

Wellcome Achieves Greater Financial Control, Cuts Reporting Time from 12 Hours to 30 Minutes



Wellcome Taiwan Company Ltd
Taipei, Taiwan
www.wellcome.com.tw

Industry:

Retail

Employees:

4,200

Oracle Products & Services:

Oracle Financials
Oracle Discoverer
Oracle Database

Oracle Partner:



AdvancedTEK International

AdvancedTEK International
Corporation
www.advtekgroup.com

“Upgrading our financial system to Oracle Financials has delivered six major benefits: greater accuracy, improved efficiency, better performance, increased flexibility, more control over user privileges, and the ability to customize reports.” – Jessica Yeh, IT Director, Information Technology Dept, Wellcome Taiwan Company Ltd

The first Wellcome food store opened for business in 1987. Today, it is Taiwan’s largest supermarket chain, with 209 stores across the country selling up to 12,000 different items. A subsidiary of Hong Kong-based Dairy Farm International Holdings, Wellcome operates under three brand names: Wellcome, Wellcome Gourmet, and Jason’s Market Place.

Wellcome’s success can be partly attributed to its willingness to implement best practice business management models used by supermarket operators globally. The company’s management philosophy, which emphasizes innovation, extends to its adoption of new technology. From 2003 to 2008, Wellcome overhauled its information technology architecture, which involved upgrading networks, hardware, operating systems, and applications.

As part of the overhaul, Wellcome replaced its legacy financial system with Oracle Financials. According to Jessica Yeh, IT director at Wellcome, the new system has made a significant impact on the company’s operations.

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The Need for a New Financial System

Eighty percent of Wellcome stores are open 24 hours, seven days a week. The company receives and must sift through enormous amounts of financial data, and consequently needs a powerful and reliable financial system. Its legacy system had undergone numerous expansions and upgrades and thus required a high productivity system.

Key Benefits:

- Improved data accuracy by implementing a more advanced system to collate information
- Enhanced performance by upgrading hardware and software
- Enabled access privileges to be defined according to users' responsibilities
- Supported customized, in-depth reporting
- Cut month-end reporting time from 12 hours to 30 minutes
- Allowed users to amend entries from previous fiscal years

However, support for the hardware running the system was no longer available. As a result, the company experienced performance issues that threatened to destabilize financial operations.

“We have to ensure comprehensive and continued support for all our hardware and software resources, so it became critical to find an alternative financial platform,” said Yeh.

In 2003, Wellcome embarked on a five-year project to overhaul its entire information technology infrastructure. It involved upgrading or replacing networks, hardware, operating systems, and business applications. A key objective of the overhaul was to implement a new financial system that was feature-rich, easy to manage, and could scale to cater for business expansion.

Standardizing on Oracle

Wellcome chose not to undertake extensive customization when implementing Oracle, but chose instead to adopt built-in best practice processes. According to Yeh, “Regardless of a solution’s features or operational procedures, specific standards already exist. We believed it was in our best interests to implement these proven guidelines.”

Modification was limited to functions unique to Wellcome’s business, such as quality control conditions and specific reports. When faced with significant differences between its processes and the Oracle software, Wellcome chose to change its operational procedures rather than customize Oracle Financials. For example, Wellcome changed standard operating procedures for controlling new store budgets rather than customize a new module in Oracle Financials.

By implementing Oracle Financials, Wellcome ensured easy integration with its existing Oracle Database platform.

“Standardizing on Oracle made sense: it would allow us to maximize our existing investment and minimize complications when linking the two products,” said Yeh.

Six Major Business Benefits

Wellcome has realized six major business benefits from implementing Oracle Financials.

The first is improved data accuracy. In the past, system bugs led to occasional accounting inconsistencies. By installing a new, more advanced solution with clear audit trails, Wellcome can ensure the quality of data and trace any inconsistencies back to the source.

The company has also overcome bottlenecks that previously impeded performance. In addition to installing more powerful hardware, Wellcome upgraded to Oracle Database. The combination of new hardware and software delivered a significant improvement in system performance.

The Oracle software offers greater system control and security. Wellcome can issue access privileges based on users' responsibilities, ensuring staff only view information that is necessary to their roles.

Oracle also offers more flexibility. Previously, the organization could not amend entries to accounts from previous years; using Oracle, users can freely access and rectify items for past fiscal years.

The company also makes heavy use of Oracle Discoverer, a toolset for ad-hoc querying, reporting, and analysis. Although the previous financial system allowed users to customize reports, the lack of in-depth detail meant they were of not much use. In contrast, Oracle Discoverer is more feature-rich and easy to use. The software can be used to create detailed reports based on individual users' needs.

These improvements in performance have resulted in greater efficiency. For example, it used to take 12 hours to post reports at the end of the month. Now, staff can complete the process in 30 minutes.

Why Oracle?

Wellcome is familiar with Oracle products, having used Oracle Database and Oracle Forms for a number of years. The company assessed two possible financial solutions, and Oracle Financials came out on top for its functionality and affordability.

“Oracle won out because the software offered a wide range of features, including reporting and analysis,” said Yeh. “It was also easy to integrate with our existing Oracle database and could scale to keep pace with our five-year strategic plan.”

Another factor that swayed Wellcome to Oracle was the fact that other Dairy Farm International Holdings subsidiaries were already using the software with great success.

Implementation Process

Wellcome engaged Oracle Certified Advantage Partner AdvancedTEK International to implement Oracle Financials. Senior consultants worked with Wellcome staff to review and optimize the company's internal processes as part of the project.

The support of senior managers and close collaboration between the IT department and business units enabled the implementation to be completed smoothly. The IT team met with end users to discuss their needs and gain a better understanding of financial workflows. This helped them ensure the Oracle system fulfilled users' requirements.

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