

Argos Business Solutions Case Study 2005



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Argos Retail Group (ARG) is the UK's leading general merchandise retailer. The Group is made up of Argos, Homebase and ARG Financial Services in the UK, and Wehkamp, the market leader in home shopping in Holland.

This study relates to details of the B2B division, known as Argos Business Systems (ABS), which provides services to both Argos and Homebase.

J.D. Edwards World distribution and financial modules have been used by ABS since the mid 1990s. World was chosen because of its configurability and its ease of use by non-technical staff. Its strength and flexibility in handling the sales order processing of large inventories has proved ideal for ABS. This system runs independently from the rest of the Argos group.

ABS started off with a maintenance contract with J.D. Edwards but was not calling on it as the system remained robust and stable. Any rare issues with the AS400 platform were quickly dealt with under a separate support contract.

As the result of a business review in 2004, ABS was asked to look at the Purchasing Card system. It was decided to bring this function in-house, whilst connecting to an external authorising agent.



Neil Dodson, currently Systems and e-Commerce Manager at ABS, had been involved in the original J.D. Edwards implementation as lead project manager within the distribution side. Peter Diamond, now MD of Procedo, had also been involved in part of the original implementation, making him the ideal choice to lead the team on this project. The ABS IT department is very small (as opposed to the main IT dept of Argos) so the project could not have taken place without external resource, specifically J.D. Edwards expertise.



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Neil Dodson highlights Procedo's business knowledge, attitude and flexibility as being key to the relationship:

- Business knowledge – “I need consultants who understand our business. It is very important to understand the way we work and how we are different from Argos Retail. If consultants made the mistake of thinking we are the same it would be a problem. Understand ABS first and then apply this to J.D. Edwards”.
- Proactive team – “ABS is a very small team - it is difficult to get hold of us. Procedo is proactive and like to get on with the job, and can do this without us once we've established a brief. The team has a good relationship with our AS400 developers so we enjoy all round high quality support.”
- Attitude – “Full and frank discussions are refreshing. No member of the team is prepared to say yes if it is not the right answer. There is no value in a consultant saying “I told you so” after they've done a whole lot of work. Procedo argue for the right solution for us. Any other approach would be considered frustrating.”
- Flexibility within the contract – “Procedo was put on support contract last year, and it was soon realised that the combination of support contract and project time was combining to allocate too many days. The contract was readily revised and this openness and flexibility was really appreciated.”

Modifications were made to the J.D. Edwards system to include functionality from the system operated by the third party Purchasing Card administrator and the addition of address book software. It was fundamental to the project that the business requirements drove the changes and that the core system would not be affected in any way. The Purchase card changeover was successfully completed at the end of March 2005.

During this project, and other earlier, small pieces of work for Neil Dodson, Peter Diamond and the Procedo team built up a high level of trust within ABS. When Procedo launched its Support Service, ABS was one of the first to see the benefits of this way of working and immediately signed up for the service.

An ABS-specific support contract was drawn up to focus on provision of training, archiving and covering ad hoc integrity issues. Some of the archiving has turned into additional projects but the contract time is drawn down so as to best suit ABS.

Procedo's forthcoming schedule of support includes J.D. Edwards training, particularly AP and GL, for some of the central finance department, who look after the whole of Argos Retail Group. Procedo is also detailed to programme specific reports and queries.



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Supporting the status quo is the strategy for ABS for the foreseeable future. Maintenance from J.D. Edwards remains unnecessary and there are no plans to move from World. Like many World users, ABS is very satisfied with the system.

As Dodson concludes, **“Procedo has delivered everything we have asked, sometimes in difficult circumstances. We now have the consultancy support with Procedo and good AS400 support. This way of working provides peace of mind, the ability to forecast costs and gives us the time to manage our business”.**