solution is so stable and flexible that IT almost becomes invisible.”

Bob Jablonski, Operations Manager,  
Hydra-Power Systems

## Benefits

For Hydra-Power, Microsoft Dynamics AX 2012 serves as a business enabler that aligns with the company’s strategy. “I get a lot of satisfaction out of Microsoft Dynamics AX 2012,” says Jablonski. “With commitment from Microsoft to enhance the solution, it will always be on the forefront of technology—and we will be there with it. We consider this to be our long-term business management solution.”

### **Enable Decision Makers to Take Control**

Executives, department heads, and other employees receive information related to company sales goals, sales closed, financials, and business performance through Microsoft Dynamics AX 2012. “Employees at all levels are equipped with reports, dashboards, alerts, and other decision-making tools to move the business forward and help customers,” says Jablonski. “We can drive information to the people who need to act on it, empowering them to make better-informed decisions.”

Jablonski also appreciates that he can implement and operate Microsoft Dynamics AX 2012 and SQL Server reporting and analytical tools without a consultant’s assistance. “Microsoft has done a wonderful job with the reporting features in Microsoft Dynamics AX 2012. I can’t say enough about the benefits that we expect in terms of insight and business control,” states Jablonski. “By providing us with all these capabilities and making them easy to implement and operate, Microsoft gives us opportunities that usually only large companies with ample resources experience. With Microsoft Dynamics AX 2012, I can deploy and run them completely on my own.”

### **Run a Scalable Solution by Using Only Company Resources**

After the technology partners delivered their solutions and customizations, Hydra-Power chose to operate its new business infrastructure without vendor assistance. Says Jablonski, “It’s a testimonial for the manageability of Microsoft Dynamics AX 2012 that we can run it entirely self-sufficiently. It also saves us the costs of contracting with technology vendors.”

The dependability and scalability of Microsoft Dynamics AX 2012 complement the solution’s manageability. “With Microsoft Dynamics AX 2012, it’s very easy to scale horizontally or vertically to meet the challenge of whichever requirements the business presents,” explains Jablonski. “The solution is so stable and flexible that IT almost becomes invisible. To me, that is a good thing.”

### **Enhance the Quality and Competitiveness of Customer Service**

The immediate availability of information and significant process efficiencies help Hydra-Power serve customers more effectively and become more competitive. When it comes to new customers, representatives can easily set up accounts and get products out to customers on the same day. Salespeople and customer service representatives now have access to more information about the financial aspects of customer accounts than in the past. “It helps to be able to see everything about customers so that you can communicate with them directly, without making them wait, and resolve issues very quickly,” says Jablonski. “In turn, those better communications will help us reduce days outstanding and bring revenue in sooner, because we can invoice and collect more rapidly and without errors.”

Hydra-Power believes that the solution will help it win more business from demanding customers. Says Jablonski, "The quality control system we built by using the case management functionality of Microsoft Dynamics AX 2012 and SharePoint Server will help us track events within our database and maintain a consistent level of quality in our products and the way we work with customers. That, together with our ability to share costs and other information and provide services more promptly and consistently than the competition, will generate more business for us."

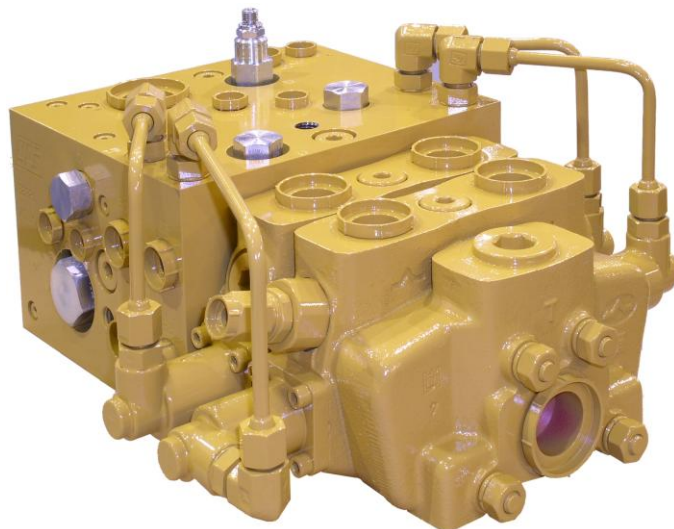
#### **Help Employees Boost Their Effectiveness**

As Hydra-Power automates more business processes with Microsoft Dynamics AX 2012, employees find that the solution is easy and intuitive to use and that it takes very little time to find the right information. Says Jablonski, "People click less, because there is more information on fewer screens. In a customer call, you may save just a few seconds, but it helps move the conversation along and get to the next call. Some of our processes in shipping and warehouse management would involve

several people over several minutes. Today, the same processes only take one person a couple of seconds. Over a day or a week, this is a substantial savings of time and cost. We're accomplishing more with fewer resources."

Making information easily available also helps business performance. Inside salespeople, for example, can see how the orders that they entered compare to the company's goals and how they are performing individually and as a team. "When employees know how well they do, they gain the ability to challenge themselves and improve," says Jablonski.

A manifold available from  
Hydra-Power Systems.



## For More Information

For more information about Microsoft products and services, call the Microsoft Sales Information Center at (800) 426-9400. In Canada, call the Microsoft Canada Information Centre at (877) 568-2495. Customers in the United States and Canada who are deaf or hard-of-hearing can reach Microsoft text telephone (TTY/TDD) services at (800) 892-5234. Outside the 50 United States and Canada, please contact your local Microsoft subsidiary. To access information using the World Wide Web, go to:

[www.microsoft.com](http://www.microsoft.com)

For more information about Hydra-Power Systems products and services, call (800) 777-5047 or visit the website at: [www.hydrapowersystems.com](http://www.hydrapowersystems.com)

For more information about Bottomline Technologies products and services, call (603) 436-0700 or visit the website at: [www.bottomline.com](http://www.bottomline.com)

For more information about Data Masons Software products and services, call (866) 575-1631 or visit the website at: [www.datamasons.com](http://www.datamasons.com)

For more information about Hitachi Consulting products and services, call (877) 664-0010 or visit the website at: [www.hitachiconsulting.com](http://www.hitachiconsulting.com)

For more information about RF-SMART products and services, call (904) 399-8500 or visit the website at: [www.dynamicsax.rfsmart.com](http://www.dynamicsax.rfsmart.com)

## Microsoft Dynamics

Microsoft Dynamics is a line of integrated, adaptable business management solutions that enables you and your people to make business decisions with greater confidence. Microsoft Dynamics works like familiar Microsoft software such as Microsoft Office, which means less of a learning curve for your people, so they can get up and running quickly and focus on what's most important. And because it is from Microsoft, it easily works with the systems that your company already has implemented. By automating and streamlining financial, customer relationship, and supply chain processes, Microsoft Dynamics brings together people, processes, and technologies, increasing the productivity and effectiveness of your business, and helping you drive business success.

For more information about Microsoft Dynamics, go to: [www.microsoft.com/dynamics](http://www.microsoft.com/dynamics)

### Software and Services

- Microsoft Dynamics
  - Microsoft Dynamics AX 2012
- Microsoft Office
  - Microsoft Excel 2010
  - Microsoft Outlook 2010
  - Microsoft Word 2010
- Microsoft Server Product Portfolio
  - Microsoft Lync Server
  - Microsoft SharePoint Server
  - Microsoft SQL Server
- Technologies
  - Microsoft SQL Server Analysis Services
  - Microsoft SQL Server Reporting Services

### Partners

- Bottomline Technologies
- Data Masons Software
- Hitachi Consulting
- RF-SMART