



WESTERN
COMPUTER

VOLUTONE

PLANNING STORY

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Trevor Hansen
President, Volutone

VOLUTONE MOVES ERP TO THE CLOUD TO IMPROVE CUSTOMER EXPERIENCES AND ACCELERATE ORDER FULFILLMENT

MICROSOFT DYNAMICS 365 FOR FINANCE AND OPERATIONS DEPLOYED BY WESTERN COMPUTER EXPECTED TO INCREASE SALES BY 25%

THE SOLUTION

When companies grow rapidly, they often find their ERP systems can no longer efficiently support the volume of business transactions. In the case of Volutone, the company had relied on Microsoft Dynamics NAV for 15 years as the ERP engine that ran its business. As operations expanded, the company customized many functions and integrated the platform with third-party solutions to run warehousing and shipping as well as point-of-sale systems at its wholesale stores.

This approach served the company well, but in the midst of the accelerated growth, the time had arrived to **deploy a more robust ERP technology**. Additional stores along with new vendors, products, customers, and employees had considerably increased the amount of work required to run the business.

“The manual processes we needed to execute were extensive,” says *Volutone President Trevor Hansen*. “To correct the situation, we wanted an ERP solution that would integrate all of our processes into one platform so we could automate processes and work more efficiently. We also wanted to avoid manual input errors and make it easier for customers to do business with us. As we continue to open locations and add more personnel, it was imperative to deploy an ERP platform that would help us grow while maintaining profitability.”

Volutone considered upgrading to a new version of Dynamics NAV for many years. But with the internal IT team focused on day-to-day operations, assigning internal resources to take on the project was difficult.



PROJECT GOALS

- Consolidate all business functions into a single ERP platform.
- Automate manual warehouse order fulfillment processes.
- Streamline point-of-sale checkout for customers purchasing products at stores.
- Gain real-time visibility into supply chain activity.

That's when Volutone turned to its long-time IT partner, Western Computer. Western Computer first identified an ERP solution that would support Volutone's rapid growth—Microsoft Dynamics 365 for Finance and Operations. In addition to back-office financial and accounting capabilities, the cloud-based ERP platform provides all the front-line functions Volutone requires—point-of-sale, warehousing, supply chain management, and shipping.

Western Computer also recommended a resource that Volutone could hire to develop the ERP strategy and manage the project. "This referral demonstrates the extent of our partnership with Western Computer," says Hansen. "In addition to advising us on which technologies to deploy and helping to design solutions, they also help us with our internal IT needs. Finding someone to run the project internally was critical because the bandwidth of our internal team was already stretched to capacity."

Another key service Western Computer provided was an analysis of the cost to remain on Dynamics NAV vs. migrating to Dynamics 365 for Finance and Operations. Given the annual maintenance and upgrade costs of Dynamics NAV and the third-party add-on solutions, the analysis showed that **Volutone will lower ERP costs over the next 5-10 years by moving to Dynamics 365 for Finance and Operations.**

THE BENEFITS

Dynamics 365 for Finance and Operations provides Volutone with an ERP platform that will improve the company's ability to process customer counter sales more efficiently.

Volutone can also automate warehouse operations and eliminate paper handling by utilizing barcode scanning devices to pick and pack orders. In addition, the company will benefit from greater reporting capabilities that provide improved visibility into accurate inventories and the precise costs of products sold.

As Volutone prepares to deploy and migrate to Dynamics 365 for Finance and Operations, Hansen projects that the company will generate several key benefits.



PROJECT HIGHLIGHTS

- Moves ERP to the cloud to streamline and lower the cost of system upgrades.
- Provides greater business continuity for store locations.
- Allows the business to easily adapt to new transaction process requirements.

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By leveraging the advanced ERP capabilities that the platform offers, the point-of-sales, warehouse, and supply chain processes will all function much more smoothly.

“Our customers that purchase products in our stores will find they can get their products and check out much faster than before,” adds *David Grant, Operations Manager for Volutone*. “And our warehouse personnel can now use mobile devices to quickly identify where products are located in order to fill customer orders and prepare shipments from our central warehouse to our stores.”

With seven stores spanning Southern California and Nevada—**moving thousands of products every day**—Volutone manages a massive warehouse and supply chain operation. A major attribute of Dynamics 365 for Finance and Operations that Volutone particularly appreciates is the ability to accurately determine product availability in real-time.

Previously, when a customer order was placed, the products would be held and taken out of inventory, even if the customer would not receive the products until a month later. In the meantime, if another customer requested the same products for immediate delivery, the Volutone system would show the products as unavailable, thus creating a lost sales opportunity.

“But with Dynamics 365 for Finance and Operations, we will always know **precisely** when we need to fulfill each order and when we need to reorder products from manufacturers,” *Grant says*. “In the case of a customer who places an order for pickup a month out, we can turn over the inventory for that product multiple times as other customer orders come in—and still know we have time to fulfill the original order.”

Gaining this capability will pay major dividends. Volutone management projects its entire sales team will become much more efficient at fulfilling customer orders and **expects the sales volume for each sales person to increase by 25%**. “With accurate information on inventory status, we will always know in real-time which customer orders we can fulfill, and what adjustments we need to make to our supply chain to make sure we meet future orders on the same products,” *Grant says*.



PROJECTED RESULTS

- Helps close on more product sales by providing real-time visibility into available inventory.
- Enables precise supply chain management to keep each store stocked with correct product inventories.
- Generates a 25% increase in sale rep volumes.
- Lowers long-term total-cost-of-ownership for the ERP platform.
- Facilitates future company growth by enabling current staff to handle increasing business transactions.

Dynamics 365 for Finance and Operations will also make it easier for Volutone to accommodate instant rebates from manufacturers, taxation changes, and bundled product pricing. "A highly-customized on-premises solution is difficult to reconfigure for changes like these, and upgrading to a new version is cost-prohibitive," says Grant. "But the combination of the native features offered by Dynamics 365 for Finance and Operations, along with utilizing a cloud-based ERP platform, allows us to be much more nimble to changes. And **system upgrades will occur automatically**—without us having to do anything on our end."

Another key benefit of migrating ERP to the cloud is business continuity. Volutone once experienced a power outage at corporate headquarters that lasted for several hours and forced the six store locations to shut down since they relied on the on-premises ERP platform to run their point-of-sale systems. "That probably cost us thousands of dollars," Grant says. "But by moving ERP to the cloud, we can ensure that never happens again. Even if we lose power at corporate, all the store locations can still access point-of-sale systems via the cloud, which will also be backed up by our cloud hosting provider."

The implementation is progressing smoothly and we fully expect to hit our planned go-live date in the fall of 2018.

WHY WESTERN COMPUTER?

Trusting Western Computer to design, deploy and manage the ERP platform has played a major role in Volutone's success and its rapid growth for nearly two decades. Volutone has partnered with Western Computer since 2001.

"We wouldn't be in business today without Western Computer," Hansen states. "What they have done to support us from day one makes the decision to follow their guidance on this new ERP project an absolute no-brainer. We're excited to migrate to Dynamics 365 for Finance and Operations."



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Hansen also emphasizes that the partnership with Western Computer works well across all levels of both companies. From frontline personnel to senior leadership, both Volutone and Western Computer share a strong commitment to joint success.

“This new ERP platform is the largest investment in the history of our company,” *Hansen pointed out.* “There’s no doubt we are taking the right steps to secure our business for the future, and Western Computer is right there with us.”

ABOUT VOLUTONE

With over 115 years of innovation, Volutone Distributing Company leads the home and auto audio/visual electronic equipment and security industry in customer service, quality products, and cutting-edge technology. The company operates seven convenient state-of-the-art facilities located in Southern California and Nevada—providing products to dealers from more than 140 of the leading manufacturers.



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