



## *Business Needs Analysis*

Prepared by: \_\_\_\_\_ / \_\_\_\_\_  
Representative Date

Company Name: \_\_\_\_\_ D.B.A.: \_\_\_\_\_

Address: \_\_\_\_\_

City: \_\_\_\_\_ State / Province: \_\_\_\_\_ Zip: \_\_\_\_\_

Phone: (\_\_\_\_) \_\_\_\_\_ Fax: (\_\_\_\_) \_\_\_\_\_ SIC: \_\_\_\_\_

Owner: \_\_\_\_\_ Contact: \_\_\_\_\_

<u>Key decision maker</u>	<u>Title</u>	<u>Years with company</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

## Overview

Type of business:

- ☐ Wholesale/Distribution  
☐ Retail ☐ Counter sales  
☐ Service ☐ Professional  
☐ Other: \_\_\_\_\_

The business is:

- ☐ Statewide ☐ Multi-state  
☐ National ☐ Corporation  
☐ International ☐ Public  
☐ Partnership ☐ Privately held

Description of business: \_\_\_\_\_

Years in business: \_\_\_\_\_ years

Number of locations/branches: \_\_\_\_\_

Location #1: \_\_\_\_\_ Square footage: \_\_\_\_\_  
( City / State )

Location #2: \_\_\_\_\_ Square footage: \_\_\_\_\_  
( City / State )

Location #3: \_\_\_\_\_ Square footage: \_\_\_\_\_  
( City / State )

Location #4: \_\_\_\_\_ Square footage: \_\_\_\_\_  
( City / State )

Location #5: \_\_\_\_\_ Square footage: \_\_\_\_\_  
( City / State )

What products are being marketed by your company?

<input type="text"/> Bearings	<input type="text"/> Hose/Fittings	<input type="text"/> Plumbing supplies
<input type="text"/> Electrical	<input type="text"/> HVAC	<input type="text"/> Pumps
<input type="text"/> Electric motors	<input type="text"/> Industrial supplies	<input type="text"/> Restaurant supplies
<input type="text"/> Electronics	<input type="text"/> Janitorial supplies	<input type="text"/> Safety equipment
<input type="text"/> Fasteners	<input type="text"/> Medical supplies	<input type="text"/> Tile
<input type="text"/> Fluid power	<input type="text"/> Mill supply	<input type="text"/> Tools
<input type="text"/> Hardware	<input type="text"/> Office products	<input type="text"/> Other:

Annual Revenue:

- |   |   |
|---|---|
| <input type="checkbox"/> 1 - 5 million in sales   | <input type="checkbox"/> 6 - 10 million in sales  |
| <input type="checkbox"/> 11 - 20 million in sales | <input type="checkbox"/> 21 - 30 million in sales |
| <input type="checkbox"/> 31 - 40 million in sales | <input type="checkbox"/> Over 40 million in sales |

### Growth Rate

#### Past

- ☐ Rapid (15% +)
- ☐ Steady (5% - 15%)
- ☐ Slow ( < 5%)

#### Future

- ☐ Rapid (15% +)
- ☐ Steady (5% - 15%)
- ☐ Slow ( < 5%)

Current #:

# In 1 year:

# In 3 years:

**System**  
**Employees   Users**

<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>

Keys to your business success:

1.

2.

3.

What is your competitive advantage:

1.

2.

3.

What is your current performance and management's general targets?

	<u>Current</u>	<u>Target</u>
Sales growth per year	<input type="text"/> %	<input type="text"/> %
Average sales per order	\$ <input type="text"/>	\$ <input type="text"/>
Gross margin percent	<input type="text"/> %	<input type="text"/> %
Average GP per order	\$ <input type="text"/>	\$ <input type="text"/>
Average days to pay in AR	<input type="text"/>	<input type="text"/>
Inventory value	<input type="text"/>	<input type="text"/>
Inventory turnover	<input type="text"/>	<input type="text"/>
Order fill rate	<input type="text"/>	<input type="text"/>
Return on investment	<input type="text"/>	<input type="text"/>

What do you want to solve with your buying decision?

(List and rank.)

<input type="checkbox"/>	_____
<input type="checkbox"/>	_____
<input type="checkbox"/>	_____
<input type="checkbox"/>	_____
<input type="checkbox"/>	_____
<input type="checkbox"/>	_____
<input type="checkbox"/>	_____
<input type="checkbox"/>	_____

When do you want the system to go live? \_\_\_\_\_

We have an automated tool that provides a set of financial models for a wholesale distribution company. It helps senior managers understand and evaluate the impact of a new system requiring the investment of company resources. It will help you rank competing projects, understand the potential consequences of decisions made, and ultimately to maximize the performance of your company.

Would you be interested in allowing us to evaluate your financial results for a new proposed system?

☐ Yes    ☐ No

## Existing System Information

Indicate modules currently utilized (C), to be added with new system (A), and potential future modules (F):

General Ledger	<input type="checkbox"/>	Accounts Payable	<input type="checkbox"/>	Accounts Receivable	<input type="checkbox"/>
Sales Orders	<input type="checkbox"/>	Sales Analysis	<input type="checkbox"/>	Kitting	<input type="checkbox"/>
Inventory	<input type="checkbox"/>	Purchase Orders	<input type="checkbox"/>	Manufacturing	<input type="checkbox"/>
Internet Ordering	<input type="checkbox"/>	EDI	<input type="checkbox"/>	Service & Repair	<input type="checkbox"/>
Job Costing	<input type="checkbox"/>	Warehouse Mgmt	<input type="checkbox"/>	Report Writer	<input type="checkbox"/>

Others: \_\_\_\_\_

Current monthly maintenance fees:

Hardware: \$ \_\_\_\_\_

Software: \$ \_\_\_\_\_

Loan/Lease: \$ \_\_\_\_\_

Other: \$ \_\_\_\_\_

**Total:** \$ \_\_\_\_\_

Projected budget for the project: \$ \_\_\_\_\_

Are you considering:    ☐ Lease purchase?

☐ Cash purchase?

Rank the following in order of their importance to you.  
(0 - 10 with 10 being most important to your company)

- |  |   |
|--|---|
| <input type="checkbox"/> Open systems--Why? _____                  | <input type="checkbox"/> WM-- Why? _____                                |
| _____  | _____   |
| <input type="checkbox"/> Local support--Why? _____                 | <input type="checkbox"/> Gordon Graham Inventory Management - Why _____ |
| _____  | _____   |
| <input type="checkbox"/> Financial stability of vendor--Why? _____ | <input type="checkbox"/> EDI--Why? _____                                |
| _____  | _____   |
| <input type="checkbox"/> E-Commerce? _____                         | Other _____   |
| _____  | _____   |

## Sales Orders

Identify your current methods of processing customer orders:

- |   |   |  |
|---|---|--|
| <input type="checkbox"/> Front counter        | <input type="checkbox"/> EDI              | <input type="checkbox"/> Point of sale |
| <input type="checkbox"/> Quotes to orders     | <input type="checkbox"/> Inside sales     | <input type="checkbox"/> Outside sales |
| <input type="checkbox"/> Remote order entry   | <input type="checkbox"/> Service & Repair | <input type="checkbox"/> Rentals       |
| <input type="checkbox"/> Temporary item sales | <input type="checkbox"/> Other _____      |  |

Are there any areas of your sales process you wish to improve?

1. \_\_\_\_\_
2. \_\_\_\_\_
3. \_\_\_\_\_

Do you want credit card handling capabilities? ☐ Yes ☐ No

Do you receive calls daily from customers checking product availability and item pricing?

☐ Yes ☐ No

Do you refer to manufacturer's catalogs for nonstock items? ☐ Yes ☐ No

How do you handle customer backorder? ☐ Manually ☐ System directed

How do you handle customer direct/drop shipments? ☐ Manually ☐ System directed

Do your customers place orders for items to be shipped in the future? ☐ Yes ☐ No

If yes, describe how these orders are handled: \_\_\_\_\_

Do you process a single order that is shipped to multiple locations: ☐ Yes ☐ No

Would you like to fax an order or quote to your customer directly through order entry?

☐ Yes ☐ No

How does your system handle the updating process for the following?

( I=Immediate B=Batch)

\_\_\_\_\_ Inventory counts \_\_\_\_\_ Customer credit \_\_\_\_\_ Sales history

\_\_\_\_\_ Purchasing requirements \_\_\_\_\_ Receivables

Do you track lost sales? ☐ Yes ☐ No

Do you need to ship items from multiple warehouses on the same order? ☐ Yes ☐ No

How do you handle a customer order with stock, non-stock and direct ship items combined?

☐ Require separate orders ☐ Order is handwritten

☐ Combine on same order ☐ Other: \_\_\_\_\_

Do you track history for individual non-stock items? ☐ Yes ☐ No

Do you track history for individual temporary items? ☐ Yes ☐ No

How do you turn quotes/price inquiries into orders? ☐ Manually ☐ System Directed

Explain any concerns about your current ability to extend proper customer pricing, sales tax or shipping errors.

How does your system monitor the complete order cycle? (i.e. stages of open orders, orders shipped complete, pricing exceptions, backorders, invoicing etc.)

☐ Manually ☐ Computer-generated reports ☐ Other: \_\_\_\_\_

Would you like to be able to fax an order or quote to your customer? ☐ Yes ☐ No

Explain how your company handles the differences between processing front-counter orders vs. inside sales orders.

How does your system handle the updating process for the following?

( I=Immediate B=Batch)

\_\_\_\_\_ Inventory counts

\_\_\_\_\_ Customer credit

\_\_\_\_\_ Sales history

\_\_\_\_\_ Purchasing requirements

\_\_\_\_\_ Receivables

Do you offer remote order entry for selected customers? ☐ Yes ☐ No

If no, would your customers take advantage of this value-added service? ☐ Yes ☐ No

Do you have a web page? ☐ Yes ☐ No

Do you require Internet order entry? ☐ Yes-current need ☐ Future ☐ Not Planned

Do you issue a RMA# when goods are being returned? ☐ Yes ☐ No

In what way does your current system not address general sales operational requirements:

## Picking/Packing/Shipping

Are your orders printed: ☐ Immediately after entered ☐ Batch printed

Frequency \_\_\_\_\_

Do you pick: ☐ By bin within Order ☐ Wave Pick ☐ Other \_\_\_\_\_

Are pick tickets sent with the order? ☐ Yes ☐ No

Are orders checked by someone after being picked? ☐ Yes ☐ No

Are pick tickets sent with the order? ☐ Yes ☐ No

Are Material Safety Data Sheets sent: ☐ Always ☐ When required ☐ Never

Do you send Certificates of Analysis: ☐ Yes ☐ No

Do you print a Bill of Lading: ☐ Yes ☐ No

What methods of shipment are used? ☐ UPS ☐ Own truck ☐ Other: \_\_\_\_\_

Does your current system handle automated shipping? ☐ Yes ☐ No

What methods of shipment are used? ☐ UPS ☐ Own truck ☐ Common carrier

☐ Other: \_\_\_\_\_

Do you need automated shipping capabilities? ☐ Yes ☐ No

Do you need multi-carrier capabilities? ☐ Yes ☐ No

## Pricing

How does your company currently handle customer pricing?

☐ Manually ☐ Computer-automated

☐ Computer-assisted ☐ Other: \_\_\_\_\_

What pricing methods are currently used by your company?

- |   |   |   |
|---|---|---|
| <input type="checkbox"/> Column               | <input type="checkbox"/> Matrix           | <input type="checkbox"/> Fixed            |
| <input type="checkbox"/> List minus           | <input type="checkbox"/> Cost plus        | <input type="checkbox"/> Quantity break   |
| <input type="checkbox"/> Customer class/group | <input type="checkbox"/> Item class/group | <input type="checkbox"/> Contract pricing |
| <input type="checkbox"/> Guess                | <input type="checkbox"/> Other: _____     |   |

How are your items costed?

- |                                  |                               |  |
|----------------------------------|-------------------------------|--|
| <input type="checkbox"/> Average | <input type="checkbox"/> Last | <input type="checkbox"/> Manual (Standard) |
| <input type="checkbox"/> LIFO    | <input type="checkbox"/> FIFO | <input type="checkbox"/> Other: _____      |

Do you price/stock/purchase items in different units of measure than you sell? ☐ Yes ☐ No

Do you have any "variable" conversion factors between alternate units of measure? For example, do you sell items in eaches, but price items based on the actual weight where there is no direct conversion factor.) ☐ Yes ☐ No

Explain the necessary steps to price customer orders, quotations, job estimates, etc.:

1. \_\_\_\_\_
2. \_\_\_\_\_
3. \_\_\_\_\_
4. \_\_\_\_\_
5. \_\_\_\_\_

Do you offer customer rebates? ☐ Yes ☐ No

If yes, how are they determined?

Do you offer customer discounts? ☐ Line item ☐ Total order ☐ Other: \_\_\_\_\_

If yes, how are they determined?

Do you have a minimum target gross margin % for orders? ☐ Yes ☐ No

## Salespeople and Commissions

Does your system track the volume handled by your inside sales/order takers? ☐ Yes ☐ No

If no, would this feature benefit you? ☐ Yes ☐ No

Does your system handle calculations for sales commissions? ☐ Yes ☐ No

If yes, how do you pay commissions?

- |   |  |
|---|--|
| <input type="checkbox"/> Gross \$         | <input type="checkbox"/> Gross profit \$ |
| <input type="checkbox"/> Profit %         | <input type="checkbox"/> By product line |
| <input type="checkbox"/> By product group | <input type="checkbox"/> Other: _____    |

How are commissions calculated?

When are commissions paid? ☐ When order is placed ☐ When payment is received

☐ Other: \_\_\_\_\_

Are commissions ever split? ☐ Yes ☐ No

If yes, how? ☐ By line item on an order ☐ Uneven % split

☐ Other: \_\_\_\_\_

If you pay commissions, what is the basis and how are commissions calculated?

- |   |  |
|---|--|
| <input type="checkbox"/> Gross \$         | <input type="checkbox"/> Gross margin \$ |
| <input type="checkbox"/> Margin %         | <input type="checkbox"/> By product line |
| <input type="checkbox"/> By product group | <input type="checkbox"/> Other: _____    |

When are commissions paid?

- |   |   |
|---|---|
| <input type="checkbox"/> When order is placed | <input type="checkbox"/> When payment is received |
|---|---|

Are commissions ever split?

- |                              |                             |
|------------------------------|-----------------------------|
| <input type="checkbox"/> Yes | <input type="checkbox"/> No |
|------------------------------|-----------------------------|

If yes, how?

- |   |   |
|---|---|
| <input type="checkbox"/> By line item on an order | <input type="checkbox"/> Uneven % split |
|---|---|

☐ Other: \_\_\_\_\_

## Sales History

How does your company track customer sales history

- |  |  |   |
|--|--|---|
| <input type="checkbox"/> Customer \$           | <input type="checkbox"/> Product group \$          | <input type="checkbox"/> Service level/item by item |
| <input type="checkbox"/> Customer profit       | <input type="checkbox"/> Product group profit      | <input type="checkbox"/> Turn and earn              |
| <input type="checkbox"/> Customer/item by item | <input type="checkbox"/> Item/customer by customer | <input type="checkbox"/> Payables payment           |
| <input type="checkbox"/> Customer payment      | <input type="checkbox"/> General ledger by account | <input type="checkbox"/> Sales calls, sales         |
| <input type="checkbox"/> Vendor/stock \$       | <input type="checkbox"/> Salesperson/item by item  | <input type="checkbox"/> Non-stock by item          |
| <input type="checkbox"/> Vendor/non-stock \$   | <input type="checkbox"/> Salesperson \$            | <input type="checkbox"/> Item ledger                |
| <input type="checkbox"/> Vendor/direct ship \$ | <input type="checkbox"/> Salesperson's profit      | <input type="checkbox"/> Item usage                 |
| <input type="checkbox"/> Vendor payment        | <input type="checkbox"/> Dollars                   | <input type="checkbox"/> Other: _____               |

How does your company use this information?

- |                                       |  |                                    |                                     |
|---------------------------------------|--|------------------------------------|-------------------------------------|
| <input type="checkbox"/> Projections  | <input type="checkbox"/> Active/Inactive customers | <input type="checkbox"/> Budgeting | <input type="checkbox"/> Lost sales |
| <input type="checkbox"/> Other: _____ |  |                                    |                                     |

Would you like salespeople to be able to access this from the field? ☐ Yes ☐ No

## Inventory Management

How is your item number derived?

- |  |  |
|--|--|
| <input type="checkbox"/> Manufacturing item number | <input type="checkbox"/> Own item number |
| <input type="checkbox"/> Other: _____              |  |

Do you have more than 20 characters/digits in your existing item numbers? ☐ Yes ☐ No

How are your items costed? ☐ Average ☐ Last ☐ Manual (Standard)  
☐ LIFO ☐ FIFO

Are your units of measure different between selling, stocking, pricing, costing, and purchasing?

Do you need serial number control? ☐ Yes ☐ No

If yes, for what types of items? \_\_\_\_\_

Describe any special needs or problems regarding serial numbers: \_\_\_\_\_

Do you need lot number control? ☐ Yes ☐ No

If yes, for what types of items? \_\_\_\_\_

Describe any special needs or problems regarding lot control: \_\_\_\_\_

Do you need warranty tracking? ☐ Yes ☐ No

Do you need Material Safety Data Sheets (MSDS)? ☐ Yes ☐ No

Do you transport material deemed hazardous by the Department of Transportation? ☐ Yes ☐ No  
Do you have your warehouse bins numbered? ☐ Yes ☐ No  
If not, how do you identify locations within the warehouse? \_\_\_\_\_  
\_\_\_\_\_

Do you need kitting/BOM? ☐ Yes ☐ No  
If yes, what is kitted or built? \_\_\_\_\_

What triggers the need for a kit/BOM?  
☐ Customer order ☐ Production order from warehouse

Do you have any special requirements for kitting/BOM? \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Do you have superseded items? ☐ Yes ☐ No  
If an item is superseded, do you transfer usage and history information? ☐ Yes ☐ No

Do you keep detailed GL transactions per item? ☐ Yes ☐ No

Do you subscribe to a pricing service or use electronic catalogs? ☐ Yes ☐ No  
If yes, which service(s)? \_\_\_\_\_

### ***Inventory Reporting***

Does your company track the average number of inventory turns per year? ☐ Yes ☐ No

Can your company track the following?  
☐ Slow moving inventory  
☐ Dead stock / inactive items  
☐ Overstock inventory  
☐ Inventory turns by location  
☐ ABC analysis / movement class

Do you rank your inventory? ☐ Yes ☐ No  
If yes, how? ☐ By units sold ☐ By dollars sold ☐ By cost sold  
☐ Other: \_\_\_\_\_

Can you print price lists? ☐ Yes ☐ No  
If yes, what steps are required to print price lists? \_\_\_\_\_  
\_\_\_\_\_

### ***Physicals***

Do you do cycle counting? ☐ Yes ☐ No  
If not, do you wish to? ☐ Yes ☐ No  
How often do you run a physical count of your entire inventory?  
☐ Daily ☐ Monthly ☐ Quarterly  
☐ Annually ☐ Other: \_\_\_\_\_



How much time is spent per year counting inventory? \_\_\_\_\_

When you do a physical count, what do you use to record your counts?

- ☐ Manual sheets      ☐ Report from computer      ☐ Hand held reader  
☐ Radio frequency reader      ☐ Other: \_\_\_\_\_

How do you sort your items?

- ☐ Bin number      ☐ Vendor      ☐ Item code  
☐ Product group      ☐ Volume (movement)      ☐ Sort code  
☐ Other: \_\_\_\_\_

### ***Kitting/Manufacturing Control***

If you need kitting, what triggers the need for a kit?

- ☐ Customer order      ☐ Production order from whse.

What percentage of assembly is made to standard specification? \_\_\_\_\_%

Custom Order? \_\_\_\_\_%

What document is used for BOM instructions:      ☐ Pick Ticket      ☐ Work Order

Do you build to stock?      ☐ Yes      ☐ No

Do you track work-in-process?      ☐ Yes      ☐ No

Do you have any multi-level BOM or subassemblies?      ☐ Yes      ☐ No

Do you have any special requirements for kitting/BOM? \_\_\_\_\_

What steps do you take when you have discrepancies between your computer count and your actual physical count?

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## **Advanced Inventory Management / Purchasing**

Does your company support Gordon Graham Inventory Management principles?      ☐ Yes      ☐ No

If no, do you wish to?      ☐ Yes      ☐ No

What replenishment methods do you currently use?

- ☐ Min/Max      ☐ Order point/line point  
☐ Order up to      ☐ EOQ (Economic Order Quantity)  
☐ Movement class      ☐ Demand forecasting  
☐ Manual      ☐ Other: \_\_\_\_\_

Does your company handle different purchasing methods for your separate stocking locations?

- ☐ Yes      ☐ No

What are your current purchasing procedures? Number the steps you take in sequential order.

- \_\_\_\_\_ Decide which vendors to review manually
- \_\_\_\_\_ System tells you which vendors to review
- \_\_\_\_\_ System only looks at vendors during their review cycle
- \_\_\_\_\_ Manually look for non-stock/backorders/direct ships
- \_\_\_\_\_ Run requirement/replenishment reports for stock items
- \_\_\_\_\_ Hand write purchase orders
- \_\_\_\_\_ Enter purchase order in the system
- \_\_\_\_\_ Let system generate PO for requirement/replenishment report making exceptions when necessary

Other: \_\_\_\_\_  
\_\_\_\_\_

Does your company track the following?

- ☐ Review cycle
- ☐ Purchase class/movement class (A,B,C)
- ☐ Vendor lead time
- ☐ Monthly usage
- ☐ Safety stock per item
- ☐ Safety stock per branch

Do you take advantage of vendor discounts (i.e. targets by weight, dollar, etc.) by vendor product line when placing purchase orders with your vendors? ☐ Yes ☐ No

Does your company handle the management of surplus stock at one location to offset demand at another? ☐ Yes ☐ No

Do you transfer stock between branches? ☐ Yes ☐ No

If yes, please explain your procedures: \_\_\_\_\_  
\_\_\_\_\_

Do branches order directly from the vendor? ☐ Yes ☐ No

Do branches receive their goods from a central warehouse? ☐ Yes ☐ No

Do you have any seasonal items? ☐ Yes ☐ No

If yes, how do you determine order quantities in a given period?

- ☐ Manually
- ☐ Computer report showing month by month
- ☐ Computer report showing last year of usage
- ☐ Computer defined to take specific seasons into effect

Do you have a report which identifies low and high seasonal items with demand history?

☐ Yes ☐ No

Can you identify abnormal usage in a month, which may affect how much of an item you purchase? ☐ Yes ☐ No

Do you stock items that have multiple vendor sources? ☐ Yes ☐ No

If yes, what steps are taken?

- ☐ Report generated
- ☐ On screen purchasing
- ☐ Manually
- ☐ Other: \_\_\_\_\_

Can your system identify unusual vendor lead times? ☐ Yes ☐ No

Can you evaluate your vendors performance? (i.e. on time deliveries, fill rates, etc.)  
☐ Yes ☐ No

In what way does your current system not address purchasing/inventory management needs?

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## Purchase Orders

How do you determine how much of an item to purchase? \_\_\_\_\_

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How does your company create a purchase order?

- ☐ Manually ☐ Manually typed into computer  
☐ Automatically created through requirement/replenishment reports  
☐ On screen purchasing ☐ Other: \_\_\_\_\_

How does your company cost purchase orders?

- ☐ Manually ☐ Computer gives list which you must keep updated  
☐ Completely automated ☐ Other: \_\_\_\_\_

Identify the various cost fields your company needs for each item in the database?

- ☐ Standard cost ☐ Average cost ☐ Last cost  
☐ Pool cost ☐ Manual cost ☐ LIFO  
☐ FIFO ☐ Other: \_\_\_\_\_

How do you monitor overdue purchase orders?

- ☐ Manually ☐ Reports generated  
☐ On screen ☐ Other: \_\_\_\_\_

How do you monitor customer orders which are affected by overdue purchase orders?

- ☐ Manually ☐ Reports generated  
☐ On screen ☐ Other: \_\_\_\_\_

How do you locate the correct purchase order for a specific item on a customer order?

- ☐ Manually ☐ Reports generated  
☐ On screen ☐ Other: \_\_\_\_\_

Do you purchase for the entire company at one location or branch by branch?

- ☐ Company ☐ Branch ☐ Both

How are vendor price changes updated in your system?

☐ Tape/disk/CD

☐ Manually

☐ Other \_\_\_\_\_

In what ways is your current system not addressing your purchasing needs? \_\_\_\_\_

## Purchase Orders Receiving

How do you update your stock status when your warehouse receives material?

☐ Manually

☐ Line by line directly into system

☐ Able to receive by line item exception

☐ Can receive all (if complete) but must enter every line if any one line is incomplete

☐ Do not update inventory stock status

☐ Other: \_\_\_\_\_

When are received purchase orders updated in the current system?

☐ When the material reaches the warehouse

☐ When the paperwork gets to the office

☐ When the vendor's invoice is received

☐ Other: \_\_\_\_\_

When is the stock status updated in the system?

☐ Real time (as it is being received)

☐ Must run a material received report

☐ Batch/end of day

☐ Other: \_\_\_\_\_

What is done with the received material?

☐ All material is first put on the shelf

☐ Manually back ordered material is packed, remainder is put on shelf

☐ System allocates material to back orders first printing out back order pick tickets then the remaining stock is put on shelf

☐ A list/report is printed showing only the non-allocated items to put on the shelf

☐ Other: \_\_\_\_\_

How are goods allocated to backorders?

☐ Prorated

☐ Manually

☐ FIFO

☐ Other: \_\_\_\_\_

Do you allocate freight charges to the cost of the items received?

☐ Yes

☐ No

If yes, what is the basis for allocation?

☐ Relative values

☐ Quantity

☐ Weight

☐ Other: \_\_\_\_\_

## Returns

Can you get the correct cost and selling price for a returned item (from an original invoice) automatically?

☐ Yes

☐ No

Do returned goods go to an inspection area for their status to be determined? ☐ Yes

☐ No

Do you track reasons items were returned to stock? ☐ Yes ☐ No

Do you charge restocking fees for returned items? ☐ Yes ☐ No  
If yes, how much? \_\_\_\_\_

Are some returned goods sent back to the manufacturer? ☐ Yes ☐ No

How do you currently track goods returned to the vendor for credit? \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

## Accounts Receivable

How are your customers' receivables aged?

- |   |  |
|---|--|
| <input type="checkbox"/> Run on demand            | <input type="checkbox"/> Run at month-end      |
| <input type="checkbox"/> Fixed periods (30/60/90) | <input type="checkbox"/> User defined periods  |
| <input type="checkbox"/> Shows future receivables | <input type="checkbox"/> Option to age credits |
| <input type="checkbox"/> Minimum days overdue     | <input type="checkbox"/> Minimum balance       |
| <input type="checkbox"/> Other: _____             |  |

Do you know what your average days to pay is? ☐ Yes: \_\_\_\_\_ # of days ☐ No

What steps are taken to enter a customer payment. Number the steps you take in sequential order.

- \_\_\_\_\_ Make a copy of the check
- \_\_\_\_\_ Manually look to see what invoices the customer is paying
- \_\_\_\_\_ Manually record the payment
- \_\_\_\_\_ Apply the payment manually to the system
- \_\_\_\_\_ View customers' open receivables on the system to determine which invoices are being paid
- \_\_\_\_\_ Other: \_\_\_\_\_

When applying payments to the system, which of the following options can be used?

- |   |   |
|---|---|
| <input type="checkbox"/> Enter invoice number                                     | <input type="checkbox"/> Step through open invoices |
| <input type="checkbox"/> Select open invoices off the screen                      | <input type="checkbox"/> Generate a customer credit |
| <input type="checkbox"/> Apply to oldest invoice automatically using credit first |   |
| <input type="checkbox"/> Other: _____   |   |

Do you charge service charges now?

☐ Yes ☐ No

If no, do you wish to?

☐ Yes ☐ No

If yes, where do these charges appear?

☐ Invoice ☐ Statements only ☐ Both

Do you run statements?

☐ Yes ☐ No

If yes, for all or some of your customers?

☐ All ☐ Some

Are statements balance forward or open item?

☐ Balance forward  
☐ Open item  
☐ Both

How long does it take to get statements out to your customers \_\_\_\_\_

Describe any special needs or problems regarding statements? \_\_\_\_\_

Do you have recurring monthly invoices/orders? ☐ Yes ☐ No

If yes, what types of recurring monthly invoices? \_\_\_\_\_

Do you send delinquent notices now? ☐ Yes ☐ No

If no, do you wish to? ☐ Yes ☐ No

If yes, how are these notices printed?

- ☐ Manually ☐ System produces reports, notices are manually type  
☐ System automatically produces notices

How does your company record notes taken about customers during the collection process?

- ☐ Manually ☐ System allows you to enter notes about each customer

Does your company produce an estimated cash flow report? ☐ Yes ☐ No

Do you rank your customers? ☐ Yes ☐ No

If yes, how? ☐ By sales ☐ Profits ☐ Both ☐ Other: \_\_\_\_\_

If no, would you like to? ☐ Yes ☐ No

Does your system provide customer credit limits? ☐ Yes ☐ No

If yes, indicate the type(s) of limits you use.

- ☐ Overall balance ☐ Credit limit per order  
☐ Credit hold ☐ COD  
☐ No limit ☐ Other: \_\_\_\_\_

How does your company identify/manage a customer who is under their credit limit but overdue?

- ☐ Manually ☐ From A/R reports  
☐ Computer places customer on credit hold based on pre-defined parameters

Do your salespeople get involved with overdue accounts? ☐ Yes ☐ No

Do you analyze customer credit history to help set pricing? ☐ Yes ☐ No

(Example: Should a customer who pays in 60 days doing the same sales volume of as a customer who pays in 30 days get the same discount?)

How often do you track down payment applications in receivables?

- ☐ Never ☐ Sometimes ☐ Often

In what ways does your current system not address your accounts receivable requirements?

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## Accounts Payable

How does your company prepare vendor invoices? Number the steps taken in sequential order.

- \_\_\_\_\_ Match paperwork; purchase order to packing slip to invoice
- \_\_\_\_\_ Manually check what is being invoiced against what was purchased
- \_\_\_\_\_ System matches purchase order receipt with the invoice and points out discrepancies
- \_\_\_\_\_ Manually enter payables onto a ledger card
- \_\_\_\_\_ Enter payables into system and apply to proper general ledger account

What action is taken when there is a discrepancy with a vendor's invoice?

- ☐ Do not enter it in the system or a manual ledger
- ☐ Enter it with some type of flag or reason code so it is not released for payment

Do you run a payables due report? ☐ Yes ☐ No

Do you take vendor discounts automatically regardless of when you pay, or just when earned?

- ☐ Automatically ☐ Only when earned ☐ Both, depends on vendor

How does your system monitor payables to determine which invoices to pay in order to earn discounts? ☐ Manually ☐ Reports

- ☐ System releases invoices based on pre-defined parameters

How often do you run payables checks?

- ☐ Daily ☐ Weekly
- ☐ Bi-monthly ☐ Monthly

How long does it take to get payables checks written or printed? \_\_\_\_\_

Do you provide 1099s for some vendors? ☐ Yes ☐ No

Does your system track accounts payable history? ☐ Yes ☐ No

In what ways does your current system no address your accounts payable requirements?

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# General Ledger

Do you run your own financial statements? ☐ Yes ☐ No

Do you define your own financial reports with a report writer on your current system?

☐ Yes ☐ No

If no, would this be useful to you? ☐ Yes ☐ No

Do you set up budgets and analyze them, comparing budget to actual amounts? ☐ Yes ☐ No

Do you compare current totals to your prior amounts? ☐ Yes ☐ No

Do you automatically post from monthly reports to the general ledger or batch file? ☐ Yes ☐ No

How do you handle standard recurring entries? \_\_\_\_\_

\_\_\_\_\_

How long does it take after the last day of the month to get a financial statement from your system? \_\_\_\_\_

How many characters digits are there in your GL account number? \_\_\_\_\_

Define the structure of the GL account number:

\_\_\_\_ -- \_\_\_\_ -- \_\_\_\_ -- \_\_\_\_  
( ) ( ) ( ) ( )

Do you have profit centers? ☐ Yes ☐ No

If yes, what are they?

\_\_\_\_\_  
\_\_\_\_\_

Do you have multiple companies? ☐ Yes ☐ No

If yes, how many? \_\_\_\_\_

In what ways does your current system not address your general ledger requirements?

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

# Sales Tax

Do you have more than one sales tax structure? ☐ Yes ☐ No

Do you get a breakdown of each sales tax schedule at the end of each month? ☐ Yes ☐ No



How long does it take to determine your sales tax payable at month end? \_\_\_\_\_

Do you have customers who are taxable/non-taxable item by item? ☐ Yes ☐ No

If yes, how do you currently handle these transactions? \_\_\_\_\_

\_\_\_\_\_

Other comments/observations: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

## Payroll

Do you use an outside service? ☐ Yes ☐ No

What other services does your payroll service provide? \_\_\_\_\_

How many employees are paid by the payroll system? \_\_\_\_\_

How often do you run payroll checks? \_\_\_\_\_

What different types of pay do you have? \_\_\_\_\_ (i.e., hourly, weekly, etc.)

What different types of deductions (including taxes) do you apply and report on?

\_\_\_\_\_

In what ways does your current systems not address your payroll needs?

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

## Service & Repair

Does your company offer repair services on items it sells? ☐ Yes ☐ No

Is service/repair work performed ☐ On your premises? ☐ In the field? ☐ Both?

If you perform field repairs, is there a site charge? ☐ Yes ☐ No ☐ Sometimes

Do you use service contracts? ☐ Yes ☐ No

Does your company offer preventative maintenance services? ☐ Yes ☐ No

How do you convert contracts and preventative maintenance agreements to service orders?

☐ Manually ☐ System Directed

Do you track preventative maintenance schedules? ☐ Yes ☐ No

Do you perform warranty work? ☐ Yes ☐ No

Do you perform meter readings? ☐ Yes ☐ No

How do you track work status? ☐ Manually ☐ Computer Project Management Tool

How do you schedule technicians? ☐ Manual Process ☐ Computer Tracking System

Do you currently track your technicians' billable/non-billable hours? ☐ Yes ☐ No

## General Information

### *End of day*

When do you begin your end-of-day procedure? \_\_\_\_\_

How long does your end-of-day procedure take? \_\_\_\_\_

How often do you backup your system?

☐ Daily ☐ Weekly ☐ Monthly ☐ Never  
☐ Other: \_\_\_\_\_

What type of media do you use for backup?

☐ Diskette (Type/Size): \_\_\_\_\_ ☐ Tape (Type/Size): \_\_\_\_\_  
☐ Other: \_\_\_\_\_

How long does your system backup take?

☐ 1 hour or less ☐ 1 to 1-1/2 hours ☐ 1-1/2 to 2 hours ☐ Other: \_\_\_\_\_

Do you have to close business early because of your end-of-day procedures? ☐ Yes ☐ No

### *End of Month*

Explain the steps you take to close out a month. (example: run several reports, clear files, reorganize files, pack files, build sales history, post of G/L, print P&L): \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_

When do you start closing out your month? \_\_\_\_\_

How long does it take to close out the month? \_\_\_\_\_

Do your end-of-month procedures affect your business operations? ☐ Yes ☐ No

## ***Security***

What are your company's information security requirements?

- ☐ No security ☐ Limited to restricting/not restricting whole areas only  
☐ Every menu choice and function can be restricted separately  
☐ Other: \_\_\_\_\_

Is it important to be able to restrict specific areas in your system? ☐ Yes ☐ No

Would you like to be able to define/customize windows and menus by user for security purposes? ☐ Yes ☐ No

## ***Editing***

How do you make changes to your item/customer/vendor files.

- ☐ Manually ☐ Computer calls up each record and goes to appropriate change field  
☐ Electronically ☐ Other: \_\_\_\_\_

## ***PC Interface***

What tasks do you use PCs for in the daily operations of your company?

- ☐ Word processing ☐ Spreadsheet reporting  
☐ Desktop publishing ☐ Other: \_\_\_\_\_

## ***Management Aids***

Do you want/need a custom report generator? ☐ Yes ☐ No

Do you want the ability to electronically archive reports and documents. ☐ Yes ☐ No

Is connectivity to products such as Excel, Access, Crystal Reports and ODBC important?

- ☐ Yes – Immediate ☐ Yes – Future ☐ No

## ***Data Transfer***

During system conversion would data transfer of your files to your new system benefit you?

- ☐ Yes ☐ No

If yes, how do you see it happening?

- ☐ Manually ☐ Manual/Electronic ☐ All electronic

What files would you like to transfer electronically?

- |  |  |  |
|--|--|--|
| <input type="checkbox"/> Customer data | <input type="checkbox"/> Vendor data   | <input type="checkbox"/> Item data         |
| <input type="checkbox"/> Item usage    | <input type="checkbox"/> Sales history | <input type="checkbox"/> Open receivables  |
| <input type="checkbox"/> Open payables | <input type="checkbox"/> Open orders   | <input type="checkbox"/> Item stock counts |
| <input type="checkbox"/> Open POs      | <input type="checkbox"/> Other: _____  |  |

## Activity Profile / System Sizing Questionnaire

Number of Users \_\_\_\_\_

### Sales Order Processing

Number of Active Customers \_\_\_\_\_

Number of Salespeople \_\_\_\_\_

Number of Quotes Generated / Day \_\_\_\_\_

Number of Sales Orders (Bookings) / Day \_\_\_\_\_

Number of Orders Shipped / Day \_\_\_\_\_

Average # of Items (Lines) Per Order / Quote \_\_\_\_\_

% Of Shipments with Backorders \_\_\_\_\_

### Purchase Order Processing

Number of Purchase Orders Booked / Day \_\_\_\_\_

Number of Purchase Orders Received / Day \_\_\_\_\_

% Of PO Receipts With Backorders \_\_\_\_\_

Number of Import Shipment (Containers) / Day \_\_\_\_\_

Number of Vendors \_\_\_\_\_

Average # Of Alternate Ship-From Locations Per Vendor \_\_\_\_\_

Average # Of Items (Lines) On Purchase Order \_\_\_\_\_

### Inventory Management

Number Of Stocking Locations \_\_\_\_\_

Number Of Items (Include Stocked, Non-Stocked, And Supply) \_\_\_\_\_

% Of Items That Are Parent/Kit Bill Of Materials \_\_\_\_\_

# Of Parent BOM Produced / Day \_\_\_\_\_

Average # Of Component Items (Line) On BOM \_\_\_\_\_

### General Accounting

Number of Branches \_\_\_\_\_

Number of Cost/Profit Centers \_\_\_\_\_

Number of General Ledger Accounts \_\_\_\_\_

Number of Journals Posted To General Ledger / Day \_\_\_\_\_

Average # of Different Accounts (Lines) Per Journal \_\_\_\_\_

Number of periods in fiscal year \_\_\_\_\_

### Assumptions

#### General

Number of Working Days / Month \_\_\_\_\_

Number Copies of the Database \_\_\_\_\_

% of the Database that Estimated Transactions Represent \_\_\_\_\_

#### Financial

Number of Companies \_\_\_\_\_

Number of Years Of Financial History (GL, AR, AP) \_\_\_\_\_

Average # Days AP Invoice is Open \_\_\_\_\_

Average # Days AR Invoice is Open

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**Inventory**

Number of Years Inventory History (Includes Manufacturing)

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% of Items from Primary Locations Stored in Remote

Warehouses

---

**Sales Order Processing**

Number of Years of Sales History

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Average # Alternate Ship-To Addresses Per Customer

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% of Sales Orders with Alternate Ship-To Designated for

Order

---

Average # Sales Order Lines with Alternate Ship-To

Addresses (By Item)

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Average # of Commissioned Salespeople / Order

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Average # of Add-Ons (Freight, Handling Fees, Etc.)

Transactions

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% of Sales Orders Processed through EDI

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**Purchase Order Processing**

Number of Years of Purchasing History

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% of Purchase Orders Processed through EDI

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