

URL: [www.omlogistics.co.in](http://www.omlogistics.co.in)  
 Industry: Logistics  
 Country: India



## Om Logistics

Om Logistics uses COBOL to integrate systems for real-time access to data and increase productivity

### Challenge

A scattered network across India caused issues of transparency in information flow within the organization and a significant loss of revenue.

### Solution

- Micro Focus COBOL®

### Om Logistics

Om Logistics Ltd, the flagship company of the Om Group, is one of the leading Logistics Support and Solutions providers in India with an integrated solution for all the components of total supply chain management. Om Logistics provides value added services to all its customers with latest technologies, customer friendly systems and processes. In order to provide total customer satisfaction the company has, over time, conceived and developed a wide array of services for efficient management of cargo movement

Om Logistics is an ISO 9001:2000 certified organization which serves a distributed Indian market through over 450 satellite locations with real-time online connectivity. It has over 1000 delivery locations spread across the country and a fleet of 4000 dedicated vehicles. Ten million sq/ft of warehousing area and a state of the art infrastructure service its customers.

### Major IT infrastructure challenges needed addressing

Prior to the adoption of Micro Focus products, the company had major IT infrastructure challenges. The widely scattered network and presence in more than 60 locations across the country presented problems with information flow. With no centralized connection all data had to be couriered to the head office. This was then manually fed into the system, so there was no real-time data availability, creating delays in reporting and bill generation. As a result, some clients refused to pay because of the delays and the company lost revenue.

### Highlights

- Significant improvement in business giving real-time access to information
- Accelerated turnaround time and optimized workflow
- Higher customer service and better quality control
- Costs reduced and revenues increased
- A centralized server, reduced local repository of data and a platform for growth

“With improved infrastructure and data quality, we are able to maintain a good work-life balance. Real-time access to data and standardizing technology processes has helped us provide excellent service to our customers. The transition to Micro Focus COBOL proved extremely beneficial for us as it fits perfectly with our business needs.”

**S.K. Goel,**  
Vice President, Om Logistics

### **Billing problems causing revenue losses**

Om Logistics recognized the need for a centralized system and developed an application in Visual Basic to synchronize some data with the central server through the Internet. However, the data available was too large to be synchronized online. Older platforms like FoxPro and Visual Basic were compromising the bandwidth, delaying the billing process and increasing usage of additional local resources. The delay also led to a continued loss in revenue with billings not being updated in the required time period.

The company also reported problems such as data corruption and loss, and virus attacks which made it a less productive environment for employees.

### **Information bottlenecks a barrier to business**

Importantly, Om Logistics also needed to know the movement of outbound material and goods, the status of its fleet and its manpower resources to plan a schedule. It was also important to know in real-time if problems occurred during transportation such as traffic delays or accidents, thefts, a blockade, etc. The business required faster decision making, quicker response time, and transparency in operations.

Om Logistics was unable to provide its customers with online value added services and its accounting procedures were not on a par with the latest technology. In order to achieve greater customer and employee satisfaction the company decided to improve its IT infrastructure and implement a core enterprise solution. Om Logistics was looking for a solution that fitted into the overall growth strategy, and kept business simple, yet agile. Business success depended on speed of communication and real time availability of information. After extensive market research and evaluating various vendors, Om Logistics chose Micro Focus. A month of User Acceptance Testing revealed that Micro Focus COBOL required low bandwidth, was stable and low on both maintenance and cost overhead. It also ranked high on functionality and technology and in a two to three month timeframe the complete changeover to COBOL was achieved.

### **New COBOL based ERP system provides the key to connectivity**

The solution consisted of developing a home-grown ERP application on Micro Focus COBOL. The new system allowed all the branch offices to connect directly to the head office online through a central server. Now, all the

data could reside on the central server and be accessed and updated online through Telnet at anytime, from anywhere. It also removed the need for regular data synchronization. Being deployed on a 32-bit platform, it allowed seamless migration from a 32 to a 64-bit platform and a Linux Operating System with no major business disruption in the process.

At the same time, Om Logistics implemented a document management system using Micro Focus COBOL development tools. A 16 CPU application server was implemented to run the Micro Focus COBOL platform. This server had more than 2000 simultaneous users linked to one another. A number of GSM and network interfaces provides access to the server and applications.

### **Better business decisions and better business, powered by COBOL**

After the Micro Focus implementation, Om Logistics has been able to analyze its online information in real time and in doing so make more informed business decisions. Today, the company has seen a significant improvement in communication and data transfer ratios and has been able to achieve an increase in output, improved productivity and reduced costs. With data being directly entered into the central server, Om Logistics accelerated its turnaround time and optimized workflow. This reduced the number of errors and increased reliable and accurate data flow with fast, real-time exchange of information. Faster decision making, planning, accounting and logistics management were made possible. In addition, with the implementation of a self-service system running on Micro Focus COBOL, customers can now track and keep a record of their respective consignments. This has both enhanced customer service and improved quality control. The employees at Om Logistics also enjoy improved working conditions and fewer internal service calls. This self-service process has made employees more productive and efficient, and has increased the speed of responses to customer queries, giving Om Logistics a competitive edge.

### **Micro Focus COBOL provides the foundation for modernizing applications**

Om Logistics also implemented an integrated GPS system with the Micro Focus COBOL application. This allows them to use and access real-time data from the vehicle consignment's location with only a 5 minute gap. Previously, Om Logistics had relied solely on the manual feedback of the driver. The information gained helps in assigning the available resources in a more effective way.

Further benefit was derived from changing the packaged accounting application to a customized COBOL accounting application. This integrated module has brought uniformity and process orientation to the company. Within a day, Om Logistics now performs over a million transactions with approximately 500 concurrent users (approx 300 programs accessed by a single user) and around 10,000 invoices on a peak load with minimal CPU utilization.

“The integration of the GPS system with the Micro Focus COBOL application is very straightforward and allowed real-time data from the vehicle consignment’s location to be accessed with a gap of only five minutes, compared to uncertainty, as we used to solely depend on the manual feedback of the driver. This helped in providing valuable information which enabled better resource utilization.”

**S.K. Goel,**  
Vice President, Om Logistics

### COBOL delivers Om Logistics a host of benefits

By taking the decision to move to Micro Focus COBOL, Om Logistics has seen a wealth of additional benefits, including:

- Consignment tracking system  
This software helps to track all consignments and keep a check on the status through email or SMS. Trucks that are owned by the company update real-time through a GPRS system, while trucks hired from an external agency do so manually or through interactive voice recognition (IVR) software.
- Online warehouse management system  
This Linux-based software helps to manage and provide status updates of the warehouse stock.

- Contracts management software  
All customer contracts are managed through this system. The bills are posted automatically into the accounting software without any manual intervention.
- Cost analyzer  
The costing software tracks expenses on individual consignments. It can be used to analyze the profit and loss situation for any consignment.
- Sales analyzer  
This application helps to view and compare sales figures across the board.
- Loading reports  
This module generates an employee oriented loading report and helps in the performance appraisal of the employee. It also helps to assign responsibility in case of any damage or shortage of goods.
- Financial accounting  
Fully integrated with all the other modules, this application generates the balance sheet of the company at any given point in time.

### Powering growth

Since the Micro Focus COBOL based application was installed, Om Logistics has grown from 60 locations to more than 450 fully automated locations across the country. Revenue has also grown from Rs. 35 crore (INR) in 2001 to Rs. 500 crore (INR) in 2008 and without any increase in headcount. The manageability of applications has also improved dramatically, enabling the company to expand its business processes without an increase in headcount in the Software Development Team.

With an existing database size of 1038 GB, Micro Focus COBOL also enabled increased storage capacity.

### Continued strengthening of technology infrastructure

Om Logistics will continue to use Micro Focus COBOL to strengthen its existing technology infrastructure with improved and enhanced changes depending on the business dynamics. The company is now focusing its growth strategy in SAARC, APAC and MIDDLE EAST.

In the coming months Om Logistics plans to also develop a sophisticated attendance monitoring, payroll and access control system.

With approximately 300,000 lines of COBOL code, Om Logistics sees its application built on Micro Focus COBOL as a key enabler and a backbone to growth and its ability to meet the ever increasing requirements of business.

### About Micro Focus

Micro Focus, a member of the FTSE 250, provides innovative software that allows companies to dramatically improve the business value of their enterprise applications. Micro Focus Enterprise Application Modernization, Testing and Management software enables customers' business applications to respond rapidly to market changes and embrace modern architectures with reduced cost and risk.

**Contact us at: [www.microfocus.com](http://www.microfocus.com)**

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