Jordan's Furniture

Furnishing the Back Office with Innovation and Flexibility

- Unit4 Financials (formerly Coda) cloud deployment solution provides retail market leader with a new finance system that sets foundation for growth.

- Selected due to flexibility, ease of integration and deep retail accounting capabilities.

The situation

In the highly competitive retail furniture industry, regional market leader Jordan's Furniture is synonymous with quality furniture at extremely attractive prices. Beyond its day-to- day "underpricing," this wholly-owned subsidiary of Berkshire Hathaway fulfils a dynamic vision: to make each of its five, high-volume locations in three U.S. states not "just a store, but an experience." This mantra for innovation is reflected in Jordan's inspiring, themed room vignettes to store-within- store concepts. Partnerships with regional companies located within Jordan's stores include appliances, home electronics and family entertainment, such as trapeze schools, restaurants and IMAX theatres. The company has a longstanding philanthropic tradition with community leadership in foster care adoption and clothing drive programs.

According to Steve Wholley, Vice President of Finance, Jordan's Furniture, "Our market differentiator is that Jordan's Furniture is all about our customers' entire experience – from the moment they walk in our doors with their families, through the purchase, when the furniture is delivered in their homes, and as they use it through the years. We want our customers happy throughout the life of our products."

Keeping track of all the different elements of Jordan's Furniture – extensive lines of furniture and accessories, products and relationships with allied furniture and community partners, the nurturing of existing, new and prospective customers and the sponsorship of various charity programs – in an uncertain, changing economy requires a skilled team and great technology.

The need

Delivering customer value in a fast-changing buying environment and dynamic economy.

From the dot.com boom and bust, to the depths of the Great Recession and the rebuilding years since, the economy has been a major change driver for Jordan's Furniture.

Economic conditions have required Jordan's to:
- Aggressively monitor changing customer buying habits and needs, to ensure the right mix of products during both flush and lean years;
- Ensure price points reflect a wide range of purchasing power, so that consumers can find products that fit their pocketbooks and provide a sense of real value;
- Track true costs of various lines of business at a very granular level so executives can know which lines are successful, as well as those that are not;
- Examine profitability across departments, stores and staff and more, so that changes can be made as needed.

The data to meet these requirements resided in Jordan's Furniture's existing IT systems. For years, Jordan's Furniture ran on a GERS ERP system that survived a number of acquisitions. According to Wholley, GERS worked well in those early years, especially in terms of order entry and inventory management. To realize the full value of that initial investment, Jordan's Furniture continued its use of GERS for as long as possible, even as the company began to outgrow it.

Gradually, Jordan's Furniture began to transition to individual, industry-leading solutions that better delivered the functionality it needed. While the front-office areas such as merchandising, call center and point of sale were transitioning, the IT staff helped the financial department with temporary solutions and workarounds that allowed Jordan's to generate reports and track data in spite of its system's shortcomings. Staff members were assigned to review, cut, paste and rekey data into Excel for reports managers could use: 6 daily reports, 12 weekly reports and as many as 12 different monthly reports.

"Our IT department excelled at providing software apps that helped us with financial reporting while the company grew. But in the last few years, we had to implement labor-intensive processes to get the data we needed," said Wholley.

"Changing economic times dictated that the moment had come to modernize our retail accounting software so that our reports could be as accurate as possible, and help ground our future business decision-making," said Wholley.

Jordan's identified the following key requirements:
- Integrate with existing operational systems;
- Offer easy, ready access to data across the company;
- Provide the ability to pull in external files from third parties;
- Ensure agility to adapt to market opportunities and changing economic conditions;
- Present transparent, exception-based reporting for management.

"We also wanted to evaluate on-premise vs. cloud computing scenarios," said Wholley. "We liked that the cloud could provide another layer of protection on top of the redundant systems and backup strategies we already had in place." After an initial vetting of six vendors, Jordan's Furniture invited just two in for review: Unit4 Business Software and another well-known vendor.

The solution
Unit4 Financials delivered via the cloud.

Solution demonstrations helped Jordan's Furniture understand the full potential of a modern financial management solution. Cost analyses and customer references re-enforced Jordan's selection of Unit4 Financials, deployed via the cloud.
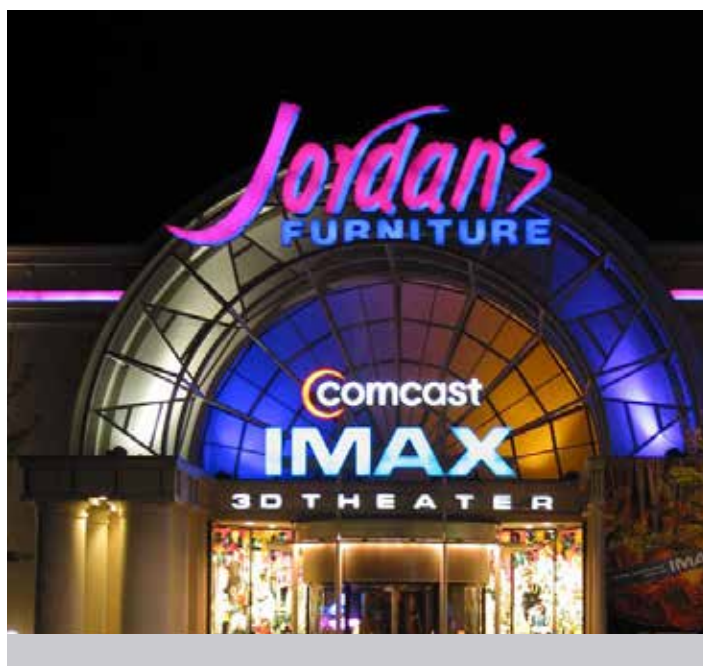
According to Wholley, these four factors gave Unit4 Financials the edge:

- **Flexibility:** The functionality of the both systems was very close, but Unit4 Financials excelled in terms of its flexibility.

- **Price:** Jordan's realized it could have the robust functionality and agility that Unit4 Financials provided at a very attractive price through the cloud – ultimately a better value than what it could achieve on-premise.

- **Ease of staying current:** With the Unit4 Financials cloud option, Jordan's could ensure its software could remain current without having to devote IT and financial department resources to keep up, install patches or do manual workarounds.

- **Strong Partnership:** Wholley said, "By dealing directly with Unit4 Business Software, we know we won't be passed off to a reseller, and if for some reason we need consultants on site, they could be here on a moment's notice."

The benefits
Leveraging deep accounting functionality for better reporting and peace of mind.

Since implementing Unit4 Financials, deployed via the cloud, Jordan's Furniture has seen immediate benefit. "The market continues to change, but we are better

able to monitor and track the data we need for everything from inventory to profitability," said Wholley. "Reports are generated the way our business managers and executives, as well as our parent company, need them, saving them from sifting through generic, one-size-fits-all reports. This saves them time and allows them ready access to data for decision-making."

The improvements in accounts payable and accounts receivable have been significant. Business department staff members no longer have to rekey data to build their multiple reports each month. Data entered once immediately populates all pertinent records in the system; staff members can drill down to the lowest level needed without having to go into multiple systems to get the data. What used to take two to three staffers a week to do each month is now handled by one staffer in just a few hours, allowing Wholley the option to focus those resources on matters of greater significance and/or choose not to replace positions that were vacated naturally. Ad hoc reports are now a reality, to help plan business changes to meet evolving customer buying habits, market concerns or other issues.

"With Unit4 Financials, we've essentially gone from three to four steps down to one step. We can obtain aggregate information when and how we need it, which makes it easier to identify trends and seize business opportunities," said Wholley.

UNIT4

UNIT4

Wholley summarized the key business benefits as follows:

- Deep accounting functionality without the time and cost burdens of software upgrades;

- Adaptability for current and future market and economic changes;

- Flexibility and granularity in real-time reporting;

- Easy interoperability with existing operational systems and custom applications;

- Peace of mind with fewer keying errors and human intervention, as well as redundant back-up and storage of key data.

"The flexibility of Unit4 Financials is great. It lets you do what you want. For example, we can easily go from summary to detailed book to actual invoice and its description and quickly check if we have classified everything correctly or if changes need to be made," said Wholley.

He added, "We can make changes on the fly. With a click of a button we can draw data down and sort it, highlight different fields, and then integrate it easily with other software to upload journal entries and the like. Financial transactions with third parties such as Visa and MasterCard are now available in real time, versus previous delays of four to five days.

"With Unit4 Financials, we know our cash position at every moment. This is critical to manage our business. We can also look beyond what we are doing today to what we can be doing in the future. Unit4 Financials adds a strategic, innovative element that was not previously present. We are confident that powerful, flexible and robust Unit4 Financials will help us manage any changes we will be faced with in the coming years," concluded Wholley.

About Unit4

Unit4 is a leading provider of enterprise applications empowering people in service organizations. With annual revenue north of 500M Euro and more than 4000 employees world-wide, Unit4 delivers ERP, industry-focused and best-in-class applications. Thousands of organizations from sectors including professional services, education, public services, not-for-profit, real estate, wholesale, and financial services benefit from Unit4 solutions. Unit4 is in business for people.

In business for people.