

SYSTEMS SELECTION – MARKET SURVEY

REQUEST FOR INFORMATION

INTRODUCTION

Brayshay & Paterson Ltd is acting for a computer systems integration company based in Scotland to procure a replacement financial information system complete with extensive integration linkages into sales administration, stock management, purchasing and management facilities.



As part of the project's market research, we are interested to find out about systems that you might have that be suitable for this business.

BACKGROUND DETAILS

The company operates from three locations in Glasgow, Inverness and Aberdeen and has an annual turnover of around £7 million and employs approximately 40 people. The company, which is currently developing its accreditation to the ISO 9002 quality assurance standard, provides the following services:

- Personal computer products such as PCs, printers and servers
- Computer networking
- Data comms
- Messaging
- Video-conferencing
- EDI
- Internet and Intranet infrastructure

The company has developed a base of around 200 customers comprising a range of public sector, large corporate and smaller companies. A growing part of the company's business is developed by tele-sales. However, the bulk of the company's turnover is generated from large customers with carefully negotiated contracts. Within the sales department, the staff is split into groups including tele-sales, sales & project management, sales support, pre-sales consultancy and technical support.

In addition to product, turnkey and consultancy sales, the company also sells maintenance services. An increasingly important area for the company is the handling of warranty claims, both for supplied products and as a contract repair centre for major PC manufacturers. Almost everything the company sells has to be purchased specifically for each customer. This requires any new system to have strong back-to-back sales and purchase ordering facilities.

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EXISTING IT FACILITIES

The company wishes to replace its existing multi-user computer operations in an attempt to:

- Improve the level of financial information
- Improve sales margins
- Track sales from initial enquiry through quotations to receipt of cash against a sales invoice

The present computer systems comprise a mixture of different systems and operating environments. Specifically, sales leads are recorded initially on a Novell networked, Windows-based, multi-user version of ACT! Sales quotation details are recorded on a Lotus Notes database combined with an integrated Lotus spreadsheet template used to calculate margins and generate invoice details.

The main accounting system is an old fashioned, multi-user UNIX package with poor analysis and reporting features. The financial ledger comprises sales ledger, purchases ledger, nominal ledger, sales invoicing, sales order processing, purchase order processing, payroll and stock. The financial ledger includes a custom-written linkage between the sales and purchase ordering systems to facilitate back-to-back transactions. However, this link only allows a one-to-one linkage and neither supports one sales order and several purchase orders, nor alternative suppliers nor previous purchase prices.

The company maintains computerised stock records for a small quantity of maintenance and engineering spares. A new manual system for recording engineer's van spares has recently been introduced and the company wishes to convert this onto a computer-based system. A new computerised stock system must be capable of retaining details about historic cost, average cost, trade price and recommended retail prices for each customer. The stock system must also be capable of tracking the location of all loan stock issued temporarily under maintenance contracts.

The company operates a maintenance help desk for its customers. All calls are logged on a Windows-based, multi-user, help desk management package called Support Magic. This package supports DDE, OLE and ODBC interfaces. However, no linkages have been set up between Support Magic and any other system. As a result, the company has difficulty in matching help desk calls and information relating to spares stock, product warranty expiration dates, customers' IT assets registers or customer loan stock.



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With the exception of the linkage between Lotus spreadsheet and the Lotus Notes quotation database, there are no integration linkages between any of the other operational support or financial systems.

IT FACILITIES REQUIRED

The company's newly developed Corporate Plan envisages that replacement systems should be procured that will provide the following features:

- Utilise the existing LAN comprising Novell and UNIX environments delivered over a common cabling infrastructure.
- A company-wide, integrated financial ledger system comprising sales ordering, invoicing and ledger, purchase ordering and ledger, stock management, tele-sales and on-line credit checking, nominal ledger and payroll.
- Extensive linkages between the financial ledgers and other operational support systems such as Help Desk and sales enquiries systems.
- Internet enabled so that customers can have remote access to the sales order system to track progress of their orders.

The company wishes to find a replacement financial information system that will provide both the basic accounting functions and the following specific features:

- An on-line contact system capable of generating sales leads and converting them into quotations. This system to replace ACT!
- A quotations system that will process item "commodity" sales with a price for each item, itemised "bundle" sales with an overall price only, and contract sales with only text and a total price.
- A quotations system that will retain details of all previous quotations issued coupled with a search facility that will find all previous quotes for any customer, any item or any supplier.
- A quotations system that will report management information including statuses and values.
- A quotations system that will retain details of each previous purchase for each item including supplier, purchase cost, selling price and date bought.



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- A quotations system that will calculate sales margin for each item and a running sales margin for each quotation as it is built up.
- A quotations system that has in-built value limits rules so that management can approve large value quotations before they are issued to prospective customers.
- A quotations system that will provide on-line real-time credit control information and convert quotes into a sales order and order without rekeying the relevant details.
- A sales order processing system that will allow the sales support department to automatically link into the purchase ordering system to create a “many to one” series of purchase orders.
- A sales ordering system that can produce sales order confirmations.
- A purchase ordering system that will retain details of previous purchases and supplier quotations, including quantities, prices and suppliers.
- A purchase ordering system that has “one-to-many” linkages to the sales ordering system.
- A purchase ordering system that will allow buyers to change purchase order details after the purchase order has been created. In particular, the company needs to be able to change purchase orders for price, quantity, delivery dates and supplier as the buyers progress the procurement process.
- A purchase ordering system that will check that new purchase orders will not exceed agreed credit terms with suppliers.
- A purchase ordering system that can generate electronic purchase orders using fax, EDI or e-mail.
- A stock system with linkages into purchase ordering, sales ordering and purchase ledger that can support goods returns under damage or fault warranty claims. This feature to include tracking when customers’ return goods are returned to suppliers, returns note details, replacement purchase order details and credit notes received.



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- A stock system that can track the location of loan stock items using bar code or manual stock item unique identifier numbers.
- A stock system that can hold manufacturer's product numbers as well as in-house product numbers.
- A stock system or other integrated database that can be used to record each IT asset installed at each customer location together with warranty details and repairs history.
- A stock system or other integrated database that can be used to record goods return details and, in particular, return dates deadlines. Goods returned to suppliers will only be eligible for a credit note if they are returned within very tight deadlines.
- A stock system that will integrate with the Help Desk system so that the Help Desk Manager can track stock availability, loan stock location, warranty expiration dates and current spares stocks.
- A cost ledger that can be used to capture time sheet details, materials and consumables used on each Help Desk call or sales project so that the company can determine the levels of profitability generated by each maintenance contract.
- A sales ledger that will provide on-line, real-time access by a spreadsheet so that sales commissions can be calculated automatically based on invoiced sales, cash received and user defined parameters and calculation formulae.
- A sales ledger that supports strong credit control functions including reminder diaries and electronic notebook.
- A sales ledger that will support factored sales invoice processing.
- A sales ledger that will support leasing deals made with third party finance houses.

If you believe that your company has suitable software, we would be grateful if you could describe briefly the hardware, software and approximate costs for 20 to 30 concurrent users. We will regard these estimates as "ball-park" only and you will not be held to them. We will encourage our client to prepare a proper specification of requirements, a data volumes assessment and invitation to tender.



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