SOFTENGINE SAP BUSINESS ONE CUSTOMER SUCCESS STORY

Goodwill Industries SJV

SAP Business One and Softengine Team Up to Deliver a Real-time Inventory Solution for Goodwill

COMPANY PROFILE

Name: Goodwill Industries of San Joaquin Valley, Inc.

Location: Stockton, California

Industry: Nonprofit

Products: Job Placement Services/Retail Goods

Website: goodwill-sjv.org

System: SAP Business One – Goodwill® Suite (ERP, WMSm, POS)

Goodwill Industries of San Joaquin Valley, Inc. (GISJV) is a not-for-profit agency that provides job services designed to help people with employment barriers to become self-sufficient. GISJV was incorporated in the state of California in 1940, just in time to assist with scrap salvaging efforts for World War II. Many of Goodwill's early participants were veterans in need of job training and placement services. GISJV operates throughout the San Joaquin Valley, with 17 retail stores, two bulk-sale facilities and a separate not-for-profit dedicated to providing jobs for people with severe disabilities (Goodwill Service Connection).

"Prior to SAP Business One, we had no visibility into our donated inventory levels".

Steve Celaya, Director of Corporate Security and Facilities

Challenge

It's Difficult to Track What You Can't See

Goodwill Industries of San Joaquin Valley, Inc. (GISJV) was facing an enormous challenge – how to effectively manage inventory in 19 sales locations and two distribution centers, plus track 8,500 donation boxes located throughout the valley.

For many years, GISJV had relied on a loose and mostly manual system of spreadsheets, white boards, an accounting program and a point of sale system. Since none of these components were integrated with each other, staff had to go to extraordinary lengths to produce and deliver daily and weekly sales and inventory reports.

Tracking inventory at all the facilities was well beyond the capabilities of the agency's manual procedures, so nobody really knew how much inventory was onhand at any given time at the distribution centers and the stores. Without access to real-time data, staff often had to make educated guesses about inventory levels to determine what to stock. Thus, the best-selling items were often out-of-stock while poor-selling items were sitting on the shelves.

Another example of the gulf between actually seeing the data vs. making "guestimates" was the agency's inability to track boxes at Attended Donation Center trailers, which are strategically placed around the valley for donations. These containers are transported to the warehouses where the contents are sorted for retail sales, bulk sales and trash. GISJV management had no idea how many boxes were in service! They estimated a total of 5,500, only to find out later after a manual count that there were 8,500!

Solution

An Integrated Inventory, Financial and POS Solution from SAP and Softengine

After GISJV concluded that the SAP Business One ERP solution would serve as a solid foundation for its core financial and reporting requirements, management contacted SAP to get a recommendation for a trusted Partner that could help them design and implement the system. SAP contacted Softengine, a trusted SAP Gold Partner, with an outstanding reputation for SAP Business One implementations and for the development of add-on products or extensions that augment the core functionality of the SAP system.

Softengine's Chief Technical Officer, recounts the initial stages of the process that culminated in the implementation: "We traveled to their main office in Stockton and settled in for a week to learn all of their business processes and determine the right add-ons that would team up with SAP Business One to deliver a complete solution," said the CTO. "We also needed to figure out what modifications would be required to make the whole solution operate at peak efficiency. After a week onsite, we reached consensus on a system that included SAP Business One for financials, WMSm for inventory tracking, iVend Retail POS for retail operations and additional components for subsidiary functions."

GISJV management requested that the Softengine programming team complete a few modifications to SAP Business One to make it comply with the unique requirements of their nonprofit structure, and to Softengine's WMSm (Warehouse Management System mobile), to deliver enhanced inventory management functionality. One key modification was designed to facilitate tracking of all the remote donation containers.
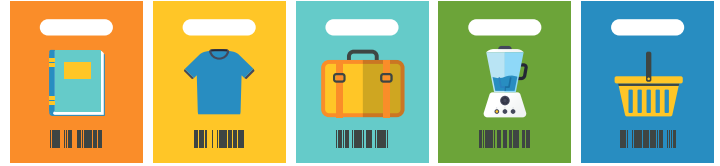
Softengine programmers customized SAP Business One and WMSm to first assign a unique ID number to each donation box, then add the specific Type after the ID number. Thus, donation boxes containing books could be tracked separately from boxes with clothing.

Results

A Fully Integrated System

Softengine completed the implementation of the system at all twenty locations and GISJV management has been impressed with the results. GISJV's Chief Operating Officer has been especially delighted with their newfound ability to use SAP Business One's robust functionality to analyze data to help create and test-market different promotional campaigns and assess their effectiveness.

"In one trial, we tried out a discount coupon to attract more customers and generate more sales and though we succeeded on both fronts, we learned that the amount of the discount was too high and we actually lost money on that promotion," said the COO. "The good news is that SAP Business One's Sales Analysis capabilities enabled us to evaluate the results of that campaign and then make adjustments for future promotions. Specifically, we can check the number of transactions, discount levels and net gain or loss per promotion and per location. We have to be very careful with how we spend our precious marketing dollars and the new system gives us the tools to optimize our investment in that area."

> "When we had the kickoff meeting with GISJV, their most pressing need was to gain access to one centralized, fully integrated system that could track the inventory down to the individual donation item."
>
> **Softengine's Chief Technical Officer**

GISJV continues to praise the Softengine team and their commitment to the success of the implementation. "I spent a lot of time with the Softengine team during the entire process and they were consummate professionals every step of the way," says GISJV's Director of Corporate Security and Facilities. "To me, they are much more than a software consulting company that happened to install our system; I consider them as good friends. Whether they were on the job at one of our store locations or at our main office, they took the time to learn all of our unique business processes and patiently explain the most technical processes to us in a way that everyone could understand. They were so respectful and passionate about our business and mission and they have gone the extra mile to help us get the most out of the new system."