



Nippy's put squeeze on old accounting system

Overview

Founded in the Riverland of South Australia in the early 1930s, Nippy's is one of those great Australian companies still doing what it does best – delivering fresh produce to the people of Australia.

Things might operate on a larger scale now than they used to, but the product has stayed pretty much the same in over 60 years. What has changed is its structure. Nippy's is now a much more horizontal organisation, with managers taking their share of responsibility for different areas – instead of all the decisions being taken up top. And that's had a profound effect on how information on sales and stock is shared around the business.

Problem

Back in the good old days

For several years, Nippy's had been using two accounting systems side by side – MYOB Premier for general ledger, and a proprietary DOS program to record debtors. According to Ben Knispel, the company's accountant, both were good. "Premier was easy to use, and value for money," he says, "and the DOS program, despite its age, chugged along nicely. But that was also its downfall," he adds.

"In the end, I guess we just outgrew them both," says Knispel. "We needed data to be readily available across the business, not just at the top. And our existing systems couldn't manage that."

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Solution

Choosing MYOB EXO

Nippy's spent a couple of months looking at possible replacements, including SAP, before finding MYOB's EXO for Business. "MYOB EXO was being implemented locally by software solutions company Axsys – and we'd heard good things about both. So we contacted Axsys and asked to see the system in action."

"It didn't take us long to realise that MYOB EXO had the functionality we needed – reporting capabilities, multiple access, good stock control and bill of materials, as well as a company with a sound reputation supporting it," adds Knispel. "So we chose MYOB EXO."

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Ironing out the essentials

For all of MYOB EXO's features, Knispel says they were really interested to see how it handled stock – partly because they'd never had that kind of functionality before going on in the business, and were fairly comfortable generating and modifying those as needed. "We still export some reports to Excel for graphing and presentation purposes, and the support within MYOB EXO allows us to do this. We weren't disappointed. Once the guys at Axsys showed us MYOB EXO's bill of materials using dummy data, everything came alive for us."

Nippy's was also keen to get distribution work flows set up in MYOB EXO as soon as possible. "We have a number of self employed distributors who take our juice all over Australia to outlets like Coles and Woolworths," says Knispel.

"Although an essential process, the system we were using to track deliveries, payments and reimbursements was hugely complicated – involving triplicate dockets and a lot of manual inputting back in the office." "We needed Axsys to create a system in MYOB EXO that would not only replicate this process, but vastly simplify it too."

Getting to grips

Once MYOB EXO was up and running, Knispel believes it took most users about two weeks to feel confident using it. But says he's still learning. "The big thing when you're adjusting to any new system like this," says Knispel, "is to realise that no matter how much testing and preparation you do, you'll only find out how it really works once you start using it."

Real time reliability

It's not just the ability to access information centrally that's transformed workflow at Nippy's. The ability to access and use up-to-date information has had a dramatic effect on stock keeping and reporting. MYOB EXO's real time stock system provides Nippy's with live product costing – something that previously could only be achieved through manual process.

According to Knispel, "Before MYOB EXO, if we wanted an accurate margin calculation from, say, our last quarter, we'd have to dig around to find out exactly how much we paid for our stock during that period. With MYOB EXO however, every time you buy something, the cost of that item flows through the entire system resulting in real time margin calculations."

Having all your data at the core

A few months down the line, Nippy's has noticed several big improvements with MYOB EXO – not least the time it saves on certain tasks. "We must have saved 20 hours a week alone handling our distribution process – that's half a full time role," says Knispel.

"We now know exactly what we've sold too – and whether we've sold more or less than we did last month – or last year." It's all down to having information in one place. Instead of having debtors stored in one data base and sales and general accounting data in another, MYOB EXO holds everything centrally – which means that anybody at Nippy's can dip into the system and pull out what they need.

MYOB EXO's reports are designed to give a clear understanding of all aspects of the business, whether you're looking for a snapshot view of sales, keep an eye on debtors – or just need some assistance decision making.

"On a day to day basis," says, Knispel, "MYOB EXO gives us a better understanding of what is going on in and outside the walls of our warehouse. But in the long term, it has provided us with a platform to roll out across our sites over time – so that we can consolidate the group into one financial package. And that's its real value."

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Before	After
<ul style="list-style-type: none">> Outgrew existing two accounting systems that were being used side by side> Needed data to be readily available across the business, not just at the top> Working with a hugely complicated process.	<ul style="list-style-type: none">> 20 hours per week saved on improvements to the distribution process alone> More visibility over data> Up to date information has had a dramatic effect on stock keeping and reporting.