

HITACHI



HITACHI

Reliable Solutions

INDUSTRY

Heavy Equipment, Equipment Parts Sales, After Sales Service, Remanufacturing, and Rentals

COUNTRY

Indonesia

IMPLEMENTATION PARTNER

Hitachi Solutions Asia Pacific Pte. Ltd.

ISV PARTNER

Annata 365

PRODUCTS AND SERVICES

- Microsoft Dynamics 365 Finance and Operations
- Microsoft Azure DevOps, Azure LogicApps
- Azure Storage
- Azure Synapse
- Azure APIM
- Microsoft Power Automate
- Microsoft Power BI

PT Hexindo Adiperkasa Tbk: Optimizing Operations and Financial Transparency with Dynamics 365 Finance and Operations

PT Hexindo Adiperkasa Tbk (HAP) is a wholly owned subsidiary of Hitachi Construction Machinery (HCM) Japan and the sole distributor of heavy equipment products and services for market sectors like mining, quarry, construction, forestry, plantation, and equipment rental. Established on November 28, 1988, it focuses on various sectors including mining, quarry, construction, forestry, plantation, and equipment rental, offering a range of heavy equipment and spare parts for these industries.

CHALLENGE

HAP recognized opportunities to improve efficiency and decision-making by moving beyond its legacy system, which relied heavily on manual data entry and limited access to timely information. While the system had supported operations for years, its complex processes made it challenging for users to quickly obtain accurate data and focus on higher-value tasks. By addressing these limitations and enabling real-time

insights, HAP aimed to empower better decision-making and drive greater innovation across the business.

“As our business expands, we have recognized that our existing system, along with the lack of contemporary business applications, has created challenges in maintaining operational efficiency,” stated Zahirman, HAP’s IT & Corporate Strategic Management Division Head.

SOLUTION AND BENEFITS

HAP embarked on a comprehensive digital transformation initiative, guided by its Steering Committee, HCM Japan, and in collaboration with Hitachi Solutions Asia Pacific (HSAP). The objective was to modernize and optimize business operations by implementing Microsoft Dynamics 365 Finance and Operations (D365 FO). This initiative targeted several core business areas, streamlining processes, enhancing visibility, and integrating disparate systems into a unified solution.

Efficiency optimization: The transformation was designed to optimize numerous fundamental business operations, including sales, purchasing, inventory management, warehousing, remanufacturing, equipment rentals, and after-sales service. By introducing automation for key tasks such as warehouse logistics, order creation, work order processing, and timesheet recording for workshop engineers, the initiative significantly reduced the reliance on manual data entry.

This not only helped minimize human error but also improved efficiency in day-to-day activities. As a result, customer service processes experienced notable changes, ultimately enhancing overall service quality, responsiveness, and operational reliability throughout the organization.

Improved Transparency and Reporting: The implementation of Dynamics 365 Finance and Operation resulted in significantly enhanced transparency for HAP’s accounting reconciliation and financial reporting processes. By moving away from manual processes in Microsoft Excel to a fully integrated system, the organization achieved more reliable and consistent financial data management.

The transition to the E-Factor system played a crucial role in ensuring data consistency and compliance. Through this system, all B2B invoices were uploaded to the Invoice Registration Portal (IRP). The IRP then generated a unique Invoice Reference Number (IRN) and provided a digitally signed e-invoice. Users could subsequently download this information directly from the portal, streamlining the invoicing process and supporting regulatory requirements.

With these improvements, management reports now provide valuable insights into key financial information. This includes comprehensive views of the trial balance, balance sheet, and income statements, enabling informed decision-making and more transparent financial oversight.

Automated Service maintenance: The system uses established protocols and equipment data to assess maintenance requirements and coordinate scheduled services. By eliminating manual supervision, it optimizes workflow efficiency, minimizes operational errors, and helps with timely maintenance for all machinery.

Rental Management: HAP has implemented D365 FO to improve its rental business operations. This system streamlines processes, boosts efficiency, and provides clearer transparency in handling transactions and asset management for the rental sector.

Remanufacturing Support: HAP’s remanufacturing operations are aligned with HCM’s global remanufacturing strategy to improve operational efficiency. This alignment enables shorter lead

times for part replacement, reduces equipment downtime, and supports cost-effective and sustainable maintenance practices across the organization.

Equipment Tracking: Linking warranties, service records, work orders, and telematics enables more precise and comprehensive tracking of equipment information.

Hitachi Solutions assessed HAP's requirements through Conference Room Pilot sessions and enhanced project management by leveraging Azure DevOps, Microsoft Teams, and a tailored DevOps template.

"The HAP go live did not come easy, facing tight timeline and limited key user availability. After implementation, complex data migration issues surfaced. But HSAP partnered with business stakeholders to stabilize operations, boosting efficiency and driving up sales", said Rifky from HAP's IT division.

OUTCOME

Effective collaboration among HSAP, HCM, and HAP teams, was instrumental in ensuring the success of this implementation. The project encompassed more than 700 users and delivered significant benefits to critical functions such as the finance and supply chain. Our teams adeptly managed complex localizations, customizing the ERP system to address specific business needs and regulatory requirements. The successful HAP launch demonstrates effective teamwork and cross-functional cooperation.

"Our team at HSAP extends its sincere appreciation to HAP for their unwavering support and commitment throughout the project implementation," said Shankun Banta, Director of PMO at HSAP. "Their valued collaboration, insightful feedback, and steadfast leadership were pivotal to the success of this initiative. It has been an honor to work alongside HAP, and the confidence they have placed in our team has continually inspired us to strive for excellence at every stage."

This achievement also positions HAP to undertake innovative initiatives that promote meaningful progress and deliver exceptional outcomes for the organization.

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"Hitachi Solutions has been a dependable partner in our transition to Microsoft Dynamics 365, streamlining our operations and meeting our needs across various domains", said Zahirman. "Dynamics 365's advanced features have improved our productivity and decision-making. We are satisfied with the results and anticipate ongoing collaboration".

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