MIS Strategy

Our business partner, IBM, was retained to assist in the overall MIS strategy development at XXXXXXXXXX. An initial retainer of $300,000 will be paid to IBM's professional services organization to design the best and most cost-effective solution for GC3.

The strategy recommendations have been developed with efficiency, performance, and cost in mind. From an architecture standpoint, IBM has recommended that GC take advantage of a hosted solution approach, using the nationwide hosting resources of EDS. This approach would have each store process its own data daily and then transmit it to a hosted site where all the data would be consolidated into a secure data warehousing application. Once the data is received and filed in the data warehouse, any amount of ad- hoc reporting can take place. Financial data will be extracted daily and forwarded to the Great Plains software, the chosen software for GC3's Enterprise Resource Planning application. From the Great Plains software, financials can be reported on a daily, weekly, monthly, quarterly, and annual basis with budget vs. actual comparisons at the store level. Complete support for all of the needs of the Finance Department will be available through this system, including the ability to quickly interface online with each bank GC3 uses.

Purchasing and Just-in-Time (JIT) inventory management are standard features of the Microsoft Dynamics software and will be used to manage the inventory investment and also provide an audit trail of all purchases and along with the CRM software addition will monitor customer's purchasing and order characteristic

The Great Plains software will also be hosted at the same location as the data warehouse, insuring compatibility, security, and data integrity. Each store will have an integrated IMB Point-of-Sale solution with state-of-the-art hardware and software that will not only provide all the functionality needed for sales data input, but will also provide management reports and provide complete detailed timekeeping for all employees that will be incorporated into the corporate Payroll system. If a national plan for WIFI service can be negotiated at a reasonable rate, WIFI will be made available in the stores.

With a hosted solution, IBM bas recommended the use of a team of their own web developers to quickly and efficiently design and develop a complete GC3 web site and an internal GC3 Intranet for the use of the entire organization. By working closely with Marketing, the web development team will design and develop a complete web site for GC3 that will allow potential and existing customers to log on to the site and enter information so they can receive promotional offers. Promotions will be featured and tracked through the web site. Customer feedback will be solicited online and the ability to post employment opportunities and accept applications online will be required features. In addition, the internal GC3 Intranet will provide a complete menu of online training courses so the stores can easily and quickly train new employees. The goal is to minimize the effect of turnover and maximize the time it takes a new employee to get up to speed.

By taking this approach, GC3 will not have to purchase any equipment and will be able to lease the equipment for the stores for 5 years and then pay a monthly fee for the actual hosted activities. This approach will minimize the out-of-pocket expenditures and limit the amount of initial capital required for this the transition in each of the regions.

Estimated one-time costs include:

- New hardware/software installation and training $ 900,000
- Data conversions $ 250,000
- Software licenses $ 375,000

      One-time costs $1,525,000

This approach will require a minimal in-house IT staff and will allow GC3 to keep up with technological advances by swapping out the equipment every five years and renegotiating the leases for additional 5 year periods. IT operating costs will be reduced by a total of $1,504, 000 annually once the new system is in place.

If you have any questions or need assistance, please contact me.