Achieving Accounting and Inventory Control Integration at Junior Achievement

Junior Achievement is a non-profit organization dedicated to providing education in business, economics and free enterprise to students in the U.S. and around the world. The national headquarters in Colorado Springs supports more than 150 franchises in the U.S. plus affiliates in more than 100 countries. Prior to 2000, however, the organization's separate accounting and inventory systems had become inefficient and costly.

Using eEnterprise from Microsoft Business Solutions allowed their order, shipping, billing and inventory systems to work together to reduce time and errors while increasing profit and customer satisfaction. Web ordering and EDI communication with their fulfillment house have achieved numerous efficiencies.

SITUATION

Founded in 1919 as a collection of small after-school business clubs for students, Junior Achievement became the world's largest and fastest growing non-profit organization dedicated to education in business, economics and free enterprise.

Volunteers begin teaching Junior Achievement programs at the elementary school level and continue through middle and high school. The program prepares students for economic issues they will face. Junior Achievement's mission is to ensure that every child in America has a fundamental understanding of the free enterprise system.

The national headquarters, located in Colorado Springs, Colorado, provides support for 153 franchises nationwide. An international affiliate serves more than 100 countries around the world. Junior Achievement reaches approximately 5.2 million students worldwide each year, including more than four million U.S. students.

The high cost of maintaining their custom system and Y2K concerns sent Junior Achievement searching for a new solution to its business and accounting needs. The previous system, a heavily customized, often unreliable accounting system and an internally developed inventory control system weren't integrated. This lack of integration demanded costly and time-consuming data re-entry between systems.

As a growing organization, Junior Achievement wanted a scalable system capable of managing not only accounting but also inventory control. Paperless ordering and fulfillment systems, electronic ordering and improved reporting rounded out the list of requirements for a new business solution.

An investigation of multiple solutions led Junior Achievement to Microsoft Business Solutions eEnterprise and the support of reselling partner, Skotty Consulting (Skotty has now merged into TechVisions). Impressed not only with the accounting capabilities but also the electronic ordering capabilities available with eOrder, Junior Achievement realized eEnterprise was the solution to its business challenges.

Inventory issues

Junior Achievement uses an independent printing company to fulfill its orders. Their previous process was to receive an order via telephone or fax. This order was then faxed to the printing center for fulfillment. Upon shipping, the printing center would fax back billing and shipping information.

Order information then had to be entered into Junior Achievement's accounting system and their inventory management system. Problems with this practice included potential errors as data was entered into the two systems and a considerable lag time between shipping and billing. This lag

time negatively affected cash flow as billing was delayed until confirmation of shipping was received and entered into the system.

SOLUTION

eEnterprise with eOrder applications have allowed Junior Achievement to revolutionize the order fulfillment process. They provide a means for electronic ordering, invoicing and billing. The ability to order over the Web has saved time, reduced costs and increased order accuracy.

Now orders are made directly to Junior Achievement via the Web and transmitted to the printing company via Edisoft's Electronic Data Interchange (EDI). A fast and efficient alternative to traditional paper-based communications, EDI saves time, reduces errors and eliminates paperwork.

As the order is processed and shipped from the printing center, EDI immediately sends billing and shipping information back into both the accounting and inventory control systems at Junior Achievement. This eliminates the need for data entry into two systems and decreases the chance for errors. In the past, Junior Achievement had budgeted approximately $100,000 for shipping errors and clerical billing errors. Since the implementation of eOrder, that expense has fallen to less than $10,000.

BENEFITS

Junior Achievement realized benefits in many areas, including:

- Increased efficiency from eliminating the need for extensive data re-entry not only has improved accuracy but also decreased staffing needs. Virtually paper-free, the system eliminates the need for filing.

- Faster order fulfillment is achieved as EDI provides for better communication between Junior Achievement and its printer. This improved communication allows orders to be filled and sent immediately.
- The enhanced reporting via FRx allows Junior Achievement to make decisions based on current financial reports that are readily available. Drill-down capabilities allow staff to obtain information quickly without having to search through files or compile data.
- Integrating the accounting and inventory management systems means Junior Achievement knows exactly what it has on hand. The print on demand ability limits the amount of inventory that has to be held, improving cash on hand.
- Eliminating the need to re-enter data between systems allows customer service representatives to focus on service rather than order entry. It has also decreased the chance for errors in orders, shipping and billing, resulting in increased customer satisfaction.

About techVisions, LLC

techVisions is a technology and business consulting firm with headquarters in Albuquerque, New Mexico. The firm's VISION consulting approach is designed to improve business performance through faster and more organized access to information, to reduce costs and increase profits while allowing operations to run more efficiently, and to put an organization at the leading edge of the information technology curve. techVisions powers your business vision! You can learn more at www.poweringyourvision.com or by calling 505-314-2500.