

The People-Ready Business

Case Study



Malibu Boats

Malibu Boats Leaves Productivity Wake After Building Online Business Portal for Staff

In 1982, Malibu Boats built 100 custom ski boats in a small shop in Merced, California. Since that first year, the company has won more Product Excellence Awards than all other competitors combined. Malibu Boats wanted to foster the teamwork required to sell, build, and service its boats so it chose a Microsoft® business information portal that employees and dealers are now using to access and share information. Today Malibu's employees are working together more efficiently, providing more responsive customer service, and delivering boats faster through a significantly reduced order process—a great way to celebrate its 25th anniversary year.

OVERVIEW

Country or Region

United States

Industry

Manufacturing

Customer Profile

Malibu Boats manufactures custom water sports boats in Merced, California, in Loudon, Tennessee, and in Albury, Australia. It sells approximately 3,800 boats a year through a dealer network.

Business Situation

Malibu Boats wanted to empower its employees and dealers to work more efficiently and provide better customer service by providing them with easy access to business information.

Solution

Malibu Boats deployed Business Portal in Microsoft Dynamics™ GP, which provides a single access point to business information simply by opening Microsoft® Internet Explorer®.

Benefits

- Increasing communication
- Automating processes
- Reducing manufacturing time
- Improving design innovation



“If you asked what would be the perfect solution for our company, the business portal would be the one. It hardly took any time for us to learn, and it’s completely changed how we do business at Malibu Boats.”

Paul Singer,
Vice President, Sales & Marketing
Malibu Boats

The People-Ready Business



Situation

There is a special blend of familial loyalty and profound pride among the more than 500 employees at Malibu Boats, a world leader in the manufacturing of high performance water sports boats. Here the company mantra: “Build the best boat possible. Enjoy your workplace. Give our owners the best value” is a way of life for employees whose average tenure at the company runs to 9 years.

Malibu Boats’ management believes in encouraging the creativity of a workforce whose love of the job translates into a superlative product and great customer service “We say it’s like a family here and the difference about Malibu is that we mean it,” says Paul Singer, Vice President, Sales and Marketing at Malibu Boats. “We encourage a leadership style that rewards creativity and teamwork because that’s what it takes to build cutting-edge ski boats. We are continually pushing the envelope in R&D and boat design, so we always look for tools that foster our employees’ talents and make it easier to do their job.”

Choosing the right software tools to help Malibu Boats’ employees manage business information is a case in point. The company enhanced individual and departmental productivity after the deployment of Microsoft Dynamics™ GP, which helped its employees improve their manufacturing, distribution, human resources, and financial management processes. In addition, Malibu Boats managers wanted to improve information flow throughout the company. They reasoned that the sale, subsequent manufacturing, and delivery of custom-built boats require efficient teamwork. Consequently, Malibu Boats began looking for a software solution to facilitate the dissemination of business data between departments and among employees. Not

only would this streamline operations and reduce costs, but it would make business information more accessible to Malibu Boats sales reps, dealers, and employees at head office and in the manufacturing facilities. For example, customer service staff often had to stop what they were doing and go and look through the company’s boat books—large manuals or build documents that contain data about every boat model ever made at Malibu—to answer customer enquiries.

Malibu Boats managers also wanted to streamline manual processes by enabling easy, online access to the information required by all the staffers involved in a specific business process. For example, dealers and production staff at headquarters used paper order forms and the fax and phone to communicate. Confirming the particulars of each order required faxing paper back and forth and many follow-up phone calls, which left too much room for error. It took days or weeks to finalize orders and even then mistakes sometimes slipped through.

“In terms of fostering good customer relationships, information is king,” says Mike Sanchez, Director, Customer Service and Warranty at Malibu Boats. “The more you have, the more useful you are to the customer. Today, with the Internet, customers are more educated and communicative than ever. We have to empower our employees with access to the information they need to answer customer questions, work more productively, and foster positive relationships.”

Solution

Using Business Portal in Microsoft Dynamics GP, Malibu Boats deployed a Web-based information portal that integrates with Microsoft Dynamics GP to ensure that more employees could access and share

The People-Ready Business

business information. Malibu Boats employees and dealers are using the portal as a single point of entry for self-serve access to the valuable data housed in Microsoft Dynamics GP, including three years of sales data and all the boat books, large manuals that are the build documents for each model ever made at Malibu Boats.

Each department at Malibu Boats has a customizable site on the business portal, which contains information appropriate to that department, as well as Shared Documents. Each department ensured that its site provided easy access to the information they needed most to streamline business processes. Today, every department within Malibu Boats is using the portal to improve individual efficiency, teamwork, and customer service, in effect consolidating Malibu Boats' intellectual capital for the overall benefit of the company.

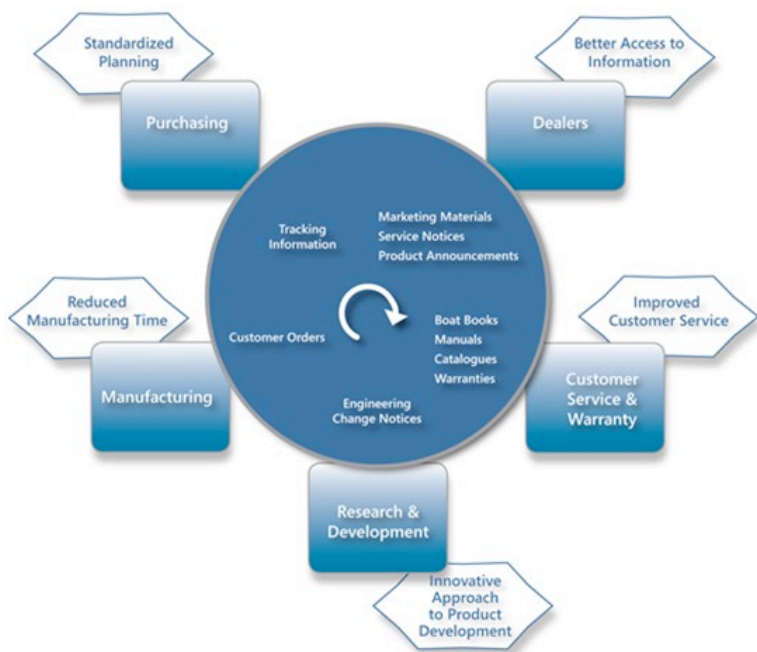
"It was an easy transition to incorporating the business portal in our daily work," says Sanchez. "The IT department held some classes and gave us simple parameters for customizing our sites. On the Customer Service site, we have a section called Discussions, which is a forum for anyone in the company to help resolve any customer service or warranty issues. Everyone is utilizing this technology to make our jobs easier."

Benefits

"Easy access to business information can almost always be translated into better customer service," says Singer. "We're using the portal to share information among staffers, dealers, and sales reps to sell, build, and deliver better boats more efficiently, improving customer service. We are also using it to share information with the customer, building better relationships."



Malibu Boats Portal



Increasing Communication
Singer uses the portal to better manage marketing projects like creating DVDs, advertising campaigns, catalogues, commercials, and events. "We use the site to better manage marketing projects, so we no longer have more than one person working on the same thing," he says. "Now we are disseminating market and sales information to the dealers, prospective customers, and our boat owners more efficiently. The portal

The People-Ready Business

also provides a three-year sales history, so I'm getting a better understanding of sales trends without having to go and look through a lot of paper."

Singer is also responsible for communicating marketing and sales information from head office out to the sales reps so they can relay the information to the dealers. "That was our biggest challenge, getting information out to the field through phone calls and e-mails," he recalls. "Now we can ensure that the dealers are supporting corporate branding at the retail level, because all the sales information, marketing updates, product announcements, are there on the portal."

This is a big help to Chris Crysdale, Southern Region Sales Manager for Malibu Boats. "My goal as a rep is to give the dealers in my region as much information as I can," he says. "Instead of acting as the middleman, phoning the dealers when they're busy trying to make sales, I can just point them to the Dealers site on the portal. They can see product announcements, service notices, sales announcements, product catalogues, owners' manuals, and warranties. There's so much self-serve information there, we can all focus on selling more boats."

Mike Sanchez used to be constantly on the phone and at the fax machine, addressing a wide range of customer service issues. Now he and members of the Customer Service and Warranty department are using the business portal to research and provide technical information pertaining to any portion of any boat ever built at the company. "The business portal has maximized the amount of information available to my staffers and improved their ability to provide efficient, responsive service. We used to have to look in the boat books," he recalls. "Now we have all that

information in the Boat Database that we access through the portal with one click."

Automating Processes

Malibu Boats has also expedited customer service through the portal's online warranty service. Instead of mailing them in, customers can submit their warranty cards to Malibu via an interactive Web form. This information is updated in the Boat Database, automatically triggering a notification from the Warranty department to the Customer Service department to e-mail a Customer Service and Inquiry (CSI) card to the new owner. He or she fills this in and e-mails it back. "The first CSI gives us information about the buying experience, and another one six months later reflects the ownership experience of the boat," explains Sanchez. "Before, this information wasn't readily available to everyone. Now this valuable information resides on the portal for everyone to use."

For Bruce Hower, Manager at Malibu's oldest dealership, Tilly's Marine in Ventura California, the automated CSI process has made a huge difference in his dealership's ability to provide better customer service. "Instead of getting the information weeks or months after the sale, I can see their feedback and get on the phone right away to fix a problem," he explains. "I've been at Tilly's Marine for 13 years, and the Malibu Boats Dealer site on the business portal is the most significant solution we've had as far as customer service is concerned."

Hower is also saving time and improving accuracy while taking a customer's order. Instead of faxing in handwritten forms, he's using an automated online system available on the Dealers site to complete a customer's order and upload it to the portal. "I order on average, 8 boats a month," says Hower. "I sit down with the customer and get all the



Executive Biography

Paul joined Malibu Boats when he was 25, after a career as Staff Sergeant in the United States Air Force, where he worked towards a Technical Management degree. He met Malibu Boats President and CEO, Robert Alkema, playing basketball and joined the company soon after. These days, he's working on perfecting his 360 Heli Wrap, not to mention the marketing and sales strategies for the World's No. 1 water sports boat manufacturer.

The People-Ready Business

options right before I upload it. I've reduced the time it takes to finalize an order from one and half hours to a matter of minutes. I used to have to send boats back to manufacturing because we didn't get the order exactly right. That doesn't happen anymore."

Hower also loves how he can print out a picture of the boat he's just configured with a potential customer, providing a powerful take-away. "The business portal definitely helps close sales," he confirms. "The customer puts that picture on his fridge, and suddenly, that boat is his! And when he places the order, I can tell him exactly where the boat is in production and when it will be shipped just by looking on the portal. It's a very powerful tool."

Reducing Manufacturing Time

Once an order reaches Kelley Aue, Production Coordinator at Malibu's Merced headquarters, she immediately begins what she calls "the birthing process of the boat." She's no longer deciphering an average of 50 to 60 handwritten forms a day, and then typing them into the Boat Database. Instead she can start sending out work orders right away, expediting the production schedule. "I used to take 15 minutes to key in an order, now it's already done," she says. "It used to take up to a month to confirm an order, faxing back and forth with the dealer. Now it takes a couple of days. It still takes 8 days to build a boat, but from the customer's point of view, we are delivering more quickly because I get the boat in the production queue that much faster."

"Customers are interested in getting their boats exactly as they ordered them, in time for the next long weekend," says Barry Bennet, Purchasing and Inventory Control Manager at Malibu Boats. "We use the portal to help expedite that process and provide better customer satisfaction.

Production uses it to find part availability and the warehouse uses it to ensure they can supply production based on the pipeline. And R&D uses the portal to share engineering change notices with manufacturing, a vital way of communicating product innovation or manufacturing process improvements to people working in the production department. Before, we got the news through hallway discussions or e-mails. Now, each production department employee has a better chance of getting the change right the first time rather than having to rework a boat later. We are spending fewer hours per boat on rework. Overall, quality goes up and costs go down."

Improving Design Innovation

Right from the beginning, Malibu Boats' reputation for new production techniques and superlative engineering propelled the company to a leading position in the world of water sports boat design. Malibu innovations like the Wedge, Power Wedge, GM Vortec engines, adjustable rudder, one piece glass windshields, standard Precision Pro Speed Control, Gorilla fins, hand wrapped dashes and the dual gas fills continue to set the standard in the water sports industry.

"We are constantly absorbed in innovation, which is how we crank out the most sought after water sports tow boat in the world," confirms Dan Gasper, Director of Research and Development at Malibu Boats. "We are so focused on coming up with something ground-breaking, building it, testing it, and then putting it into production, that we sometimes forget about typical business practices. Often, our excitement would cause us to skip some vital communication steps with the other departments at Malibu. Now, our Microsoft® portal has allowed us to do a better job in R&D because in a matter of minutes we can send out an electronic engineering notice through the business



The People-Ready Business

portal and everyone is up to speed instantly. No more surprises when it comes to a new innovation rolling off the factory line!”

“If you asked what would be the perfect solution for our company, the business portal would be the one,” concludes Singer. “It hardly took any time for us to learn, and it’s completely changed how we do business at Malibu Boats.”

Customer Details:

Malibu Boats

Phone: (209) 383-7469

Web site: www.malibuboats.com

The People-Ready Business.

A people-ready business is one where people can apply their unique skills, insights, and experience to create new products and services, work responsively with customers and partners, and drive operational excellence in every aspect of the business. People-Ready businesses support people with knowledge, practices, and tools so that they can add the extra value that helps differentiate successful organizations in a competitive, fast-moving global economy.

www.microsoft.com/peopleready

Software

Microsoft Dynamics GP

Microsoft Office SharePoint Server