Allocation Upgrade:
Improving a Solution Investment

Softline and hardline specialty retailers rely on JDA Allocation as their core solution to identify the ideal product mix to deliver merchandise as efficiently as possible to ensure customer satisfaction across all channels. The time-tested JDA Allocation tool helps retailers tailor the distribution process to the individual needs of each store and channel. A well-tuned allocation tool results in a more strategic view of inventory across the supply chain resulting in increased sales due to the product being at the right store with the correct timing.

A specialty apparel retailer was running JDA Allocation 8.0. and was looking to upgrade to the most current version 2016.1.0.1. RPE originally implemented JDA MMS and JDA Allocation 8.0 and continued to serve as the first point of contact for all allocation-related support and consulting. As the Allocation upgrade would interface with other solutions, it was critical that the upgrade team be familiar with the entire supply chain process.

"The retailer had recently attended the JDA Software user conference and witnessed the new functionality available in the latest JDA Allocation release. They quickly realized what they were missing and the ROI an upgrade would provide," said Rob Henneke, President and CEO, RPE.

OBJECTIVE

Provide stability and new functionality to ensure the JDA Allocation software is kept current with operating system, database and application releases.

SOLUTION

- JDA Allocation Upgrade 2016.1.0.1.

SERVICES

- System and Database Administration
- Technical and Functional Support
- Customized Training

RESULTS/BENEFITS

- Maintain an appropriate software upgrade path to remedy software bugs that are no longer issues in the new version
- Ensure the JDA Allocation software is kept up to date with the latest improvements in the application
- Provide stability and new functionality to ensure the JDA Allocation software is kept current with operating system, database and application releases
- Training of allocation staff to take advantage of new out-of-the-box key features and provide refresher classes on core functionality

New features of the Allocation update:
- User enhancements to better facilitate the allocation role
- Administrative enhancements to improve management of system and processes
- Auto allocation enhancements for scalability and performance

The primary benefits to an upgrade:
- Maintain an appropriate software upgrade path to remedy software bugs that are no longer issues in the new version
- Ensure the JDA Allocation software is kept up to date with the latest improvements in the application
- Provide stability and new functionality to ensure JDA Allocation software is kept current with operating system, database and application releases
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Conducting a Health Check Review

With any upgrade request, RPE conducts a thorough Health Check. The purpose of the Health Check is to review the existing configuration of JDA Allocation to:
- Identify any concerns with existing configuration
- Determine any constraints or impacts based on subsequent changes after the original installation
- Identify potential enhancements or revisions for the upgrade
- Identify formalized training needs for users and systems administrators

RPE's allocation technical and functional team conducts interviews with key players at all levels in the allocation process. This includes the CIO, Vice President of Planning and Allocation, System Analysts and DC Representatives. Throughout the process, RPE staff is on site and backed by a remote access team.

Since there is often staff turnover in any IT department, a main priority during the interviews revolve around identifying where training is needed for users and systems administration. The interviews also help to identify ways to improve processes to optimize functionality.

Benefits of a Health Check:
- Identifies retailer's "wish list"
- Sets mutual expectations
- Establishes a more efficient upgrade path
- Creates basis for a realistic timeline
- Identifies areas of training
- Helps to improve processes

Bringing Efficiency to the Allocation Process

During the Health Check, it was identified that this retailer's allocation process had migrated away from being automated and moved into a manual process. A review of current business processes showed that the allocation team was not using the existing setup to its fullest extent. This made the allocation process very time consuming and left room for user input error.

"The manual allocation process can take 5 to 10 minutes. By using the automated processes, it is reduced to seconds since the system is doing the work for you," said Mark Stanford, Executive Vice president Consulting Services, RPE. "Auto Allocation is the lifesaver of the allocation system."

> " **RPE conducted the Health Check in May and went live in August. The upgrade quickly provided enhancements to create more accurate allocations to improve inventory optimization, enhance omnichannel demand and increase customer satisfaction.** "
>
> *Rob Henneke,*
> *President and CEO, RPE*

An upgrade helps to clean up the allocation selection process to become more standardized and efficient so there is no more guessing on where to go within the system, giving flexibility and more information at the user's fingertips.

"With varying levels of understanding, comprehensive training is often a necessity to bring consistency and efficiency to the process," added Stanford.

For example, a retailer may have a substantial number of need variables that are best in class, however, the team is only using a handful they are comfortable with based on experience with the tool. This creates extra work as they spend a disproportionate amount of time adjusting allocations. Once the users are fully trained, they have more trust with the input and output of the allocation they are performing, creating efficiency to the process.

Customized Training

Based on findings of the Health Check and interviews, a customized baseline and enhancement training program for the allocators is developed. Throughout the upgrade, needed functionality training is identified and incorporated.

Baseline training includes the basics required before moving on to the next level of enhancement training. The customized baseline training is instrumental in preparing the team for the upgrade by focusing on core methodology and system processes within the application. Users receive hands-on training to help automate many of the manual processes during the allocation.

Once the upgrade is performed, the users can deploy new enhancements that better facilitated the allocation role. They are given navigational training and guided help on various aspects of the administrative and allocation enhancements to better facilitate the management of the system and processes. This creates more efficiencies within the allocation and allocation administration role.

Long Term Success Plan

During an allocation upgrade, RPE consultants listen to the client's needs and implement the upgrade based on the agreed requirements. In today's retail, disruption is inevitable. Leadership and staffing changes occur, technology continues to advance and customer expectations are all changing at what seems like lightning speed.

"After any implementation or upgrade, RPE provides a long-term success plan with a list of items for the next phase identifying the top 10 priorities," said Henneke. "This helps in future budgeting and long-range planning."

During the Health Check and upgrade, reoccurring themes tend to consistently appear. Some of the top priorities recommended in the long-term plan for the specialty retailer previously mentioned included:
- Assessing the users once they worked with the upgraded JDA Allocation program
- Reviewing the Auto Allocation process to ensure users are utilizing and able to do so easily
- Providing more advanced level training as needed
- Providing cross-functional teams with a high-level understand of core allocation concepts
- Creating a decision tree for communicating issues to key point of contacts for all allocation-related issues
- Automating communication to the DC

Achieving Results

The JDA Allocation upgrade provided this growing specialty retailer with the much-needed functionality to enable them to make better business decisions about allocating merchandise in an assortment-driven and omnichannel environment.

"RPE conducted the Health Check in May and went live in August. The upgrade quickly provided enhancements to create more accurate allocations to improve inventory optimization, enhance omnichannel demand and increase customer satisfaction," said Henneke.

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About

Since 1999, RPE has been specializing in strategic, functional and technical consulting to deliver innovative retail merchandising and supply chain solutions including business process improvement, package selection, strategic IT planning and systems implementation. Areas of expertise include most leading software and hardware solutions delivered by a dedicated and highly skilled team of experts. RPE also provides hosting, system management and backup and recovery services.