VENDOR MAINTENANCE OR SUPPLIER MANAGEMENT AND REPORTING - OF SHOP MANAGEMENT SYSTEM (VMR)

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ABSTRACT

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Some of the small clothing stores or boutique shops are using different system to running different business activities such as cashier machine to handle business transaction, manually record stock information and staff personal detail or even not recording the information at all. This application will provide features such as cashier to handle sales transaction, stock management to control stock availability, staff information management to handle employee details, supplier information management for purchasing order and generating report. For vendor maintenance or supplier information management, user shall register the vendor information into the system database. It can be to generate purchase order which can be print out used to order stock. User shall choose the stock from existing stock list or key in new kind of stock for place new purchase order. After selection, purchase order in standard format will be generated and printed out. For generating report function, this system can generate a report which contained the vendor information, stock information, daily, monthly and annual sales of the shop stored in the database.

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Chapter 1

Introduction

1.1   Introduction

Some of the small clothing stores or boutique shops are using different system to running different business activities such as cashier machine to handle business transaction, manually record stock information and staff personal detail or even not recording the information at all. Normally the problem caused by the shop are just started the business or still in growing of the business, method using to running daily operation of the management activities are not performed efficiently. Shop Management System is a software application to be developed to manage most of the activities or tasks running in a boutique shop. This system has divided to three main modules that are cashier and stock management, supplier information management and generating report, and fingerprint authentication and staff management. This application will provide features such as cashier to handle sales transaction, stock management to control stock availability, staff information management to handle employee details, supplier information management for purchasing order and generating report.

For supplier information management, user shall register the vendor information into the system database. It can be to generate purchase order which can be print out used to order stock. User shall choose the stock from existing stock list or key in new kind of stock for place new purchase order. After selection, purchase order in standard format will be generated and printed out. For generating report function, this system can

generate a report which contained the vendor information, stock information, daily, monthly and annual sales of the shop stored in the database.

By combining these features together in one system to managing the shop activities are much easier than using different kind of applications which may costly, wasting time and inefficient. Besides, Shop Management System can provide a better security to manage business activities compared with manual recording method in business management, other issue such as authenticated user to access administrative tasks will easier to control by using a main/system in a shop.

For security and authentication level, this system used fingerprint authentication system to login to system. Fingerprints or thumb prints are the oldest and the most commonly known biometric and users can never change their unique identifier. Shop Management System will allow staff to take their attendance with using thumb print. Thumb print sign-in system will collect Staff attendance and calculate how many staffs are attended in the day. Besides, this system can check who were absent or late. Thumb Print system also more simply and secure it is because biometrics cannot be duplicated or hacked. It is also not necessary to remember unique user ID and password to gain entry to login into the system. Shop Management System designed to provide user easier, faster and efficiency way on managing small boutique shop in.

1.2   Problem Statement

Based on our case studies, we found several problems when using the current manual system module. There are:

I.   The method of Boutique shop management being used at this moment is not systematic, wasting resources and time consuming. All record is recorded manually in file, record book and log book. Unable to track the record of supplier

in shortest time. Record book filed up and kept in the rack which waste resources such as papers, pens and space for storing those files.

II. Those file record kept might face the risk of human error such as being burnt in a fire, dirtied by ink spill or damaged by termites, lost or any other possibilities that can bring to demolishment of records kept.

1.3 Objective

The objectives to create Boutique Shop Management System are:

I. To computerized the stock and supplier handling of shop to become more systematic, efficiency, save resources and time used by staff. Staff able to do more task when the time is sufficient by using this system to track the record in the database easily.

II. To minimize the error and risk of staff due to the safety of important record. Record stored in system database can be back up and provide a good security and safety.

1.4 Scope

The scopes of my module in this system which is supplier information handling or management and generate report are including the users and constraints of this system.

I. The users of this SMS system module are boutique shop administrator and supervisor. Authorized administrator and supervisor can use this system function to maintenances vendor/supplier information, generate purchase order to ordering stock and generate report. Administrator and supervisor also able to check the

supplier's information, Whenever supervisor requires ordering stock, this module has provided generating purchase order. Administrator and supervisor also can generate vendor information, stock information, daily, monthly and annual report of stock sales using generating report function in this module.

II. This system is created and only suitable for medium and small size clothing store and boutique shop. Because the requirement is obtained from small shop and specification is designed for small size shop. In addition small size boutique shop has process their business activity in common way such as for supplier management, generate purchase order, and generate stock, vendor information, daily, monthly and annual sales report. It is not suitable for branched company that required networking connection.

Chapter 2

Literature Review

2.1   Introduction - VMR Module

Some of the small clothing stores or boutique shops are using different system to running different business activities such as cashier machine to handle business transaction, manually record stock information and staff personal detail or even not recording the information at all. Shop Management System is a software application to be developed to manage most of the activities or tasks running in a boutique shop. This system has divided to three main modules that are cashier and stock management, supplier information management and generating report, and fingerprint authentication and staff management. This application will provide features such as cashier to handle sales transaction, stock management to control stock availability, staff information management to handle employee details, supplier information management for purchasing order and generating report.

For Vendor/supplier maintenance or supplier information management, we can use the supplier information stored in system database to generate purchase order which can be print out used to order stock. User can choose the stock from existing stock list or key in new kind of stock for ordering. After selection, purchase order in standard format will be generated and printed out. For generating report, this system can generate a report which contained the information of monthly and annual sale of the shop.

2.2   Study/Comparison on current system

System studied: Cash Register Express

In study the existed and current project and system used in the real environment, we choose Cash Register Express as our study material. Cash Register Express is a point of sale solution for retail system. In my modules which are supplier management and report generating are founded and included in this system. The comparison and study of this system based on my modules have made me explore and gain more knowledge in this kind of system. This makes me more understand this kind of system flow and business point.

In cash register express, there is Control function of the Host Module is where you can add or edit Categories, Vendors, Departments, Purchase Orders, Global Price Changes, Inventory and Groups as well as changing Item Properties. All features present in this screen are also accessible, at the store level, from within CRE via the Options Screen.

Therefore, in cash register express the supplier management or vendor maintenance is the function that allows you to enter vendor information. Vendors are companies that you purchase products from. In the CRE Host Module, you can control the vendor information for all stores. It is important to enter vendors in for the purpose of Purchase Orders (refer to the Common Retail Functions section for more information). Once vendors are added into the system, you may assign inventory items to a vendor to indicate where you purchase the item. [2]

2.2.1 Vendor Maintenance or supplier management

Vendor maintenance includes researching, selection, approval of, and maintenance after approval of vendors used for purchased products and services. This provides a means of tracking vendors; tracking purchases from vendors; tracking warranties and problems with materials, equipment, and services purchased; tracking invoices, balances and payments to vendors, and any number of other needs regarding specific vendors an organization uses. [11]

Vendor maintenance allows assignment of vendor profiles in accounts payable software systems, as well as removal of outdated or unused entries. This gives the accounting department greater control of vendors used, purchases made, consistency and quality of purchases by reducing the number of vendors used, and eases the reporting and payment processing at the end of the accounting period. [11]

For user to add a Vendor, simply press the Add button and fill in the appropriate information. Required fields are the Vendor Number, which is a unique identifying number for the vendor and the Company Name. You may also edit a Vendor by simply editing the fields you wish to change. The Vendor Number cannot be edited. If you need to change the Vendor Number, you must delete the vendor and re-add it again. If you have inventory assigned to the vendor, then deleting the vendor will delete the association of items to that vendor. You will have to re-assign the items to the new vendor. All the function in this module has provide the basic requirement to create and maintain the vendor or supplier. [2]

Vendor Maintenance

Figure 2.1: Vendor Maintenance Form

2.2.1.1 How to search a vendor

Search a vendor is an important and essential function in vendor maintenance. An effective search will search the database and output the data you required in a good response time and correct way.

Short names in the vendor database are used to (1) identify types of organizations, (2) for a simpler way to find a vendor, or (3) as a place to use acronyms. The basic rules for short names entered by Vendor Registry are:

- Use the last name of an individual
- Enter as much of the business name in the field as possible. (This does not include using "The" or "A" in the short name field.)

    Specific groups of organizations have standard short names to search for them by group name, then sort alphabetically in Name 1 to find the one you want. [3]

    Below are the examples on how to search for a vendor:

EXAMPLES ON HOW TO SEARCH FOR A VENDOR

Vendor Type	Example	Short Name Search	How to search Name 1 Search	Name 1 Contains
Agencies, ND State	North Dakota Office of Management and Budget; Department of Corrections; Rough Rider Industries	STATE	OFFICE; CORRECTIONS; ROUGH RIDER	ND, DEPT, COUNCIL
Counties, ND	Burleigh, Cass, McLean	COUNTY	BURLEIGH, CASS, ETC	MCLEAN
Cities and Towns, ND	Bismarck, Minot, Wilton, Washburn, etc.	CITIES	BISMARCK, FARGO, ETC.	BISMARCK
School Districts, ND	Bismarck, Cass, Minot, etc.	SCHOOL DIS	BISMARCK, FARGO, ETC.	FARGO
Colleges, ND	UND, NDSU, BSC, etc.	ACRONYM (UND, NDSU)	UNIVERSITY OF ND,	COLLEGE NAME
Big Kmart		KMART		BIG
Boards that are not state agencies	ND State Board of Accountancy	ACRONYM (NDSBA)	ACCOUNTANCY	ND, STATE,
Companies	United Printing	UNITED	UNITED PRI	PRINTING
Councils not state agencies	National 4-H Council	4-H COUNCI	4-H COUNCIL, NATIONAL	ND, STATE, NATIONAL, COUNCIL
Employees		HRMS ID NUMBER		LAST NAME OR FIRST NAME
Individuals		LAST NAME	LAST NAME	FIRST NAME
Vendors whose name starts with 'ND'	ND Advertising Service Inc	ADVERTISING	ADVERTISING	ND
Food Services of America		FSA	FOOD SERVICES OF AMERICA	FOOD
Great Capitol Lunchroom		LUNCHROOM	GREAT CAPITAL LUNCHROOM	LUNCHROOM
Montana Dakota Utilities		MDU	MONTANA	UTITLITIES
American Red Cross		RED CROSS	RED CROSS	AMERICAN
United Parcel Service		UPS	UNITED PARCEL SERVICE	PARCEL
ACADEMIES PRESS, NATIONAL Associations	National Academes Press American Colleges and Universities, Assn	ACADEMIES	ACADEMIES	NATIONAL OR PRESS
Post Offices (All) Vendor #310	Bismarck, Minot, Fargo, Wilton, Baldwin, Hague, Steele, New Salem, etc.	US POSTAL	US POSTAL SERVICE	POSTAL

Figure 2.2: Examples of Search For A Vendor

Purchase Order Lookup – explanation of the fields.

Vendor:	Vendor ID	Vendor's number
	Short Name	See the table 'Examples on How to Search for a Vendor' for examples
	Name 1	DBA's AKA's or vendors business name
	Name 2	Legal name
	Our Customer Number	Last 4 digits of vendor's TIN number or show if a vendor has been inactivated.
	Old Vendor ID	

ID:	Vendor ID	Vendor's number
	Short Name	See the table 'Examples on How to Search for a Vendor' for examples
	Name 1	DBA's AKA's or vendors business name
	Name 2	Legal name
	Our Customer Number	Last 4 digits of vendor's TIN number or show if a vendor has been inactivated.
	Old Vendor ID	

Voucher Vendor Lookup– explanation of the fields.

Vendor	Vendor ID	Vendor's number
	Short Name	See the table 'Examples on How to Search for a Vendor' for examples
	Name 1	DBA's AKA's or vendors business name
	Name 2	Legal name
	Our Customer Number	Last 4 digits of vendor's TIN number or show if a vendor has been inactivated.
	Old Vendor ID	

Name 1	Short Name	See the table 'Examples on How to Search for a Vendor' for examples
	Name 1	DBA's AKA's or vendors business name
	Vendor ID	Vendor's number
	Default Location	The location designated as a default.
Location	Use the Location to select an address. Because all of the 1099 reporting and ACH information is attached to the locations and not the address.	
Address	Do not use this lookup to change an address.	

Figure 2.3: Purchase Order Lookup – Fields Explanation

2.2.1.2 Vendor Maintenance Overview

- Define vendors for components.

- Specify which components vendors can supply. [8]

- Controls whether the system users can receive components supplied by this vendor into inventory and/or consume components into an assembly in the system. [8]

- The Vendor feature allows you to track information about vendors that supply your purchased components. You can also place components on hold at various levels. [8]

2.2.1.3 Vendor Maintenance Window[9]

Field

Table 2.1: Field

Field	Description
Vendor Name	Specifies the name of the vendor.

Check boxes

Table 2.2: Check boxes

Check box	Description
Components Received	Can Be **Selected** (default): Allows users to receive all components from this vendor into inventory in the system. **Cleared**: Prevents users from receiving all components from this vendor into inventory in the system. **Note**: You can override this setting in the Vendor Component Details window and in Component Hold Release. See Related topics.
Components Consumed	Can Be **Selected** (default): Allows operators to record assembly consumption for all components from this vendor in the system. **Cleared**: Prevents operators from recording assembly consumption for all components from this vendor in the system. **Note**: You can override this setting in the Vendor Component Details window and in Component Hold Release. See Related topics.

Table

Table 2.3: Table

Column	Description
Component	Identifies the name of the component. Corresponds to the **Item** field in Item Maintenance.
Revision	Identifies the revision of the component. Corresponds to the **Revision** field in Item Maintenance.
Start Date	Displays the day and time users can start doing one or both of the following: • Receiving this component into inventory in the system. • Recording assembly consumption for this component in the system.
End Date	Displays the day and time users can no longer do one or both of the following: • Receive this component into inventory in the system. • Record assembly consumption for this component in the system.
Receivable	**Yes:** Indicates users can receive this component into inventory in the system. **No:** Indicates users cannot receive this component into inventory in the system.
Consumable	**Yes:** Indicates operators can record this component in the system when consumed in assemblies. **No:** Indicates operators cannot record this component in the system when consumed in assemblies.
Details	Opens the Vendor Component Details window for this component.

2.2.1.4 Vendor Maintenance - Vendor Component Details Window [10]

Fields

Table 2.4: Fields

Field	Description
Component	Specifies the name of the component. Corresponds to the **Item** field in Item Maintenance.
Revision	Specifies the revision of the component. Corresponds to the **Revision** field in Item Maintenance.
Start Date	Specifies the day and time users can start doing one or both of the following: • Receiving this component into inventory in the system. • Recording assembly consumption for this component in the system.
End Date	Specifies the day and time users can no longer do one or both of the following: • Receive this component into inventory in the system. • Record assembly consumption for this component in the system.
Component Can Be Received	**Selected** (default): Allows users to receive this component into inventory in the system. **Cleared**: Prevents users from receiving this component into inventory in the system.
Component Can Be Consumed	**Selected** (default): Allows operators to record assembly consumption for this component in the system. **Cleared**: Prevents operators from recording assembly consumption for this component in the system.

Buttons

<p align="center">Table 2.5: Button</p>

Button	Description
Apply	Applies the details entered for this component
Cancel	Discards the details entered for this component

2.2.2 Purchase order

Purchase Order is a written order for goods or services specifying quantities, prices, delivery dates, and contract terms. A purchase order (PO) is a commercial document issued by a buyer to a seller, indicating types, quantities, and agreed prices for products or services the seller will provide to the buyer. Sending a PO to a supplier constitutes a legal offer to buy products or services. Acceptance of a PO by a seller usually forms a one-off contract between the buyer and seller, so no contract exists until the PO is accepted. The objective is to maintain the control over expenditure. [1]

A Purchase Order Form should be used to request products and services from suppliers. Rather than calling them to request your purchase, send them a Purchase Order Form. On the Purchase Order you describe what it is that you require, when you want it and how much you expect to pay for it. By using this Purchase Order Template, you can ensure you receive exactly what you have ordered, at the right time and the right price. Procure the necessary quality and quantity of goods and/or services in an efficient, timely and cost effective manner, while maintaining the controls necessary for a corporation. Encourage an open competitive bidding process practicable for the acquisition of goods and/or services and equitable treatment of all vendors.

There are several reasons why companies use Purchase Orders. They allow buyers to clearly and explicitly communicate their intentions to sellers, and to protect the seller in the event of a buyer's refusal to pay for goods or services. For example, say