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# *Information Services & Technology Rapid Assessment*

*A service offered by Clicks & Mortar Consulting*

*The need to control costs & continuously improve information systems investments has never been more imperative*

- ❖ *Your company operates in a highly competitive marketplace. The need to control and reduce operating costs has never been greater. Understanding current performance and identifying opportunities for further efficiency in information systems is a high priority*
- ❖ *Key issues that may be pressuring efficiency and effectiveness with IT costs include:*
  - ❖ *Are we focused on the right systems?*
  - ❖ *Are the systems going to meet the needs of my company?*
  - ❖ *Is IT organized the best way to support my company?*
  - ❖ *Why are my IT labor costs increasing?*
  - ❖ *Are we using the correct technology that is most cost effective?*
- ❖ *Clicks & Mortar offers its Information Services & Technology Rapid Assessment service to enable its clients to quickly benchmark current performance and identify opportunities for rapid improvements, paving the way for a step reduction in operating costs.*

- ❖ Utilizing our industry expertise Clicks & Mortar will identify, through a short on site evaluation, the performance benchmarks and the immediate opportunities for improvement in information services
- ❖ We aim to help you answer key questions such as:

*Our industry experts rapidly assess the opportunities for focused improvement delivered quickly*

- *How does our performance compare with industry standard benchmarks of key statistical measures?*
- *How effective are we at meeting customer needs?*
- *What are the short term cost savings opportunities in information technology?*
- *How can we achieve a step improvement in information services delivery*
- *Are we utilizing the best information technology strategy?*
- *What are the opportunities to utilize technology more effectively?*

### *Our track record of rapid delivery of improvement*

- ❖ **Large mid-west retailer** - We benchmarked IT spending with industry standards, and we also developed required custom standards and evaluated these with target companies. In 7 weeks we identified excess IT labor spending levels for this company of over \$3 million
- ❖ **Eastern specialty retailer** - We performed a strategic system functionality/cost of service assessment within 5 weeks. We identified opportunities to re-orient IT spending priorities within a \$5 million spending budget
- ❖ **Multi-billion national retailer** - We assessed the usefulness of the merchandising systems portfolio in 4 weeks. We developed a plan for systems improvements and/or replacements, leading to (1) increased end-user satisfaction, and (2) a move towards standard non-customized software

## Approach & Deliverables

*We quickly assess the situation, define the opportunities and deliver a plan*

*Rapid Timeline*

### Discovery

- ❖ Understand current IT systems operation
- ❖ Review existing IT processes
- ❖ Evaluate IT systems utilization
- ❖ Examine current & proposed technology support
- ❖ Obtain current IT performance metrics

### Assessment

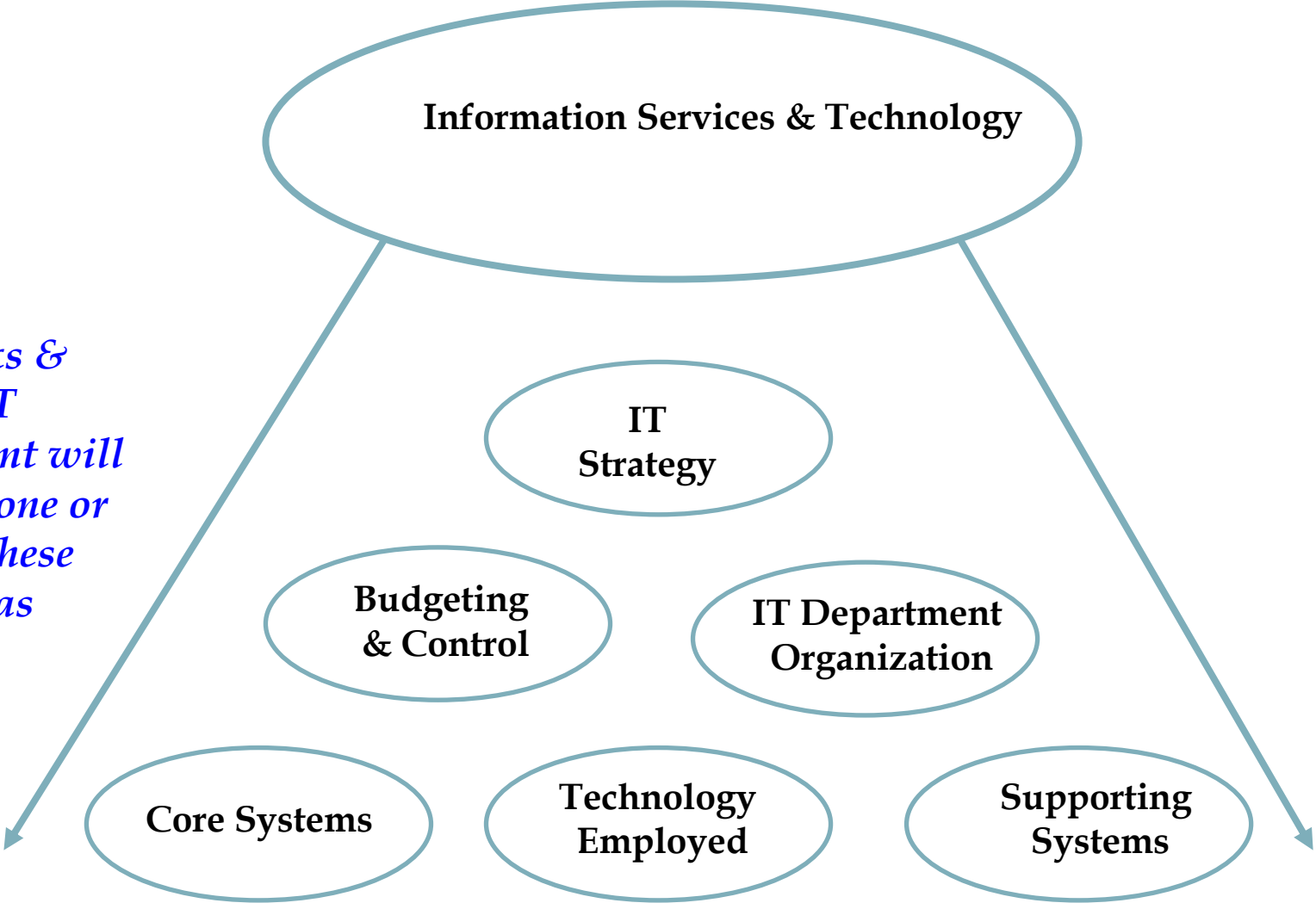
- ❖ Consolidate findings from discovery phase
- ❖ Validate current state by benchmarking
- ❖ Analyze strengths & weaknesses
- ❖ Develop improvement strategy

### Recommendation

- ❖ Present opportunities from key benchmark analysis
- ❖ Highlight quick wins for rapid payback
- ❖ Prioritize mid term opportunities
- ❖ Recommend longer term investments in efficiency

# Information Services & Technology Approach

*The Clicks & Mortar IT assessment will focus on one or more of these topic areas*



*Benchmarking on a broad range of performance indicators used to guide the search for improvement opportunity*

- ❖ An important part of the rapid assessment process is the capture of many key performance indicators
- ❖ Functional areas that can be covered include:
  - *Customer Service*
  - *Operational Control*
  - *Financial Management*
  - *Capacity Utilization*
  - *Systems Efficiency*
- ❖ Using these measures we will benchmark current performance to help determine the major areas of potential performance improvement
- ❖ Our report will contain detailed benchmark comparisons with comparable retailer IT departments in our performance survey.

*Plan of Action will identify short, intermediate and long-term opportunities for improvements*

- ❖ Our Plan of Action report will present our recommended course of action for IT improvements
- ❖ System efficiency improvements
  - ❖ Technology plan
  - ❖ Capacity plan and administration
  - ❖ Desktop strategy recommendations
- ❖ Information system effectiveness improvements
  - ❖ Business unit needs not met
  - ❖ Application portfolio recommendations
- ❖ The Plan of Action will present a phased approach to IT reduced spending and service improvements

*Low cost,  
high value &  
fast delivery*

- ❖ Clicks & Mortar will deploy industry experts: Bob Danielson, Dennis Blankenship and Gary Stephenson on site. A fixed fee and rapid project timeline will be determined in conjunction with the client, based on the agreed upon scope, depth and breadth of the assessment.
- ❖ We will require time input from your key executives in company management including IT, merchandising, distribution, store operations and financial control. We will prepare a pre-visit survey which helps to shortcut the discovery and evaluation timeframe.
- ❖ A report will be prepared off site and delivered to you within two weeks of the completion of the on site activity. This will highlight the quick wins, prioritize medium term opportunities & recommend longer term investments in efficiency.

## Resource profiles

### *Bob Danielson*

Bob is a senior information technology and business management executive who has developed and implemented profitable, effective, integrated information strategies as the Chief Information Officer of several multi-billion-dollar national and international companies. As a corporate IT leader for over twenty-five years, Bob has focused on the big-picture aspects of information management, and its overall impact on business performance: assessing the effectiveness of IT investments, significantly increasing operational productivity and accuracy, dramatically improving sales revenue, in-stock percentage and inventory turns, and improving business practices to support increased business financial performance.

He is an expert in leading best of breed development, installation and system management efforts to solve urgent business issues. His expertise encompasses the complete range of retail operations and the information systems that support them. He has led successful, large-scale implementations of Enterprise Resource Planning (ERP) and Collaborative Planning Forecasting and Replenishment (CPFR) applications, and systems to support multi-channel retailing, brick & mortar store operations, inventory replenishment, merchandising, catalog, call center and delivery operations, production planning, international ventures, and consolidation of IT operations resulting from retail mergers and acquisitions.

Bob has been a Principal with Kurt Salmon Associates and Chief Information Officer for several retailers including Kay-Bee Toys and Office Max. Bob holds a BS and MBA from Bryant University, and he is a Certified Public Accountant.

### *Dennis Blankenship*

Dennis specializes in the application of technology solutions for the retail and wholesale distribution industries. He has over 25 years of experience in the areas of merchandising, inventory management, distribution, accounting, and store systems for domestic and international clients. A results-oriented professional with extensive experience in demand side supply chain management transactions and an outstanding record of sound business judgment. Dennis has conducted numerous I/T assessment & strategic planning projects for retailers in apparel, footwear, automotive, grocery, home improvement, home furnishings, retail drug, catalog showroom, mass merchandising. Dennis has conducted numerous software package and technology selection projects for specialty retailers. He maintains extensive knowledge of functional requirements and retail technology vendors and has conducted many Implementation projects including data warehousing, merchandising, distribution, and store applications.

Dennis understands successfully implementing technology requires an in-depth knowledge of retail business practices, corporate culture and change management.

Dennis' clients have included Jusco, Steve Madden, David's Bridal, J Crew, Cole-Haan, After Hours Formalwear, Lane Bryant, Federated Department Stores, Hannaford, Southeast Frozen Foods, HE Butts, Publix, Associated Wholesale Grocery, Advance Auto Parts, CSK Auto, Western Auto, MAC Tools

Dennis has a B.S. in Computer Science from Purdue University. Recent training and certification includes HTML, XML, JAVA, TERADATA, JDA PMM, JDA POS, Microsoft Dynamics NAV.

## Resource profiles

### Gary Stephenson

Gary specializes in productivity enhancements/transformation including 3PL alternatives in the Supply Chain for sourcing, procurement, manufacturing, distribution, transportation, store operations and information technology. His experience has been at the executive level in industry (Auchan Hypermarkets, Cub Foods, World Wide Chain Store Systems) and leading consulting organizations (Kurt Salmon Associates, KPMG, Arthur Andersen). Gary has over 30 years of global retail experience, in Asia/Pacific, European Union, North, Central and South America.

As Vice President, Professional Services for World Wide Chain Store Systems, he developed \$5 million of annual revenue. At Auchan Hypermarket (USA) he developed a successful IT function from scratch. For numerous clients he has actively managed and participated in Supply Chain productivity enhancement engagements resulting in multi-million dollars of ongoing savings.

Gary's clients have included Kroger, Food Lion, Schnuck Markets, Canadian Tire Corporation, Save-A-Lot, Liquor Control Board of Ontario, Save Mart, Claire's Boutiques, Clark Shoes, Wild Oats, Lane Bryant, Aeon (Japan) Federated Department Stores, Myer (Australia) Wild Oats, Pathmark, Advance Auto Parts, Esse Lunge (Italy) Petro Canada, Meijer, Safeway, The Arthur Wells Group (3 PL Services).

Gary's is skilled at developing effective teamwork between diverse client and consulting personnel to deliver sustainable Supply Chain improvements. His experience 'on the other side of the table' provides a unique perspective to understand and effectively meet the challenges of change on an organization.

❖ *The Clicks & Mortar Advantage*

❖ *Representative Clients*

# Our Value Proposition

## Experience

- ❖ Our depth of experience enables us to identify opportunities and provide practical solutions and benefits quickly
- ❖ Everyone on our team is a seasoned professional with hands on senior executive experience

## Knowledge

- ❖ We use our broad knowledge base of industry best practice to achieve superior performance
- ❖ This strength enables us to determine what will work and why.

## Collaboration and Teamwork

- ❖ We work closely with the client's executive and operational management to transfer knowledge
- ❖ We communicate clearly and candidly during the on-site assessment

## Approach

- ❖ We use clear, precise and logical steps throughout all of the phases of the project
- ❖ We highlight the quick wins, prioritize medium term opportunities & recommend longer term investments in efficiency

# Clicks & Mortar Representative Clients

## Consumer Electronics

- Best Buy
- CompUSA
- GT-Video
- Victor Technologies

## Specialty Retail - Hardlines

- Claire's
- OfficeMax
- Barnes and Noble
- General Nutrition Centers
- W.H. Smith
- Crown Books
- Cole National

## Specialty Retail - Softlines

- Cole-Haan
- Dress Barn
- J. Crew
- Lane Bryant
- After Hours Formalwear
- Wet Seal
- Urban Brands
- Gymboree
- Petrie Stores
- Distant Replays
- Factory Connection
- David's Bridal
- Steve Madden

## Drug

- Eckerd
- Thrift Drug
- Thrifty Drugs
- Standard Drug
- Duane Reade

## Supermarket

- Hannaford
- Winn-Dixie
- Publix
- Von's
- Kings Supermarkets
- Kash 'N Carry Food Stores
- HE Butts
- Ralph's

## Automotive

- Advance Auto parts
- Western Auto
- MAC Tools
- CSK Auto

## Home Improvement

- Pier 1 Imports
- Home Depot
- CCA Global Partners

## General Merchandise

- Alexander's
- Federated Department Stores
- Family Dollar
- Liberty House
- Richway
- Aeon Jusco (Japan)
- Zeller's
- Cabela's
- Luria & Sons
- Blain Supply
- Rich's Discount Stores

## Factory Outlet

- Phillips - Van Heusen
- London Fog
- William Carter

## Wholesale Distribution

- Fleming Foods
- Southeast Frozen Foods
- Associated Wholesale Grocery
- Arthur Wells Group