

## **Giant Food AFS Re-Implementation Project**

### **August 2001**

**Client Need:** Giant Food was acquired by Ahold, Inc. in 1998. As a result of the acquisition, they adopted the finance systems of the parent company. The organization did not adapt to the process and reporting structure after it was introduced by the finance department. Part of the issue involved the comprehension and the format in which the information was delivered.

I created an interactive instructor led session that integrated all of the reports of the inventory system to build business analysis skills of the store managers.

#### **Learning Objectives:**

1. Identify all of the components of the ledgers that are part of the SIR380 system.
2. Classify the relationships of inventory as it relates to gross profit reports.
3. Identify the variables of cost and retail as it is reported on the general ledger system.
4. Calculate the formulas for factoring, shipping gross, gross profit and cost of sales for each of the perishable and non-perishable departments.
5. Identify areas for department improvement based on analysis of the SIR380 reports.
6. Build a list of contacts through the SSC form within the AFS to resolve inventory issues.

#### **Design Outline:**

Assessment of current knowledge

Introduction of Inventory Transfer Methods (Warehouse, DSD, Store Transfer, Traditional) and Ledgers (Non-DSD, DSD, DSD Adjustment, Warehouse, Adjustments)

Introduction of classification of departments (Perishable and Non-Perishable)

The room was set up with a series of learning stations that teams visited to learn the structure and experience the outcomes of each of the reports.

The results of the activities were consolidated in the afternoon into a Gross Profit Summary report.