



Carlos Fiúza, IOS Executive Manager

IOS

"Loja Avulso" controlled by Dynamics NAV

Link's project based on the Microsoft tool enabled the company to minimize the investment in its financial, administrative and information technology structure

Solution without competition

The solution chosen by LojAvulso was an ERP whose functionalities cover not only all financial and administrative operations of the company, but also the logistics and retail sale operations in a multi-store environment. According to **Luís Marques, Technical Responsible for the Project from link**, "this was the first time we were embarking on a project specifically for the retail area, since up until then the most part of **link's** ERP projects were in the Logistics and Distribution area, thus rendering this project even more appealing". "We created an infrastructure for the company's headquarters and additional four stores; however we started the project with one single store and progressively implemented new stores at a rhythm of one every month and a half/two months of work. In this project, our logic was to follow the investment and growth of the customer, through the implementation of new stores and new functionalities in the information systems solution which supports the LojAvulso business", stated **Maria José Sá, link's Consultant**. After the implementation of the first store in Sacavém, we continued 3 or 4 months after to the headquarters implementation, with a central server connected via VPN to the Sacavém store server. After the confirmation of this headquarters-store connection success, with 2 databases exchanging information on a daily basis, the project "became a lot simpler". From this point on, all we needed to do was to replicate what had already been done for the Sacavém store onto the remaining stores", the same consultant added.

"Now that the customer has a better knowledge about the application new requisites are coming up. LojAvulso now wants to create new functionalities, namely purchasing planning, because although Dynamics NAV has automation mechanisms for suggestion of product purchases, they are not enough for the needs of the LojAvulso stores", mentioned **link's Consultant, Paula Nóbrega**. "The ERP has parameters such as order point and safety stock which are entered by the user and then, based on the current needs, suggests the purchase. This calculation was improved when

The decision to open a chain of stores in Portugal under a new low cost concept, namely through the sale of retail and random products, triggered the need for the company IOS, whose insignia is **LojAvulso**, to acquire an information system solution to answer all the specific needs of its business. After an intensive search in the Portuguese market looking for a tool of this nature, **the company's Managing Director, Carlos Fiúza**, decided to follow a friend's advice and attended an event dealing with management applications in an area different from his own (Logistics and Heavy and Manufacturing Equipment Processing), sponsored by **link** and Microsoft.

"We were looking for a partner who could provide us with an application that complied with the rather untraditional needs of our activity, namely to cut off red tape as much as possible in administrative terms in order to reduce our structural needs and one that was easy to use from the user standpoint", the Managing Director said. "We were looking for an optimized solution from which, in the same platform, it was possible to manage the company from one single point, since one of the conditions set right from the start was the non existence of physical boundaries, such as the concept of office and administrative service", he added.

After several meetings and viewing of the working solution, the responsible people from LojAvulso compared the application with other market options and ended up choosing Microsoft Dynamics NAV, entrusting **link** with the solution implementation.

we are talking about the sale of retail and random products. Within this scenario, the product sales history should be analyzed so that we can forecast the amount to buy. In LojAvulso, the purchase suggestion must take into account the amounts sold and the period in which they occur; only thus can LojAvulso avoid both ruptures and excess stock”, Paula Nóbrega continued. “This will be the next step, to decentralize the purchasing process, enabling each store to know what and when to buy.”

Other of the complex aspects of the project is the database component, since this project, because of its several sale points, is based on geographically distributed database logic. Each store has a server running its own database which replicates information on a daily basis to and from the company’s central server. Dynamics NAV “was designed to work as a single database and **link** made improvements to it allowing the inclusion of the master data in a central database and, from there, the distribution of changes to the stores databases, thus enabling record of changes, such as different prices and products, from a single point”, said Paula Nóbrega. At the end of the day, the stores “upload all sales information onto the central system, thus providing total control to the administrator”, the responsible consultant continued.

Enticing project

According to the opinion of **Joaquim Carvalho, link’s Consultant**, the solution architecture, namely the existence of a central server controlling all logistics, administrative and financial operations and one server by store controlling all sales operations “was one of the major challenges of the LojAvulso project”. However, he continued, “to start an operation of such nature, participating in the connection of new work processes, since the company had been created from scratch, was also quite enticing and highly rewarding”, he added.

Under the perspective of its operational activity, LojAvulso wants to keep profiting from the business potential and the information systems solutions in the front store area, by using, for example, the different types of sales promotions and direct price promotion in the different stores. As a short term perspective, “we also intend to create a customer card”, revealed the LojAvulso Managing Director.

One of the project’s greatest challenges was the fact it was adjudicated in a month with a go live goal of three weeks afterwards. The project “was adjudicated in July and the first store had to go live in mid August, so that was a true lightning speed project”, Luís Marques stated. The implementa-

tion started with the Sacavém store in August, with a second store following in December, by the time the central warehouse infrastructure was completed. “From August until year end we installed the whole structure”, he emphasized.

“At the time of the adjudication I thought this was going to have a high cost, but we took into account we were investing in something that was lasting and could, with a simple upgrade, support the company’s growth”, Carlos Fiúza said. “We didn’t want to be dependent from the application itself to grow, with just the need to acquire new hardware, so therefore the solution would have to be quite scalable”, the company’s number one responsible added.

“The tool has been working in a very satisfactory manner, especially in the part that is dearest to LojAvulso, that is, no need to increase costs and resources in terms of finance and treasury, among others, which helped a lot in the project’s evolution”, the Managing Director continued. Through **link**, LojAvulso “also does not require an information systems area, since the operation of the application is guaranteed through a service provider that quite often is even able to support us remotely”.

“The application significantly reduces our response time for the values we were seeking and has the ability to run the store, while simultaneously supplying a lot of detail, which helps with decision making, and is quite versatile in the usage op-

tic, making it easy to extract data”, emphasized Carlos Fiúza. Other aspects to consider “are the ease with which the user accesses the tool, since its customization makes it very easy, and the security it brings to the business at the different intervenient level”, he added. According to the executive, one of the great advantages “is to have access to all online data and being able to know at any given time and from any place, how is the business doing at the different levels”.

According to the opinion of **Paulo Nunes, link’s Project Manager**, “we achieved the objective to provide the customer with a technologically advanced and reliable solution which reduced the weight of the organization’s structure and allowed it to spread the operation onto new stores without creating any disruption in the instituted work and business processes”.

link’s follow up “has been quite good, and all our demands are being met”, the LojAvulso Managing Director added. “We have always had good answers and a good relationship with the company and all pseudo-impossible things we have found have been surpassed with the application’s modelling”, he concluded. <

“We have always had good answers and a good relationship with link and all pseudo-impossible things we have found have been surpassed with the application’s modelling”, said Carlos Fiúza, LojAvulso Managing Director.



link consulting team