

Integration and automation powers Tai Hung Fai's growth

Property developer Tai Hung Fai Group was founded 40 years ago in Hong Kong. In its early years the company focused on property investments and over the years has diversified its portfolio to include over 100 properties across Hong Kong and Macau.

Today, its extensive property portfolio includes hotels, serviced apartments, retail shops, residential, commercial and industrial buildings and car parks. Its total assets run in excess of HK\$50 billion with more than 1,000 long-term tenants.

A capital-intensive industry, Tai Hung Fai, like other real estate companies in Hong Kong, is affected by political and economic conditions at both global and local levels. For example, fluctuations in capital flows or interest rates may impact property values or income from property rental.

Tai Hung Fai believes that technology plays an important role in its expansion strategies. It sees technology as a platform for achieving operational efficiency, manpower savings and assisting in business decision making. It allows management to focus on growing the company's business.

Pain points

In the past, Tai Hung Fai used accounting and property management software applications from a local software provider to support daily operations. However it experienced pain points using these tools.

"Our previous system was not functioning well as our business objectives and requirements were not well-understood by the provider prior to implementation. The lack of integration also meant it was prone to human error," said Bobby Tso, Executive Director at Tai Hung Fai Group.

Most of the property management reports were not automated and well developed. This required staffs to do a lot of manual manipulation afterwards.

A few years ago, Tso and his team decided to look for an alternative solution.

After evaluating products from several international solutions providers, Tso found that their limitation on localization prevented him from making any decisions.

Offerings from several solution providers yielded some good design approaches but in most cases the vendors themselves failed to demonstrate good understanding of the local businesses.

Automate business processes

The property developer eventually turned to FlexSystem Ltd, one of the largest Hong Kong-based enterprise management software and services provider.

After careful evaluation, Tai Hung Fai decided to implement FlexSystem Financial Management System (FMS), Property Management System (PMS) and Human Resources Management System (HRMS) as its core technology platform.

"FlexSystem is able to tailor their solutions to meet our very exacting and timely needs. The tight integration also resulted in greater ease of use. They are value for money," noted Tso.

He added: "Their consultants worked closely with our team to realign our end-to-end business processes and identify business control points to maximize the performance of their solutions. They followed through before and during the entire implementation well."

FlexSystem says its solution helps automate a wide range of business processes including human resources management, workflow management, business and financial analysis. This enables customers to maximize operational efficiency.

Tai Hung Fai Group took almost a year to fully integrate the FlexSystem solutions into its business.

"We had a lot of legacy accounting and tenant billing data from previous systems. We decided to take a phased



Bobby Tso, Executive Director

implementation approach to ensure stability and accuracy," said Sunny Leung, IT manager at Tai Hung Fai Group.

Today the property developer is reaping the benefits of that careful planning and deployment.

"For example, many of our management reports are now automated with minimal human intervention, improving efficiency while reducing human error and manpower costs," he said.

Staff also benefit from different customized IT solutions allowing them to focus on high-value tasks. A finance manager, for example, can now spend more time on staff management or collaboration with other departments and external partners. Cross-departmental coordination has also been enhanced.

Continuous investment in IT

Moving forward, Tai Hung Fai plans to upgrade the FlexSystem solutions and add new applications to support its business growth.

It plans to revamp the Property Management System to cope with changing business environment and converging business requirements. The revamp is slated for completion by end of this year.

The company is also looking to replace its existing business intelligence application. Leung is aiming for better data integration from different sources to facilitate enhanced analysis and decision-making for the company.