



MYOB EXO Business Case Study

Floyd Instruments

Last remaining analogue gauge manufacturer finds the flexibility in MYOB EXO Business to take business into the 21st century.

Overview

Floyd Instruments was established in Melbourne in 1935 by James Atkinson Floyd. Today, in the midst of the digital age, it is the only remaining company in Australia to make analogue gauges.

In many respects, the company has remained unchanged since its pre-war beginnings. It still manufactures niche bourdon, capsule and diaphragm seal pressure gauges – the type you’d find in locomotives, amongst other things. And it still specialises in meeting customers’ specific requirements.

However, in order to meet changing customer demands, Floyd Instruments realised it needed to modernise its processes.

Preparing for the future

Until the end of last year, Floyd Instruments was using MYOB Premier, a system that General Manager John Richardson describes as “ideal for basic accounting needs” – general ledger reports, profit and loss, balance sheets and so forth.

“We only had one PC in the office when we first got Premier, and many of our staff were pretty limited in their computer experience, he says.

“Even with seven or eight PCs, it suited our purposes just fine.”

However, as Floyd Instruments began to shift their emphasis from niche manufacturer and repairer of specialised products to importer of high quality measuring instrumentation products, Richardson realised they’d need a more sophisticated costing and stock control system if they were to meet customer demands in the future.

“We needed to bring our traditional manufacturing and accounting practices into the 21st century,” Richardson says, “and the only way we were going to do that was to change to a more computer-based model”.

Choosing the right product

Richardson didn’t rush to find a replacement for Premier. Instead, he says, he researched the market thoroughly for the right product.

After 12 months or so, he decided to go with MYOB EXO Business.

According to Richardson, there were two things that swung it for EXO – its ability to be customised to better suit Floyd’s needs, and the fact that it was owned by MYOB. “Coming from Premier,” he says, “we thought that transferring data between two MYOB products would make our lives easier”.



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From that point, it was a question of finding an EXO-specialist who could really bring the product alive for Floyd. They chose Exoserv.

Face to face with EXO

From the outset, Richardson describes Exoserv as “a great team to get on with”.

“Andy and Chris came over on a number of occasions and went through everything that EXO had to offer in a lot of detail,” he says.

“We discussed a number of specific requirements and they really listened to what we had to say.”

Richardson says one of the most useful steps in the process was the user acceptance demonstration, which Exoserv set up using data from Premier specifically so that Floyd could get an understanding of how the system would work in practice.

“We played with this for maybe three months, really taking the time to understand the job costing and inventory functions in EXO before getting too carried away with bespoke development.”

Getting to grips with the system

Even so, according to Richardson, they probably would have spent longer on training.

“It’s not that EXO was really difficult to master,” he says, “so much as our collective computer experience prior to EXO was at best, elementary. For some of us, using a PC was almost a new way of working in itself”.

So instead of bombarding everybody with the workings of the entire system, Floyd trained staff only in the elements of EXO most relevant to their role. While one person learned about debtor control, another was trained in inputting customer details and invoicing, and a third looked at importation and product costing. Richardson focused on general ledger.

“We’ve reached a point now where everyone is comfortable using the system,” he says. And frankly, for anything else we can’t fathom out, there’s always Exoserv.”

“They have a very casual, laid back approach,” says Richardson, “which means it never seems too much trouble to bother them. Emails get replied to promptly, and they always take the time to explain things clearly – not something that can be said for every software company I’ve dealt with in the past”.

Early improvements

When it comes to discussing improvements that EXO has made to Floyd, Richardson points out that in many respects, they’re still scratching the surface in terms of its real potential. However, he remarks that there are a number of notable improvements straight out the box.

From a management point of view, Floyd now has considerably tighter inventory control, thanks to the increased visibility EXO gives them.

“Because all imported product can now be inputted straight into the system we have an instantaneous view of orders on hand, sales history and likely future inventory requirements,” says Richardson.



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"We have a much clearer picture of our true costs too," he adds, "through the purchasing and on cost clearing facility".

Custom reporting however, is the real defining difference.

"Custom reports were a specific requirement from the outset," says Richardson.

"Our manufacturing is split into various sections with orders on hand for separate products. We wanted a distinct reporting capability for each, so that we could keep a close eye on the performance of our distinct groups."

"Reporting has really opened up our different business aspects to closer scrutiny," says Richardson.

"We're planning on developing new reports further down the line. For the moment though, we're getting much better visibility with just the few we use."

Flexibility for the future

Flexibility is the word Richardson uses to describe EXO's single biggest advantage.

"Flexibility, and the ability to grow without having to worry that two years down the line, a change in our business model will render the software useless," he says.

Floyd currently has a sales rep in Sydney who can enter and access data remotely.

"It's comforting to know that as business expands and we take on more sales reps – as we intend to do – that the system is geared for remote users," says Richardson.

"For the time being," he concludes, "what EXO has given us is the opportunity to take the company through a particularly transient period, from an old fashioned manufacturing environment to a modern, integrated business".

"That means we're set up for a good few years to come."