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ELIMINATING STUMBLING BLOCKS TO A SUCCESSFUL SOFTWARE INSTALLATION

Changing to a new computer system is never easy. However, there are steps you can take to make it a little less stressful and smoother. They are:

*Make sure you have project plans

The first step in your project is, of course determining the requirements for the new system. Then, after a system has been chosen there are many tasks that must be completed at the store. It is best if one person is put in charge of the whole project, from start to going "live" on the new system.

Your conversion from one computer system to another must be laid out in a step-by-step process for each of the following considerations: physical site preparation, purchasing the proper furniture and supplies, installation of the hardware, installation of the software, personnel training, development of new forms and procedures, software personalization, entry of user data (includes setting up all files and entering any historical data), beginning to use the new system. Many times your software vendor will provide you with at least a partial checklist but it will be up to you to develop the rest.

*Make sure you have well-defined system requirements to use when looking for a system.

Make sure you know, to the best of your ability, what you expect out of the new system. Get input from all those in your organization who will be using it what they need and want out of a new computer system. If you fail to do this step first you can very easily end up with a system that does not do all you need it to do for you.

*Be prepared for the extra work it will take to get the new system up and running.

Any time new procedures are initiated you can expect tasks to take an extra amount of time to complete. With a computer system installation your office must continue to accomplish the normal daily, weekly and monthly work while, at the same time, setting up all the computer files in preparation for going "live". Both you and your office staff need to be aware of this in advance so steps can be taken to handle the increased work load during the conversion. This may mean working extra hours or perhaps hiring temporary help during this process.

*Do not attempt to do the installation too quickly.

It is normal to want to get the system up and running as soon as possible; however, if you try to do it too fast there will be important matters left undone, or done poorly. A new system means that new procedures will have to be set up to replace existing procedures

*Do not rely too heavily on the software vendor to answer all your questions as to how to set up the system the best way for your store.

The vendor is an expert on how to use their computer system. They are not experts on what is the best way for you to use the computer system at your business. If you ask them how to do something they can give you instructions on how to do it; however, in reality it may be something you should not be doing. They should not be asked to get involved in matters of policy, procedures, operations, accounting matters or anything else that is outside their field. You would be better relying on your own people, other retailers or outside consultants for help with these matters.

*Do not have unrealistic expectations about the package and what it can do for your store.

No system will magically improve your bottom line. You must know how to use the information it provides to help **you** do that yourself.

*Be sure to spend enough time on training.

Training is very important. Insufficient training means you will not get everything you can out of the new system. You must learn how to best use the information provided by your new system so you are making the correct decisions that will lead to higher profit. The person who will be responsible for the computer system, along with your backup personnel, will require in-depth familiarity with the equipment and software. Although training demands much time and initiative on the part of your employees, the benefits more than outweigh the cost and effort required. Proper training can make the difference between a change that is relatively smooth and one that is an extremely traumatic experience.

*Do not under-configure the hardware, trying to save a little money.

The way computers are being improved daily, it is a waste of your money to buy the cheapest product you can buy. Instead, buy the best you can afford. As you start using your new system, the hard drive will start filling with data. If you bought hardware with a processing speed that is too slow or a hard drive that is too small you will get in trouble before you know it and have slow processing times, which will lead to inefficient use of your employee's time.

*Do not ever be the first to install a product.

The worst thing you can do is to be a beta sight for a new product. You are in fact doing the vendor's testing for him when this occurs. Even if you get a substantial discount for doing this, I recommend you do not try it.

*Do not substantially modify an existing software package.

Doing this, even if the vendor is willing, makes it very difficult for you in the long run. Once the product has been heavily modified you will no longer be able to install any new releases, enhancements or fixes to the standard product.

* Make sure the store's management is involved in the project from start to finish.

It is of the utmost importance that management be directly involved in the installation from the very beginning. By this we do not mean that the owner should actually do the work involved but rather that the owner must make a substantial commitment in more ways than just paying for the hardware and software. The owner's involvement gives a message of concern. Furthermore, it allows the owner to be more knowledgeable about system requirements and any problems that may arise.

A smooth computer conversion is possible but it can only be accomplished by much careful thought and attention to detail from start to finish and is done just one-step-at-a-time.

4-5-4 RETAIL CALENDAR

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The 4-5-4 Calendar was developed many years ago by retailers to make it easier to compare sales from year to year and to plan sales. With the 4-5-4 calendar you are always looking at the same number of Saturdays, etc. in each month from year to year. The month always starts on a Sunday and ends on a

Saturday. For those of you who are closed on Sunday that makes it easier to take your physical count when the store is closed without having to close it during the week.

This is the calendar the "big" retailers use, the IRS approves of it, and States recognize it for sales tax reporting purposes. There is no good reason to continue using the regular Gregorian calendar for your retail business. Use the calendar that makes sense for retailers and facilitates sales comparisons and sales planning!

To order your complimentary copy just send us an email or fax requesting it. Make sure we have your correct mailing address. You may order more than one if you need. If you want more detailed information, just let us know when requesting the calendar and we will also send you the detailed explanation of the 4-5-4 Retail Calendar.

## OCTOBER SALES SURVEY

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THANK YOU to everyone who participated in our survey. Your participation makes the results meaningful.

To remind everyone, this survey concerns October sales.

### OCTOBER 2007 SALES COMPARED TO 2006

|                                 | MEN  | WOMEN | CHILD | SHOES | GIFTS | WEST | SPORT |
|---------------------------------|------|-------|-------|-------|-------|------|-------|
| More than 15.0% below last year | 9%   | 7%    |       | 7%    |       |      |       |
| -10.1% - -15.0%                 | 6%   | 10%   |       |       |       |      |       |
| -5.1% - -10.0%                  | 13%  | 23%   | 25%   | 7%    | 20%   | 25%  | 20%   |
| -.01% - -5.0%                   | 13%  | 13%   |       |       | 20%   |      | 20%   |
| <b>EVEN</b>                     | 7%   | 7%    | 25%   | 13%   |       | 25%  | 20%   |
| +.01% - +5.0%                   | 15%  | 7%    | 25%   | 33%   |       | 38%  | 20%   |
| +5.1% - +10.0%                  | 15%  | 10%   | 13%   | 20%   | 40%   | 12%  | 20%   |
| +10.1% - +15.0%                 | 13%  | 10%   | 12%   | 13%   | 20%   |      |       |
| More than 15.0% above last year | 9%   | 13%   |       | 7%    |       |      |       |
|                                 | 100% | 100%  | 100%  | 100%  | 100%  | 100% | 100%  |

No dance retailers responded.

As for the holiday sales forecast, 41% of our respondents believe they will have greater sales in 2007 than last year. YEAH! However, 46% felt sales would be about the same as 2006 and 12% felt sales would be less.

## QUOTE OF THE MONTH

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"Never put off till tomorrow what you can do today.

Thomas Jefferson

## TELE-SWAP GROUPS

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*As I have mentioned before in the newsletter, this year I have started a new service for retailers called SWAP (Share With A Peer) Retailer Teleconference Groups. I have a menswear group that has been meeting successfully for several months now. When the group started it was a little difficult to get everyone on board every month, but now they are all always on the call if they possibly can make it. The questions and topics we have discussed are numerous. A few recent examples are:*

- \* "When advertising menswear, what media has been most successful at your store?"
- \* "How do the other members handle return alterations when someone has gained or lost weight?"
- \* "Do you have any effective employee sales contests that you have used?"
- \* "Do you take in any outside alterations and if so, how do you charge for it?"

\*"In an effort to attract more local shoppers at our shopping center during the holiday season, our center and the merchants in it are talking about tying into a popular non-profit and have a percentage of sales benefit that organization during the holiday season. Have any stores done this? What percentage of sales? How long of a period should this run?"

\*"What events are you planning for the holiday season?"

If you would like to discuss the types of issues listed above, and others, with retailers who are similar to you, but far enough away they are not competitors, give us a call at 1-877-206-1299 and we will send you an application. Once I get your application I will contact you about joining a group.

I have a women's group that is starting this month for those selling moderate to better apparel. There is room in that group for just one more member. Also in the works right now is a group for women's retailers selling high end/luxury apparel and one for gift stores. In the future I would like to offer these teleconference groups for other types of retailers, such as shoe, western, children, dance, music, etc.

There are so many retailers around the country who are isolated because they are a small independent retailer. This service gives you an opportunity to talk with others in a similar situation without having to worry about giving away any information to your competition. Get help and advice you need to be more successful without having to leave your store. Do not delay!

## **KEEP YOUR EMPLOYEES HONEST & INCREASE YOUR BOTTOM LINE!**

### **Studies have shown that almost half of all your store's shrinkage**

If you can reduce shrinkage by 1% that is an additional 1% of profit for you. As the owner it is your job to provide the procedures, checks and balances to keep your employees honest. Also, consider that as our country plunges into this recession, normally honest people may become desperate. Financial need is one of the main reasons given for attempting theft from an employer. Make sure you are doing all you can to help avoid temptation before it strikes.

As a former controller for a 5-store chain of family apparel stores and with my experience working with retailers around the country as a retail management consultant I have developed a manual to help you with this. It is our "Internal Control Manual" that covers all aspects of a retail store's operations. It is set up in an easy question and answer format where a Yes answer means things are OK and a NO answer means you may have a problem that needs further checking.

To get a copy for your store, for just \$95 shipped Priority Mail, visit our website at [http://www.the-retail-advisor.com/internal\\_controls.html](http://www.the-retail-advisor.com/internal_controls.html).

Do not wait until you discover that a trusted employee has stolen \$70,000 from you (like a retailer I know had happen to him last year). Take steps now to make sure your merchandise and cash are as safe as you can make them.

## **WHAT WE DO . . .**

- o [Monthly Open-To-Buy Service](#)
- o Open-To-Buy Implementation on Your System (if available)
- o Merchandise Performance Evaluation
- o [Shrinkage Control](#)
- o Development of Incentive Plans
- o [Development of Job Descriptions](#)
- o Seminars On Retail Subjects
- o Financial Analysis
- o Financial Budgeting and Cash Flow Projections
- o Computer/POS System Evaluation, Selection, Usage
- o Policy and Procedure Development
- o [Lead Tele-SWAP Groups](#) (Share With A Peer)