

Case Study Nikken Lease Kogyo

»The introduction of tablets has allowed us to perform an inspection as soon as scaffolding is returned and the data is reflected onto the system. This has enabled near real-time monitoring of our inventory, resulting in a reduction in lost opportunities«

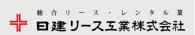
Kazuya Mitsukawa, General IT Manager, Nikken Lease Kogyo



The customer

Country: Japan Industry: Construction Founded: 1967

Number of employees: 1,150 Website: www.nrj.co.jp



The challenge

Nikken Lease Kogyo traditionally used paper forms when inspecting its leased scaffolding material but wanted a more streamlined way of working that would match stock and inventory data in real-time.

The solution

As laptops would not operate effectively in the dusty environment of building sites, the company invested in 500 Fujitsu tablets, with stylus, camera and dust-proof cover, in order to easily capture the information onsite.

The customer

Nikken Lease Kogyo rents and leases items such as construction-related materials, nursing-care products, and office and event supplies. As a pioneer in renting construction-related equipment for temporary use, Nikken Lease Kogyo owns one third of all temporary materials marketed in Japan. The company possesses more than 2,000 items of rental assets in order to be able to respond to a wide range of rental demands from temporary housing to office supplies, office automation equipment, and home appliances.

The challenge

The rental model is different from a traditional retail business because a company must manage a range of information including the number of days an item has been rented, customer data and the associated products being leased. Nikken Lease Kogyo has over many years implemented systemization in an effort to manage the enormous amount of information reliably and efficiently.

As part of this process, the company has been streamlining the inspection process of scaffolding used at construction sites. Traditionally, when scaffolding was returned from the borrower to a Nikken Lease Kogyo facility, an employee inspected the products on-site and filled out paper forms with information such as the item number of products and the description of repairs required. These forms were then brought back to the office at the facility to have the information entered using a PC. This resulted in over 100,000 sheets being produced every month. The company looked at using laptops onsite to simplify the process but realized they would not be fit for purpose.

"As scaffolding is used at construction-sites, it emits a lot of dust, including dirt, during inspection. In light of this, we were of the opinion that PCs with a keyboard would not be able to endure the environment, and decided against using laptop PCs," explains Masaki Ishiguro, Deputy General Manager, Nikkon Lease Kogyo.

The benefit

- Using tablet devices to enable on-site data entry has allowed the company to achieve an online inspection rate of nearly 100 percent
- The introduction of the new process has reduced the amount of work by 4,160 hours per month nationwide (equal to the workload of 26 employees) for data entry alone
- The company is now able to monitor most of its inventory in real-time, preventing the loss of business opportunities
- A camera embedded in the tablet enables employees to send photographs and information to the server immediately, resulting in greater efficiency

The company thought it could use tablet devices instead because they do not have a keyboard and can be covered to prevent entry of dust. Another requirement was the availability of a stylus in order to allow on-site workers to operate the device while wearing gloves. It was also important that the device had a camera. As scaffolding spends long periods of time outdoors, it often gets damaged, requiring repair in many cases when it is returned. During inspection, a worker checks the scaffolding for defects, and determines whether repair is required. If defects are found, photographs are taken to record the status.

The solution

After comparing several tablets, the company decided to adopt Fujitsu's product in September 2010. Primary development was carried out for six months and trial operation started by providing five units each to three locations in Tokyo, Yokohama, and Saitama. A secondary deployment then took place for six months from October 2011, resulting in more than 500 tablets being introduced to 46 locations nationwide.

"As we were planning to use the tablets at facilities away from the office, they needed a long battery life to be practical," adds Ishiguro. "In that regard, Fujitsu's tablets had the longest battery life. Most other models did not have enough battery life, so they were out of the question."

Now, when the rented scaffolding is returned, a scanner connected to a tablet reads the barcode for customer information, and the products are then inspected and photographed one by one. Relevant information is entered into the tablet on-site, and data is sent instantly to the main system. The tablets are equipped with a special dustproof cover with a shoulder strap, and no problems have been caused by dust.

Products and services

■ 500 x Fujitsu Tablets

The benefit

The company originally set a goal of automating 97 percent of the manual entry of 100,000-120,000 forms used per month. As of December 2013, 99 percent of data was being entered by tablet.

"It takes about two minutes to enter the data from a handwritten form. As nearly 120,000 forms are used nationwide, the total time required for this work amounted to 4,160 hours," comments Yuhei Kogawa, Systems Operation Chief. "When this is divided by the daily working hours of eight hours, we can say that 26 employees' workload could be eliminated or 20 working days per month."

Furthermore, as the previous process took time to complete paper forms and then to enter data using a PC, inspection results could be delayed for several days. Therefore, the status of returned scaffolding could not be reflected by the system immediately, meaning there were gaps between the figures on the system and those of the actual products. The introduction of tablets has allowed the company to perform inspection as soon as the scaffolding is returned. This has enabled real-time monitoring of inventory, resulting in increased efficiency.

Conclusion

By introducing tablet devices, Nikken Lease Kogyo has succeeded in significantly improving efficiency during the inspection of its core products. The company will embark on further operational reforms in an effort to increase profitability and offer better services.

"Employees are happy because taking photographs is much easier, and the tablet's history function displays candidates for data entry after you enter the first character, one of which can be selected simply by using a stylus."

Contact

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