Stein Mart: You can't cut and paste your way to accountability and purchasing control.

Stein Mart was tired of piecing together spreadsheets to prepare budgets and purchase supplies for their retail stores.
More importantly, Stein Mart wanted to maximize accountability. When the Store Operations team at Stein Mart decided to automate their purchasing process for indirect (non-resale) items, accountability may have been the driving force to move to a spend management system but a multitude of other benefits followed.

"Our budgeting for capital expenditures and approvals was a messy process," says Steve Approbato, Director of Store Operations Analysis and Budgeting for Stein Mart. "We would send out blank spreadsheets to ask what the stores needed for things like paint, lighting, carpeting, etc. These were sent via email and then they would be filled out and returned. We would spend days copying and pasting data together to get an overview of the requirements and budget before the actual purchasing process began. We were relying on the integrity of email for sending and receiving data, which could not be reported on."

Stein Mart wanted a new system that fully complied with Sarbanes Oxley. Steve and his team needed to ensure that everything the stores had requested could be tracked and properly accounted for. SpendMap gave them the control that they needed to be SOX compliant. Since everything is entered in one place, they can track each order back to the date that it was requested, approved, ordered and delivered.

Stein Mart had one primary requirement when looking for a system; **IT MUST BE USER FRIENDLY!** Stein Mart had tried to implement another purchasing package that did not work out. It had a clunky interface and was difficult for store managers to use.

"We hire our store managers to manage our stores, not to learn software," says Steve. "If they didn't find the system easy to use, then we knew we would not achieve our ultimate goal."

At A Glance

Client Profile

Stein Mart, headquartered in Jacksonville, Florida, is a national fashion merchandise retailer of fashion apparel for women and men, as well as accessories, gifts, linens and shoes. Begun as a single store in Greenville, Mississippi, the company operated 280 stores in 30 states as of February 2008

Business Challenge

Stein Mart was running their purchasing and budgeting process on spreadsheets which could not be easily tracked, cross-referenced or reported on and required incredible manual effort of compiling data. The process was prone to errors and there was a concern over SOX compliance.

Solution

SpendMap was used to eliminate manual processes and gain control of Stein Mart's budgeting and purchasing processes. SpendMap allows companies to track, manage and secure the purchasing process in a way that provides control and visibility.

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Some of Stein Mart's other requirements:

▲ Needed to create a hierarchy for purchasing and approval

▲ Needed the ability to add multiple catalogs of products and update pricing in one place for all stores

Benefits of the SpendMap system that followed;

▲ Minimized errors

▲ Created accountability

▲ Eliminated the burden of hand writing orders and the manual analysis of data that went with it

▲ Minimized the time-consuming process of routing versions of spreadsheets back and forth between stores and management for approvals

Once SpendMap was implemented, what was the outcome?

"Peace of mind. We could all breathe a little easier knowing we had gained control of the process and achieved accountability," says Steve.

SpendMap Achieved Spend Control

Today, when a requisition is created in the SpendMap system, all the store manager has to do is approve or reject the request on-line and, at the end of the process, a summation is created of what each store has requested and what is being purchased. Today, the Budgeting Team doesn't miss items because there is a complete audit trail in the database. Millions of dollars in assets is significant enough to catch the attention of the auditors. Now the Stein Mart management team can trace all purchase orders back to a requisition. Also, the Purchasing staff no longer has to sit there for weeks and go through every line item to create purchase orders manually.

SpendMap Reduced the Administrative Burden

"The stores are no longer calling up asking 'Where's my order? Did you put it through?'. Purchasing managers can immediately go into the system and see what was approved or not approved and the stores get immediate feedback about what has been ordered or if it's on back order. We handle everything just by checking PO status in SpendMap. Before there was lot of digging around trying to find information. Now it's all much more streamlined," says Steve.

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