

# Computer information brief



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Kundler Fine Foods Brief Accounting 542 November 16, 2011 Kundler Fine Foods: Effective Integration of Technology in Business Operations Kundler Fine Foods first opened in 1998 in La Jolla, California.

Within the next five years the gourmet market store expanded with the opening of two more California stores located in Del Mar and, most recently, in Encinitas. Kundler Fine Food stores are a premier gourmet grocery store providing the choicest meats, fresh produce, cheeses, and wines from all over the world all in a single market. In addition, all stores operate a modern European-Style Bakery, have an Asian Specialty Produce department and culinary specialists working the market floor to assist and advise customers. Kundler Fine Foods is a customer-focused business.

The stores'™ customers are willing to pay a premium on having quality products. To attract customers, the store depends on a differentiation strategy of providing uncommon quality products for epicureans, foodies and novices seeking gourmet ingredients. A well-fitted computer and technology system integrates the business information and accounting needs to achieve the most effective information for adding value to your product, controlling costs, complying with accounting requirements, and enhancing security measures. In looking at how to more effectively integrate your business and accounting needs, let's™ start with your current computer and technology system.

Your current system has many merits. You have a Retail Enterprise Management system. This system provides the basic accounting components for tracking income and expenses for producing financial reports and

managerial reports for decision making, such as trend, comparative and departmental analysis. It also contains a Point of Sale module that captures detailed data about the sales, such as item code, cost, price, time, quantity and store to name some of the significant features.

The system also has security features to create better internal controls over your business; however, these features are not being used. I believe the most significant area for improvement is with purchasing and inventory control. The cost of goods sold purchases is the stores largest expense, and having the freshest ingredients and a variety of selection is the heart of the business spirit. Managing inventory is essential to success. Due to the perishable nature of the product, excess inventory results in losses. On the other hand, if inventory is not available customers may lose loyalty and seek elsewhere.

Communication between store managers and Kathy Kundler could be improved by communicating and sharing information through an intranet. An intranet between all three businesses would allow the purchasing decision makers to share their information (OBrian, 2008). Communication could also be improved which groupware that allows real-time talking or writing electronically. It would be worth looking at adding an extranet with primary suppliers to the stores??™ network.

The extranet could improve the efficiency of ordering and receiving products. An extranet with a supplier can provide the ability to see product prices directly from the supplier??™s site and submit orders. The stores current purchasing and inventory management system lacks efficiency with each

store manager segregated in the decision process. It is time consuming for the store managers and Kathy Kundler. It will be difficult to meet the demands of grow under current purchase system. A more efficient and technologically oriented purchase system can result in payroll savings as the demand for more purchasing is streamlined and fewer employees are needed.

The second weakness with the current computer and technology system is that the security controls are not employed. It would benefit the company to set up the system's security measures and create corresponding written policy. Improving the current computer and technology system as suggested above would meet your current needs for accounting and technological means while not being too drastic and providing a competitive edge in the gourmet foods market. There's been an increase in the popularity of cooking in recent years, as shown by the popularity of cooking shows. The threat of competition is a constant one.

Gaining technological advances in purchasing and inventory control provides a competitive advantage over new entrants to the market. In essence, the more efficient you are the more customers you can handle with lower operating costs. Lower operating costs result in lower prices and more customers. ReferencesOBrian, J. &

(2008). Management Information Systems (8th ed). New York: McGraw-Hill.