
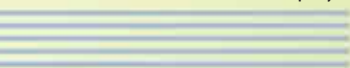


Making the connection

Enterprise collaboration tools are vital to today's retail chain, streamlining data and significantly improving efficiency. Duncan Jefferies finds out more



One of a retailer's greatest assets is its staff knowledge base, and enterprise collaboration tools are allowing them to take full advantage of it by encouraging greater synergy between employees.



"It's about working together and sharing information, whether that is within different channels of your enterprise, or beyond that into your supplier base," says Richard Pascoe, head of retail, Morse. "You can have multiple people working on the same project regardless of where they are on the globe."

Although traditional communication tools such as e-mail, instant messaging, phone and fax are still the primary means of collaboration for most retail staff, Web-portals are increasingly being used. Whereas the traditional channels are primarily used for one-way, top down communication, portals allow data to flow in multiple directions, making sure the right people have constant access to the information they need to make good business decisions.

Altius recently provided Waterstone's with a new data warehouse, which included a Web portal interface. "We took the latest version of Windows SharePoint Services, and we customised it to have the same look and feel as the Waterstone's Web site," says Ian Marritt, principal consultant at Altius Consulting. "When you log in you're taken to a welcome screen telling you where to go for your reports, and any important messages are displayed so that people instantly know the status of the system."

E-mail is often used as a means of file

transfer within an organisation, a somewhat ineffective method as it creates duplicate copies of documents and other files, as well as clogging up bandwidth. By keeping this data centrally stored and accessible through a portal, these issues are eliminated.

"Historically your financial director might say: 'We've got £10m of stock in a store', but then the merchandise director might say it was only £8m, which is a consequence of having multiple copies of transactions floating around the system," says Lester Aderem, managing director of Argility. "But if you store all your information in one place and make it visible to the entire enterprise, you don't have to deal with the complexity of keeping data in multiple locations and keeping them in-sync – you only have one version of the truth."

An enterprise resource planning (ERP) solution maintains all the data needed for a variety of business functions – such as supply chain management, financials, CRM – in a single database which can be accessed in real-time. According to Pascoe, one of the biggest benefits of enterprise collaboration and ERP tools comes from increasing the accountability of employees.

"Accountability makes sure you get the right results," says Pascoe. "Somebody who is clearly accountable for something is going to work harder on it. Putting an ERP system in place means they are more likely to deal with questions promptly, and the retailer will see the benefits of that."

Retailers often lose sales due to the poor execution of management instructions at store level. This poor execution typically occurs when store managers are inundated with

HOW DO YOU ACHIEVE SUCCESSFUL COLLABORATION?

“While the ability to collect more information about customers, clients and business processes represents a distinct advantage not available to retail businesses in previous eras, that very information can pose new challenges – ones that can represent significant time and monetary losses if not dealt with properly, for instance customer complaints. Business success for retail organisations is indelibly linked with the stronger customer focus. The key question is: What are you doing to improve customer retention and satisfaction? The iCare solution from Techtra takes advantage of Microsoft SharePoint collaboration technology to give you the best possible answer to this question. SharePoint promotes a culture of information sharing and can change the way the retail business communicates. iCare capabilities allow you to track the interactions with your customers and to push personalised information to them, assuring a constant conversation between the retail organisation and its customer groups. The final goal is to ensure success through structuring and improving the customer experience and establishing a more stable and durable relationship.”

Andre Larose,
CEO, Techtra

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communication from the corporate office via a variety of channels, much of which may relate to the same task. The Reflexis Task Manager solution aims to rectify this by providing store managers with a single unified communications system through which they receive tasks and workload assignments. When these tasks are complete, it is marked as such on the system.

“The corporate office and field managers can then focus purely on the exceptions – the store that could not get the task done by the specified date. Previously, the district managers had to call all their stores to find out which ones had completed it and which had not,” says Keshav Shivdasani, marketing manager at Reflexis.

This increased level of visibility helps to drive efficiency, as store managers know that the corporate office is monitoring the status of tasks. The system’s reporting functions also improve how quickly issues such as product recall are dealt with.

“Retailers like Hanaford supermarkets use it to send product recalls to their supermarkets,” says Shivdasani. “They’ve found that recalls that previously took five days (because the recall e-mail was buried in the store managers inbox) are now escalated to the top of the stack in the store managers task list and completed by all stores nationwide in a matter of hours.”

Effective security measures are an important element of any enterprise collaboration or ERP solution. Sensitive information must be protected from access by unauthorised employees. But at the same time, an overly strict security policy can inhibit the flow of information. “You have to make information as available as possible,” says Aderem. “It’s certainly within a business’s interests to allow users to see information from other stores and other regions, as that generates a bit of

competitive spirit.”

Secure access to the ERP platform is an integral part of LS Retail’s solutions.

“There are the basic security and access tools which are inherent in all Microsoft products, and this is combined with permission within the ERP platform itself,” says Carsten Wulff, partner management director, LS Retail. “A retailer might have several hundred POS users out in the stores. If we didn’t have strong security measures, someone in a department store could use a POS terminal to access to central data. That’s why we have developed staff management features which work together with permission from the ERP system, as well as the security measures entered by the individual.”

Microsoft Active Directory allows for easy management of employee profiles. User information is stored centrally and allows employees to log in from a variety of devices. Once profiles have been imported into SharePoint Portal Server, role-based portals can be created. The components making up the content, known as Web Parts, provide information relevant to each user’s job requirements. While most retailers will already have some sort of reporting function in place, the means of collating data and producing reports is often inefficient.

“One of the things we achieved with the Waterstone’s portal was putting all the reports in one place using SharePoint, which allows people to maintain their own sub-site containing their own reports and other supporting documentation. Any discussions over a particular report are all hosted there as well,” says Marritt.

Retailers generate huge volumes of data, much of which is essential to the running of their business. An enterprise collaboration solution streamlines the process of data collection and reporting, resulting in fewer



SAVING TIME, INCREASING EFFICIENCY

The Reflexis Merchandising Process Manager helps category managers at the corporate office share merchandising plans and due dates with each other through an online system. It aims to do away with time consuming review meetings for category managers, replacing them with an online system that users at all levels of the organisation can sign into in order to update the status of delayed and due projects. They are also able to view the projects that will be passed to them in the near future.

The system allows managers to capture actual vendor lead times and save this in the system for future use. It also allows purchase orders to be cut as soon as the project from the corporate side is complete, meaning updates are more frequent.

Merchandising processes involve on average 150 steps across 35 different people at the corporate office, and in a typical year a billion euro retailer goes through about 100 such projects. With improved visibility of project status, knowledge of vendor lead times, capturing of best practices and quicker hand-offs across departments and functions, new products can be brought to market faster. As a result, promotions can be planned in a more efficiently as stores know exactly what to expect and when.

reports which are more accurate and easier to drill down into.

"With a business like Waterstone's, there's a wide variety of what people want to do," Marritt continues. "Some managers just require the same reports week in week out, then there are the people who want to go and find their own information and build a report. Our service caters for both scenarios."

Some of the technology needed for enterprise collaboration may already be in operation throughout the organisation; Microsoft Outlook, Microsoft Office and Microsoft Active Collaboration are integral parts of any collaboration strategy. Microsoft Office, for example, provides support for setting up and accessing shared team workspaces via Windows SharePoint Services.

"Waterstone's Panorama software was an existing investment which was running on SQL Server 2000 system," says Marritt. "It's now been replaced with SQL Server 2005, which has given Waterstone's masses more flexibility. They've got over 3.5m different items in their catalogue and they're not only interested in reports on a particular genre, they are interested in specific books that can make a difference to their sales."

When product information is stored in a central location, it can help to improve brand consistency throughout the organisation and reduce time consuming requests from regional branches. "In a global situation one country may have its own set photographs for the same product that's being used in, for example, both the US and the UK," says Pascoe. "Retailers are moving away from that now and saying 'let's work with one image, one set of scripts; maintain all this information centrally and have a real global brand image.'"

The modular software design of most

systems means businesses can deploy tools from different vendors. "We have many examples of partners integrating CRM modules and loyalty programmes with the ERP systems such as K3, who have some very good loyalty programmes," says Wulff.

Both Microsoft Dynamics NAV and Microsoft Dynamics AX are based on industry standards to ensure that business processes can synchronise with trading partners. "We can use Microsoft Dynamics AX or NAV as the central ERP system, and have other companies solutions for generating some of the reports which are used for retail replenishment," Wulff adds.

As Aderem says, one of the biggest challenges with any ERP implementation is configuring or customising the solution to accurately meet the business requirements of the retailer. "That's the bit that people always underestimate. Because you're affecting the entire business at the same time, ERP systems tend to be a little more complex to implement than say, a best-of-breed merchandising system on its own."

According to Pascoe, many of the collaborations between retailers and suppliers are driven by reducing costs. "If retailers share their forecast information early on with the supplier, that smoothes the manufacturing process," he says. "They're very much moving from the old fashioned way of being ruthless with suppliers, to one of how do we work together on this to get the best deal for both of us?"

Clearly successful collaboration is at the heart of any good retail business. By using the enterprise collaboration and ERP solutions, retailers can ensure they always get the most from both employees and their suppliers.