



Your Ultimate Furniture Store



Furniture Palace

SAP® BUSINESS ONE CASE STUDY

Customer: Furniture Palace International (K) Ltd.

Industry: Retail

Employees: 80

SAP Solution: SAP Business One, Boyum IT

Implementation Days: < 3 Months

SAP Business One Users: 4

Previous System: Bespoke & Manual

Website: www.furniturepalacekenya.com

Location: Nairobi, Kenya



Contemporary furniture retailer, Furniture Palace, needed and integrated and centralised system to control stock and gain greater insight into their business

The Furniture Palace, currently located in Nairobi, Mlolongo and Mombasa, was set up in 2004 to provide excellent quality contemporary furniture. They have an unrivalled collection including shelving, sofas, sideboards, coffee tables, dining furniture, beds & bedroom furniture, wardrobes, sofa beds and accents. The business was doing well but by 2009 management realised that their business needs were not being met by their current systems.

Outsourced accounts, lack of reporting, poor approval and escalation processes, transaction errors and duplications were only some of the issues Furniture Palace experienced with their previous bespoke system. "It was a simple system that was not integrated, consisted of lots of manual transactions and lacked access to the real-time information we required to run the business better," says Karim Sultan, Chief Financial Officer, Furniture Palace.

Deciding to implement a new business management system came from an internal review on what the company wanted to achieve in the future. Some of the requirements Furniture Palace identified was that the system should provide the automation of key processes (in sales, procurement, etc.), improved stock management, proper management reporting and real-time access to business information. It was felt that if these could be addressed it would lead to increased efficiency and profitability. The decision was made to go with SAP Business One as their Enterprise Resource Planning (ERP) system. Sultan says, "The transition to SAP Business One was a challenge for us. Most of our processes in the past were manual, so the adjustment to a completely integrated and automated system was both challenging and

rewarding. Our implementation partner, Bluekey, applied a solid project methodology to the implementation, and with their experience and expertise, they made the transition more manageable. In the end their change management skills pulled us through and gave us the skills we needed to get the most out of the system."

The specific SAP Business One solution that was implemented for Furniture Palace included sales, purchasing, banking & financials, stock, service (job cards) and production. Bluekey also recommended the BoyumIT Usability Pack that provided Furniture Palace with tools to easily customise their system further, as well as implement productivity improvements like bulk e-mails for the sending of monthly statements.

The implementation of SAP Business One at Furniture Palace brought about some interesting highlights that greatly benefitted them. "We were able to create controls to restrict users from transacting in branches they do not work at. We also automated their item codes based on previous groupings and categories," according to Mala Bhatt, Managing Director, Bluekey Kenya. Sultan adds, "The management of backlog data, cleaning of item codes and training provided by Bluekey greatly contributed to successfully going live with SAP Business One."

The successful implementation and go-live of SAP Business One at Furniture Palace yielded positive results almost immediately. They now have an effective workflow system in place that has increased efficiency to such an extent that their business has doubled in terms of revenue, product range and market share. With SAP Business One the business handles customer

"Even though the other ERP solution we looked at was 30% cheaper, we were more confident in the Bluekey team and the SAP brand and product. We realised that this was a decision for the long-haul, and we needed to be confident in the future direction and development of the system. SAP was well able to satisfy this requirement.

Karim Sultan, Chief Financial Officer, Furniture Palace

SAP Business
One



“Exceptional product knowledge, expertise, experience and change management skills from Bluekey greatly assisted our transition onto SAP Business One”

orders, pre-delivery inspection, loading sheet, delivery and invoicing through to procurement and stock—all with the same workforce as before. “The management at Furniture Palace reported that with its current growth levels, they would have expected payroll costs to have increased by 30% without SAP Business One. On that basis alone Bluekey has been able to save Furniture Palace about KES 500 000 per month (KES 6M per year). They were also losing approximately KES 1M a year due to stock pilferage, which has since been reduced by more than 90%,” says Bhatt.

As far as benefits go, Furniture Palace have gained visibility across their whole business with increased control in all the different functional areas, while reducing stock write offs and payroll costs. “Furniture Palace envisages robust growth in the future, especially in opening new branches. We also expect to maintain, and grow, our market share to become the leading furniture supplier in the African region,” says Sultan.

“The Bluekey team were of great assistance to us and showed incredible professionalism. They also demonstrated in-depth knowledge of SAP Business One and our industry. Without their experience and know-how relating to business process flows and accounting the project would have been much more stressful. They were dedicated to the project, took our needs into account and ensured that the implementation was completed on time and within budget. We would recommend Bluekey and SAP

Business One to any business that would like to grow, run better and become more profitable,” concludes Sultan.

SAP Business One is an affordable and easy-to-use business management software solution designed specifically for small and midsize enterprises (SME’s). It enables you to manage critical business functions in a single integrated business management system. With SAP Business One, you can instantly access complete and up-to-the-minute business information, so you can respond to customers faster and grow your business more profitably.

SAP Business One

boyumit

Bluekey specialises in the implementation of SAP Business One, the market leading business software solution for small to medium sized companies.

We offer a total solution, from networking through data take-on and system setup to management reporting. Our business is to make your business more productive and profitable – through the implementation of the best software technologies.

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