



CASE STUDY

Seattle Goodwill 'grows up with technology'

New tech platform helps the nonprofit increase efficiency, improve the customer and employee experience, and be ready for the future In the course of a year, thousands of people come through the doors of Seattle Goodwill to enroll in the organization's job training and education programs. Many of them ultimately find jobs or enroll in college. It's all part of the nonprofit's core mission to provide free and critical basic services to those in need.

Business situation Out with the old, in with the new

These free programs are made possible by the generosity of thrift store shoppers, donors, volunteers and community partners. The organization's retail thrift business – its primary revenue source – relies on a donation-based model. But the aging business systems, comprised of disconnected solutions supported by manual processes, resulted in more time spent on management and support and less time interacting with customers, raising revenue and helping students.

"We were very archaic in terms of our legacy systems," says Derieontay Sparks, Vice President, Retail Operations for Seattle Goodwill. "We were not very customer or employee centric. We needed to grow up with technology."

The ERP system was at the end of life, but the organization wanted to stay on the Microsoft platform and selected Dynamics 365. "We needed a new POS system; that was our impetus," says Mai Nguyen, Chief Operating Officer for Seattle Goodwill. "But we knew that with Dynamics we could do more than just POS. So we took a step back and figured out what we wanted to do and how it should be done."

Solution More than just a new POS

To address the challenges, Seattle Goodwill worked with Avanade as part of our <u>Technology for Social</u> <u>Good</u> program. Through this initiative, Avanade and Microsoft Technology for Social Impact advise nonprofit organizations and the social sector on the right technologies to operate in the digital world.

"Finding a partner that understands our work and values our mission was so important," says Nguyen. "Our partnership with Avanade has been amazing."

In close collaboration through joint workshops and store visits during the envisioning phase, we helped the nonprofit implement a new Dynamics-based platform. It consists of four key elements covering the back office, stores and the warehouses: point of sale, finance and operations, Production Suite and supply chain management.



Point of sale: While the upgraded POS system was a key technology investment for Seattle Goodwill, Sparks sees it as something more. "Our employees are what makes us special, so we need to invest in them," he says. "This new technology is really an investment in our employees because it enables them to give that higher level of customer experience. It's so beautiful to walk into the stores and see employees using the new system."

Finance and operations: The finance functionality was implemented across the accounting team, automating processes that were previously done manually. "Purchasing has become seamless now that it's automated," Nguyen says. For example, the purchase order process with suppliers is now faster and more efficient.

Production Suite: Our <u>Digital Innovation Studios</u> built an application using <u>Microsoft Power Apps</u> to manage the inventory intake process, known as Production Suite. The app is being used to tag thousands of donated items that will be sold at Seattle Goodwill's 24 stores.

Supply chain management: Getting the donated items to the right stores as quickly as possible is essential. The new system provides a more resilient supply chain with almost real-time visibility into the movement of goods from the warehouses to the stores.

And then came the pandemic

The implementation was a significant project, which was made more challenging due to the COVID-19 pandemic. The team went from many resources working mostly in person to a smaller group of people working virtually. "We had to shift energies to keep the project moving," Sparks says. "But it was great to see everyone band together to make it happen." (For more on how Seattle Goodwill is addressing the pandemic, see accompanying Q&A.)

Results Tech for today – and tomorrow

The new system is live in several stores, with the rollout continuing in the remaining stores over a number of months. While it's still early to assess results, the organization anticipates the following benefits.

- **Efficiency:** The new Production Suite is expected to bring significant efficiencies and increase turnaround time from donation to sale.
- **Experience:** Transaction speed is faster, providing a better customer and employee experience. The typical transaction now takes only two or three minutes, compared with as much as 10 minutes previously.
- **Visibility:** The improved supply chain visibility will provide insights to help the organization make more informed decisions and changes quickly.

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Beyond these benefits, the new, innovative system is part of a broader digital transformation journey. "There's more we can do," says Nguyen. "We're still looking at how to optimize all the technology that we now have."

At the end of the day, it's all about how the organization can use technology to make a genuine human impact. "The new technology is not just about what Seattle Goodwill is able to do now; it's also setting us up for the future," says Sparks. "It all ties together: The system enables faster production and improved output, which leads to a better customer experience. The customers buy more, which provides more revenue so we can help more students."

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About Seattle Goodwill

Seattle Goodwill is a nonprofit organization founded in 1923. We currently operate <u>five Job Training Centers</u>, <u>24 retail stores</u> and over <u>40 donation sites</u> in King, Snohomish, Skagit, Whatcom and Kitsap County. We employ over 1,500 people in our region.

About Avanade

Avanade is the leading provider of innovative digital and cloud services, business solutions and design-led experiences on the Microsoft ecosystem. Our professionals bring bold, fresh thinking combined with technology, business and industry expertise to help make a human impact on our clients, their customers and their employees. We are the power behind the Accenture Microsoft Business Group, helping companies to engage customers, empower employees, optimize operations and transform products, leveraging the Microsoft platform. Avanade has 39,000 professionals in 25 countries, bringing clients our best thinking through a collaborative culture that honors diversity and reflects the communities in which we operate. Majority owned by Accenture, Avanade was founded in 2000 by Accenture LLP and Microsoft Corporation. Learn more at www.avanade.com

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