



# BROOKSHIRE'S

## BROOKSHIRE GROCERY COMPANY

### SAP BUSINESS TRANSFORMATION STUDY

#### AT A GLANCE

<b>Industry</b>	Consumer products – retail
<b>Employees</b>	12,500
<b>Location</b>	Tyler, Texas
<b>Web Site</b>	www.brookshires.com
<b>SAP® Solutions &amp; Services</b>	SAP® Business Suite family of business applications, SAP NetWeaver® Business Intelligence component, SAP NetWeaver Portal component
<b>Implementation Partners</b>	SAP Consulting, HRP Consulting Group Inc., Deloitte

Founded in the 1920s, Brookshire Grocery Company is widely respected for its long tradition of friendly service, clean stores, and technological innovation. Headquartered in Tyler, Texas, it has grown into a chain of more than 155 Brookshire's, Super 1 Foods, and Olé Foods supermarkets in Texas, Arkansas, Louisiana, and Mississippi. The company also owns 3 distribution centers, a dairy, a fleet of nearly 350 vehicles, and SouthWest Foods, its private label manufacturing unit.

#### Key Challenges

- Disparate legacy systems slowed processes, increased costs, and hindered growth.
- Numerous data feeds into disparate data repositories resulted in multiple versions of truth.
- Poor reporting capabilities prevented production of strategic information to support decisions.
- Underutilized skilled resources performed data entry instead of value-added activities.

#### Why SAP Was Selected

- Unified software system that integrates all business processes and data
- Enhanced business intelligence functionality
- Firm company commitment to retail industry
- Standard system that requires no additional customization

#### Implementation Best Practices

- Enabled executive sponsorship and quick decision making
- Trained dedicated resources on ASAP methodology
- Supplied change management program and ongoing communication
- Provided on-site training and use of training software
- Empowered team to make decisions
- Embraced and adopted best practices

#### Low Total Cost of Ownership

- Reduced IT support staff by 7 FTEs
- Reduced financial staff by 7 FTEs
- Dismantled 24-hour operations group after eliminating over 300 batch jobs
- Limited future technology investments by implementing software that is scalable beyond company requirements
- Minimized software customizations and modifications

#### Financial and Strategic Benefits

- Improved reporting and supported decision making through enhanced access to data
- Reduced costs through increased process efficiencies
- Increased sales by improving inventory availability
- Enhanced workflow for increased efficiency
- Boosted business by identifying, tracking, and reporting internal and external performance
- Enabled easy correlation and reconciliation of category plans to financial budget and results

#### Operational Benefits

Key Performance Indicator	Impact
Access to reports	100% improvement (from between 5 and 8 to 2.5 days)
Number of key reports	80% improvement (from 500 to 100), with drill-down capability
Period-end close	40% improvement (from 5 to 3 days)
Invoice approvals	60% improvement (from 15 to 6 days)
Batch jobs	92% improvement (from 350 to 25)
Operations staff	40% improvement (quicker access to relevant data, greater focus on value-added activities)





**“SAP Business Suite enables us to meet our objective of a real-time integrated system, allowing us to better manage our store network, distribution centers, and manufacturing operations.”**

Tim King, Vice President and Controller, Brookshire Grocery Company

**“We removed the silos to establish an integrated, process-oriented business. Business and IT collaborate more effectively, which makes our company more effective.”**

John Franklin, Director of Project Management, Brookshire Grocery Company

### **Brookshire's Selects SAP® Software to Reduce Costs and Streamline Operations**

Brookshire Grocery Company is known for its customer-centric approach and outstanding customer service. But Brookshire's legacy software had placed the company at a competitive disadvantage. Data was scattered across the enterprise in paper form or in several disparate systems, requiring the assistance of a programmer to generate reports. The company needed a unified software system that integrated all business processes and data. Brookshire's underwent a lengthy evaluation process and ultimately selected the SAP® Business Suite family of business applications. Brookshire's main goal was to integrate financial, human resources, and manufacturing processes at its corporate headquarters, retail locations, and manufacturing facilities.

### **Implementation Best Practices**

Brookshire's approached its implementation in three phases: first, financial and reporting functionality, then payroll and human resources, and finally the SAP POS Data Management application – all accessible through an enterprise portal. Historically, major projects at Brookshire's were led by IT with very little involvement from business. That changed with the SAP software implementation. The project implementation followed the ASAP methodology and involved members from business and IT who reviewed and improved business processes to maximize productivity and eliminate modifications. By sticking to a focused plan, Brookshire's was able to complete phase one in 9 months, phase two in 15 months, and phase three in 10 months.

Brookshire's identifies many implementation best practices as critical to success. Executive-level sponsorship and empowering employees to make quick decisions were instrumental. Selecting the best people in the organization to be a part of the team

and then dedicating them full-time to the project was also key. A formal change management program that included regular communication to employees, frequent meetings with stakeholders, and ongoing training throughout the enterprise helped to ensure end-user adoption. Brookshire's also stresses the importance of working with an experienced and knowledgeable integration partner.

### **Results**

SAP Business Suite has provided Brookshire's with the necessary tools and functionality to meet its current business needs while offering flexibility for growth. The Brookshire's staff is now able to access timely and up-to-date data and analysis tools to enable better decision making, faster closings, and more timely financial reports.

The software establishes a stable technology platform with the flexibility to allow Brookshire's to respond to retail and manufacturing market changes. Brookshire's expects this flexibility to support its short- and long-term growth plans of expanding into new markets and growing the number of stores over the next five years. By having access to consolidated information on a single platform, executives are able to anticipate customer needs and offer an inspired shopping experience.

### **Looking Ahead**

Brookshire's is implementing the SAP for Retail solution portfolio to enable a deeper understanding of its customers' needs. The increased functionality will help Brookshire's maintain its inventory at the right level with products its customers want, upholding its outstanding reputation.