FULUKUKUKU Case study | Saracakis How Saracakis went **from economic** headwinds to digital transformation VOLVO



A century of excellence: Saracakis' enduring legacy in the Greek business landscape

With a prominent presence spanning over a century in the Greek business ecosystem, Saracakis stands as the exclusive distributor for a diverse range of automotive and machinery products from globally recognized brands.

Established in 1922 and still under the control of the founding family, Saracakis remains an energetic organization with an ongoing commitment to supporting private, corporate, and governmental customers. Currently, Saracakis has physical footprints not only in Greece but also in Romania, Bulgaria, and Cyprus.

Adaptation amid adversity: Saracakis' resilience in the Greek financial crisis

Saracakis, a group specializing in the import and distribution of a diverse range of automotive and machinery products from over 20 world-renowned brands, faced challenges during the severe financial crisis that swept through Greece in 2008. Despite its long-established and respected business in importing and distributing vehicles and machinery from companies like Honda, Mitsubishi, Volvo, FIAT, and others, Saracakis was not immune to the impact of the crisis.

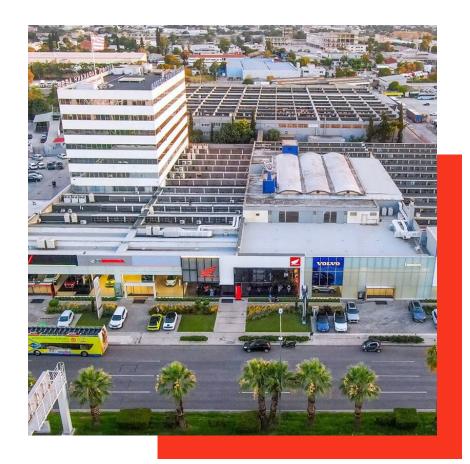
In response to plummeting sales, Saracakis initiated a long-planned IT upgrade, incorporating Annata and Microsoft combined solutions. This upgrade aimed to integrate diverse operations, reduce costs, and support the necessary restructuring to navigate the economic downturn. The company witnessed a significant decline in car sales in Greece, dropping by 70% from 270,000 to 55,000 annually. Similarly, sales of machinery, including construction equipment, forklift trucks, and generators, also experienced a rapid decline.



Adversity to agility: Saracakis' strategic restructuring amid market collapse

"We faced a complete collapse in the automotive market in Greece," recalls Stamatis Chondroudakis, the Information Services Manager of Saracakis in Cyprus and Bulgaria where the company also operates.

In response to this significant setback, the company initiated restructuring in November 2010, reorganizing over 10 businesses dedicated to specific car or equipment brands. The goal was to create smaller units handling ranges of products. Additionally, Saracakis decided to diversify its portfolio and enhance competitiveness in the insurance, tires, and vehicle paint sectors. However, during the four years from 2008, the company had to reduce its workforce of 750 by more than half.

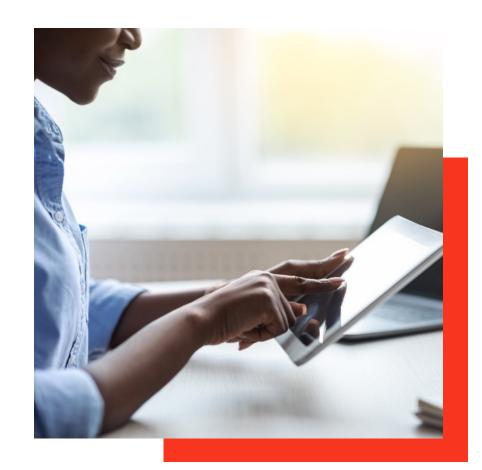


Accelerating efficiency: Saracakis' journey from system complexity to simplicity

The primary challenge faced by Saracakis was the operation of 12 software solutions on three platforms, leading to separate systems for various divisions like sales and distribution, necessitating extensive IT support. The high costs associated with different systems and suppliers prompted Saracakis to initiate an IT overhaul in 2009.

Recognizing the inadequacy of local solution suppliers for a business of its scale, Saracakis had to choose between large automotive-system specialists, ultimately narrowing down to SAP and Microsoft Dynamics AX complemented with Annata Dynamics IDMS, specializing in dedicated systems for fleet operations.

Collaborating with Dynamic Integrated Solutions (DIS), a Microsoft Gold Certified Partner with ERP specialization, Saracakis conducted six months of research and trials, including engagement with customers of both software firms. This thorough process led to the selection of Microsoft Dynamics AX 2009 and Annata Dynamics IDMS, accompanied by investments in IT infrastructure, such as on-premise HP Blade servers required for the ERP solution.



Aligning operations: Saracakis' artful adaptation to complex workflows

The intricate array of products and business procedures at Saracakis prompted the formation of a project team, comprising nine individuals from its IT department and up to 25 people from various departments within Saracakis. These teams engaged in workshops to meticulously define the group's workflows, emphasizing the importance of early involvement from those who would ultimately use the new tools.

The software implementation commenced in the crucial import and distribution operation division of Saracakis, focusing on enhancing connections with suppliers and vendors. However, after five months, the implementation was rescheduled due to a management decision to merge Saracakis' import businesses into one.

The complexity of Saracakis, with extensive premises spanning 250,000 m2 throughout Greece and operations in Cyprus and Bulgaria, posed certain implementation challenges. These challenges resulted in minor customization of Dynamics AX and Annata, initially led by D.I.S. Stamatis Chondroudakis notes, "Generally, it's easy to customize procedures in the new solution, and we have managed to do it ourselves once we built up our knowledge with the system."





We are generally very satisfied, and we have significantly improved many procedures. One of the most crucial enhancements was in the communication between dealers and Saracakis, which was previously solely done by telephone.

Now, we have the option to share more information with our dealers, providing them with online access to details about orders, stock, and everything they need to know about the business.

Agility unleashed: Saracakis' cloud migration reshapes the business landscape

In 2021, Saracakis successfully migrated its Dynamics AX/Annata IDMS solution landscape to the cloud, resulting in reduced system upgrade costs, enhanced business management processes, and increased agility in bringing products and services to the market.

Despite a highly ambitious timeline for the upgrade project, Saracakis went live with Dynamics & A365 in January 2022 across all their business entities in Greece.

These digital transformation initiatives played a crucial role in streamlining business performance and fostering increased collaboration among stakeholders through an improved IT infrastructure.



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A lot of our business units are very satisfied. They can do many analyses now, and we can help them in a lot of ways. Decision-making is easier and faster now. The new solutions are improving the way they are doing business. We have managed to achieve a very big cost-saving with the implementation of this new solution. One of the savings is that the company has been able to reduce the IT team because IT maintenance is easier overall.

Stamatis Chondroudakis

Information Services Manager at Saracakis.

