Case Study

James Chambers Ltd improves operational efficiencies with Encore ERP software for timber merchants

Summary

Originally established in 1905, James Chambers Timber Merchants Ltd is a successful, family owned supplier of wood and timber materials for the building industry. Having previously relied on manual processes to manage the business, the company's owners identified a need for software designed specifically for merchant businesses, which would enable them to manage every aspect of day to day operations.

Encore – a fully integrated Enterprise Resource Planning (ERP) system for timber merchants – is now central to efficient stock control and the company's ability to fulfill customer orders quickly and professionally. Most recently, Encore was used to organise stock locations in James Chambers' new warehouse, a major project that required completion within a tight two week timeframe.

Company Background

James Chambers Ltd is comprised of four companies which between them employ 110 people. With trade counters located in Halifax and Huddersfield, the company processes up to 100 customer orders per day. They also operate sawmills which are used to turn raw materials into finished goods and cut products, kits and packs to order. The company manages an inventory of more than 3,000 products including 200 separate product lines.

The Need for an All-Round System

Having identified that manual administrative processes were highly time consuming and a costly drain on resources, James Chambers' management team began researching software systems designed to meet the specific needs of timber merchants. The end-goal was to find a system which would reduce the complexities of planning and managing sawmill production and enable personnel to manage every other area of operations.

The team very quickly realised that using separate systems and spreadsheets to manage different areas of the business would potentially create more problems than it would solve by making it difficult for people to share accurate, up to date information about products, materials stock levels, sales and customers.

Having recognized the need for a single system capable of enabling them to manage every aspect of business operations, the team shortlisted a number of applications and following in-depth testing, selected Encore from Anagram Systems.

The Solution – Encore from Anagram Systems

Encore is a comprehensive business management system designed for timber merchants. The system incorporates in-depth stock control, trade counter point of sale, purchasing, production planning and Customer Relationship Management (CRM) with full financial management functionality.

Anagram itself is a leading business management software developer with more than 35 years' experience of providing systems for companies in a range of industry sectors, including timber, plumbing and builders' merchants.

With all information centralised within a single system, Encore is designed to eliminate the problems associated with synchronising changes between multiple, disparate software applications and spreadsheets.

> "Having looked at a number of systems, we were unable to find any other package which provided the functionality we needed at a similar price-point to Encore."
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> **James Moore**
> **Purchasing Manager**
> **James Chambers Timber Ltd.**

James Moore, Purchasing Manager at James Chambers comments: "Prior to using Encore, all administrative processes were managed manually. This was very time consuming and also prone to error. We needed a comprehensive, simple to use system which included the front and back office functionality required to run the business as a whole. Encore ticked all the boxes as far as we were concerned and we have relied on the system ever since."

"Price was another consideration. Having looked at a number of systems, we were unable to find any other package which provided the functionality we needed at a similar price-point to Encore.

Following consultation and project planning with the team at Anagram Systems, Encore was rolled out to everyone at James Chambers. The roll-out included user training but the need for this turned out to be minimal.

James Moore explains: "Even new users can find their way around the system very quickly. We've trained new starters to use Encore confidently in a matter of days."

Efficient Production Planning, Costing & Purchasing

Encore's production planning functionality is key to helping James Chambers manage this complex area of operations, enabling them to carefully control every stage of a job and calculate the costs involved in each project.

James Moore says: "I need visibility of the raw materials and finished products we have in stock in order to fulfil orders on time. I also need to be able to identify shortages long before they have the potential to disrupt operations. This information is key to efficient purchasing and planning."

"Production planning is straightforward as Encore includes timber cutting management functionality which enables us to calculate the quantities and types of raw materials we need to complete each job. Works orders are key, helping us control every stage of production, from the delivery of raw materials through to the completed manufacture of

finished products."

Using Encore the team at James Chambers can calculate and analyse job costs and this is essential in terms of ensuring each job is profitable. The system also helps the team minimise waste and identify areas in the overall production process which could be improved. James Chambers' Financial Management team also have access to this information and this enables them to work closely with their colleagues in production in order to increase operational efficiencies.

> "Encore's point of sale screens are quick and easy to navigate, making it easy for users to find information, manage sales, returns and also record details of special orders."

Centralised Trade Counter & Warehouse Management

James Chambers have particularly benefitted from Encore's Trade Counter management functionality which provides staff with everything they need to process the high volume of sales enquiries and transactions they have to manage on a daily basis.

Encore includes powerful search functionality designed to help users find product information, including descriptions, images and view stock availability numbers in an instant. This is key to providing customers with information at point of sale and also responding to email and telephone enquiries quickly and efficiently.

James Moore comments: "We pride ourselves on the high level of customer service we provide and Encore is integral to the performance of our trade counter personnel. Encore's point of sale screens are quick and easy to navigate, making it easy for users to find information, manage sales and returns, and also record details of special orders."

James Chambers' teams can process account, cash and card sales and then produce receipts and dispatch notes which are automatically shared with warehouse personnel for picking, packing and delivery scheduling. Encore enables users to record goods in and out, helping them maintain an accurate record of stock deliveries, collections and dispatch. The team also use the system to manage inter-branch transfers, ensuring that all consignments are properly tracked.

When a sales transaction is processed, stock numbers are updated automatically without the need for manual data entry. This saves time and eliminates the risk of someone forgetting to update inventory records following a sale; this is key to ensuring the accuracy and integrity of stock information.

Many customer orders require timber packs to be split and Encore includes functionality which updates pack inventory information. This is essential in terms of traceability and making sure that stock is replenished ahead of future orders.

From a purchasing point of view, the real-time accuracy of stock level information is very important. James Moore explains: "Encore helps me identify fast and slow moving stock lines, enabling us to anticipate demand and identify buying patterns. The system even includes an automatic purchase order function which makes buying suggestions based on demand history. Encore is key to our ability to plan purchasing efficiently, accurately and economically."

Comprehensive Financial Management

James Chambers' financial management team of five personnel are responsible for all aspects of bookkeeping and accounting, and Encore provides them with the tools they need to manage back-office administration.

Once a sale has been processed by front office staff, Encore's sales ledger is updated automatically, in real time. The financial management team have immediate visibility of the transaction and can then produce documentation (such as sales invoices for trade customers) quickly and simply.

Encore also enables the team to produce point of sale, end-of-day trading reports which provide them with a summary of sales processed by James Chambers' trade counter staff at different branches.

> "Automation has reduced the team's workload substantially and this means they can focus on analysing the company's financial performance and identifying areas for improvement."

Manual bank reconciliation used to take the team hours every week, but by using Encore's automated bank reconciliation functionality the task can be completed in minutes.

The team also use Encore to produce VAT returns and submit these electronically to HMRC. The system also enables them to post full monthly, quarterly and annual accounts in addition to producing profit and loss and other financial reports which are used by senior managers for strategic planning.

Encore's aged debtor functionality enables personnel to keep track of overdue accounts and send out statements to customers. This is key to efficient cash-flow management.

James Moore says: "Manual bookkeeping and accounting used to be highly time consuming. Automation has reduced the team's workload substantially and this means they can focus on analysing the company's financial performance and identifying areas for improvement. The visibility Encore provides via its reporting functionality makes it easy for the team to concentrate on helping the company achieve time and cost savings."

Building for the Future

James Chambers is a growing business and recently invested in new warehouse facilities which will enable to the company to stock more products. James Moore faced the challenge of relocating its existing inventory of products to the new warehouse within a two week time-frame. The project required meticulous planning and it was imperative that all products were moved to their new locations as efficiently as possible.

James comments: "We couldn't afford any disruption to operations and needed to be able to locate products rapidly

from day one. We used Encore to produce barcoded product labels for our racking, bin and shelf space. This would have taken days to complete manually but with Encore the process took hours. Encore was a key element in the success of relocating our stock and subsequently enabling warehouse staff to find products and fulfil orders as quickly as they did before the move took place."

As James Chambers goes from strength to strength, Encore will continue to play an important part for day to day management and strategic planning.

James Moore concludes: "We're planning to make much more of Encore's marketing functionality to help us target new prospects and further increase our sales.

We're planning to invest in additional training to help us use this side of Encore and once again look forward to working with the team at Anagram Systems."

For more information about Encore and Anagram Systems, please contact:

Email: sales@anagramsystems.co.uk

Telephone: 01403 2595511

www.anagramsystems.co.uk