

Counter Sales: Using JDE® as a Point of Sale (POS) System

By Susan Stooksberry

WEI Editor's Note: *If you do a small amount of point-of-sale business, and you're looking for a simple solution for counter sales, Susan Stooksberry has the answer. In this article, Susan demonstrates how vanilla JD Edwards® Point of Sale capabilities can be configured and rapidly implemented for small-volume counter sales. Susan provides the steps for setup and best practices you'll want to follow in order to get the most value from this creative solution.*

Introduction

Is JDE a POS system? Let's define our terms. Wikipedia tells us that point of sale or point of service (POS or PoS) means:

A retail shop, a checkout counter in a shop, or the location where a transaction occurs. More specifically, point of sale often refers to the hardware and software used for checkouts – the equivalent of an electronic cash register. Point of sale systems are used in restaurants, hotels, stadiums, and casinos, as well as almost any type of retail establishment.

With vanilla JD Edwards software (World-Software™ or EnterpriseOne®), it is possible to configure a point-of-sale solution for counter sales, assuming:

- Your point-of-sale traffic is a very small or incidental part of your business.
- Only a small percentage of your customers arrive in person at your counter expecting to carry home your product the same day.
- Primarily you manufacture or distribute products and fulfill orders placed remotely by phone, fax, e-mail, snail mail, or EDI.
- If your POS business component grows, you will plan to seek a more robust solution.

On a recent JDE engagement outside the U.S., we put together a system that works for a small-volume counter sales business and allows for rapid implementation. Based on this and similar business processes in the U.S., this article should provide you with some ideas for setting up JD Edwards as an interim, low-volume point-of-sale software solution for counter sales.

Scenario

Here is a representative business scenario for counter orders. A customer wants to buy something to take home (see Figure 1), arriving in person at the counter, possibly calling ahead. The Customer Service Representative enters the order and retrieves the item off the shelf or prints a pick list and has someone in the warehouse locate the item. The customer flashes a credit

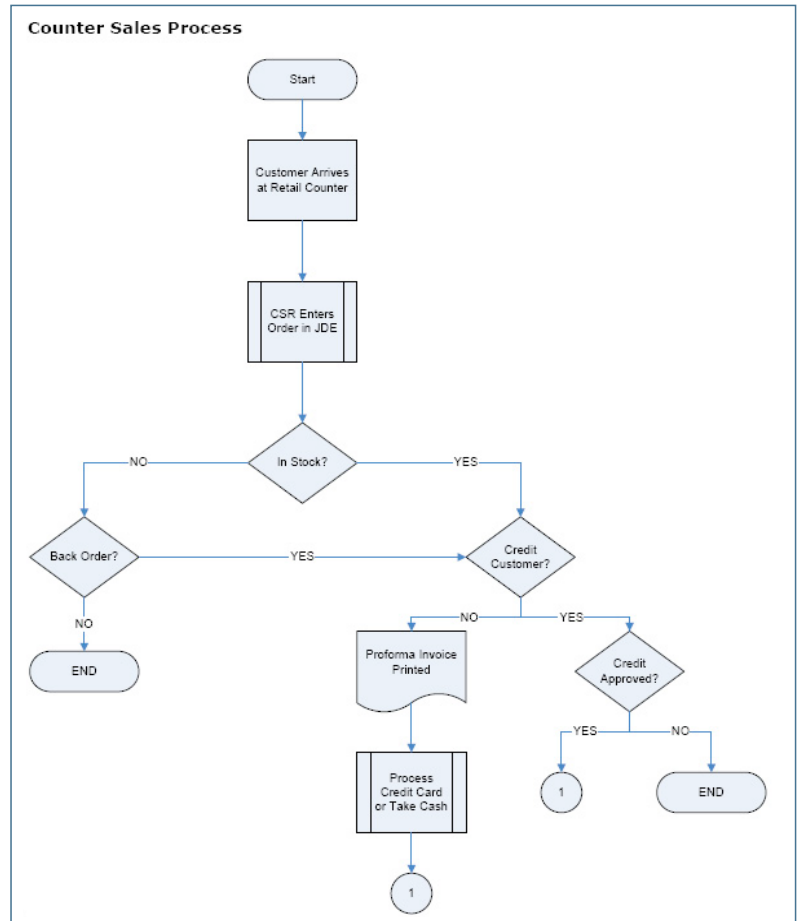


Figure 1: Counter Sales Process Flow

card, proffers cash, or tells us to add the purchase to his account. The CSR swipes the credit card, if applicable, and has the customer sign the authorization. The satisfied customer leaves with the goods, a receipt, and maybe a copy of a payment authorization.

Traditional Order vs. Counter Order

Let's compare a typical JD Edwards sales order to a counter (retail) sales order. A traditional sales order (SO) process is shown in Figure 2.

For counter sales, the process must be streamlined, as shown in Figure 3.

As you can see, instead of multiple steps, we now have two or three:

- Enter Order
 - Print Pick Slip (Optional)
- Print Invoice

But what about commitments and ship confirmation? These can be addressed with tweaks to order entry and sales update:

- **Order Entry (P4210)** – You can “hard commit” inventory during order entry for counter sales. That is, on the sales order detail line, you can enter the location from which the order will be picked. This will allocate the order line quantity to the Committed bucket in the Item Location (F41021) table, reducing the quantity available and preventing the inventory from being selected for another order or process. If and when you print a pick slip, you will not be hard committing the SR order inventory through that process (as you might with SO orders), because that's already been done at order entry.
- **Sales Update (R42800)** – You can relieve on-hand inventory at sales update, rather than at ship confirmation, by setting processing options on the version of Sales Update (R42800) used for SR Counter

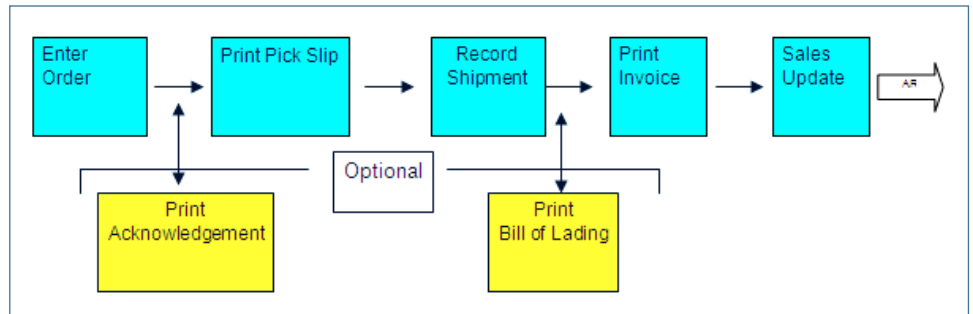


Figure 2: Typical JDE Sales Order (SO) Process

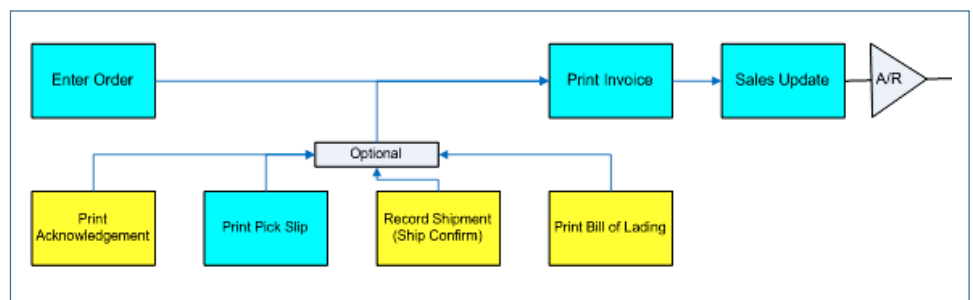


Figure 3: Counter (Retail) Sales Order (SR) Process

Sales. Then it will be the Sales Update process, rather than Ship Confirmation, that writes the first (and only) entry to the Cardex. The Cardex record will include the G/L Date and the invoice document number and type, plus the quantity, amount, and other information.

Note: This differs from the SO process in that normally the SO document type will be set up on UDC 40/IU and the order will be ship confirmed. Based on a processing option, the system will check whether the order type is on UDC 40/IU and, if so, it will relieve on-hand inventory at ship confirmation and write a temporary record to the Cardex with the sales order number, line number, etc., but with a blank G/L date. At Sales Update, the system will revisit that Cardex record, updating it with the G/L date and the invoice document number and type. Therefore, you would not set up the SR document type on UDC 40/IU, and you need not ship confirm the SR order.

Process Details

Let's flesh out the process and see exactly how we might accomplish low-volume point of sales processing in vanilla JD Edwards.

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