



## Microsoft Dynamics Customer Solution Case Study



## Efficient Operations Help the American Red Cross Succeed in Its Mission

### Overview

**Country or Region:** United States

**Industry:** Non profit—Charities and philanthropic services

### Customer Profile

The American Red Cross of Greater Cleveland provides disaster relief and helps 1.7 million residents in Ohio prevent, prepare for, and respond to emergencies.

### Business Situation

In the face of a more difficult funding environment, the Greater Cleveland Chapter needed to lower overhead costs while maintaining its capacity for emergency response.

### Solution

Deployed with help from Microsoft® Gold Certified Partner CBIZ Technologies, Microsoft Dynamics® GP helped the organization reduce costs through greater process efficiency.

### Benefits

- Reduced staffing and warehouse costs by approximately 50 percent
- Cut inventory levels by one-third and lead times on orders by 40 percent
- Increased focus on core mission
- Improved budgeting process

“Microsoft Dynamics GP combined with Business Portal is essential in our efforts to manage costs while maintaining our capacity to respond to events.”

Bob Dills, CFO, American Red Cross of Greater Cleveland

The American Red Cross helps communities prevent, prepare for, and respond to emergencies through training programs and coordinated volunteer efforts. To sustain its mission in the face of reduced funding, the Greater Cleveland Chapter needed to reduce costs by streamlining its operations, including financial, sales, and warehouse processes. Working with local Microsoft® Gold Certified Partner CBIZ Technologies, the chapter implemented Microsoft Dynamics® GP to help drive more efficient processes and provide greater insight into the organization’s financial situation. Since deploying Microsoft Dynamics GP, the Greater Cleveland Chapter has dramatically increased productivity, cutting annual warehouse costs in half and reducing staffing requirements by more than 50 percent while increasing its annual endowment from U.S.\$7.5 million to U.S.\$9 million.





CFO Bob Dills and CIO and Director of Administrative Services Richard Hankins received a 2007 Vision Award from Business Finance magazine.

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## Situation

The American Red Cross provides disaster relief and emergency services for thousands of people every year. In addition to responding to catastrophes such as apartment fires and weather-related events, the organization serves local communities with education, training, and products that enable people to prepare for and respond to disasters and other life-threatening emergencies. The American Red Cross supports the mission of saving more lives by developing training and educational programs, and supports the margin needs of the organization by increasing revenue through the sale of training and emergency-preparedness products.

The American Red Cross of Greater Cleveland has served the community in and surrounding Cleveland, Ohio, for more than 100 years. The Greater Cleveland Chapter employs approximately 55 people to set up and teach training classes for businesses and other organizations, organize volunteer efforts, administer office operations, and manage the warehouse. The chapter also sells emergency-preparedness materials, books, and other retail class items through a sales team and the organization's Web site.

In 2001, the American Red Cross of Greater Cleveland replaced its accounting system with Microsoft Dynamics® GP, which offered greater integration with its donor management software and provided real-time insight into the organization's financial status. Business Finance magazine awarded the organization a 2007 Vision Award for its business performance management efforts built on Microsoft Dynamics GP.

Like other chapters of the American Red Cross, the Greater Cleveland Chapter is continually challenged to achieve greater efficiency in its operations, enabling the organization to fulfill its mission in the face of difficult funding situations. “We rely on the goodwill of the American people for our funding, so as national and regional economic difficulties impact individuals and businesses, that in turn affects us,” says Bob Dills, CFO at the American Red Cross of Greater Cleveland. “At that same time, other organizations are changing the way they allocate funding that leaves fewer resources for us. In the face of all this, we still have a vital mission to accomplish—it doesn't cost any less to provide relief to a family that has lost their house in a fire, for example.”

## Solution

The American Red Cross of Greater Cleveland decided to upgrade to Microsoft Dynamics GP 10.0 as part of a broader technology initiative that would enable the organization to further minimize overhead costs without compromising its core mission. Besides upgrading to Microsoft Dynamics GP 10.0 to streamline internal operations, the initiative included deploying Microsoft Dynamics CRM as a volunteer management, training management, and sales and marketing system to help recruit and process volunteers more effectively in case of a national or regional disaster and to assist in overall emergency preparedness.

### Business Case for Upgrade

“We are very conservative in terms of our technology investments, but had no hesitancy about upgrading to Microsoft Dynamics GP 10.0,” says Dills. “Microsoft Dynamics GP combined with Business Portal is essential in our efforts to manage costs while maintaining

Access to business-critical information is available to more than half of the employees at the Greater Cleveland Chapter through the Business Portal.

our capacity to respond to events. The solution is even easier to use and makes relevant information and tasks readily accessible to more employees.”

Because Microsoft Dynamics GP looks like and works with applications in the Microsoft® Office system, employees at the chapter use the software more effectively. “Our employees are able to leverage what they already know about Microsoft Office Outlook® and Microsoft Office Word. Moreover, they can move information from applications in the Microsoft Office system directly into Microsoft Dynamics GP,” says Richard Hankins, CIO and Director of Administrative Services for the American Red Cross of Greater Cleveland.

The Greater Cleveland Chapter worked with Microsoft Gold Certified Partner CBIZ Technologies to upgrade Microsoft Dynamics GP and deploy the volunteer management system based on Microsoft Dynamics CRM. “We’ve worked with American Red Cross chapters for nearly 10 years and applied our knowledge of their operations to help set up the systems in a way that made sense for their unique organization,” says Jim Loiacono, Senior Sales Executive at CBIZ Technologies.

#### Access Across the Organization

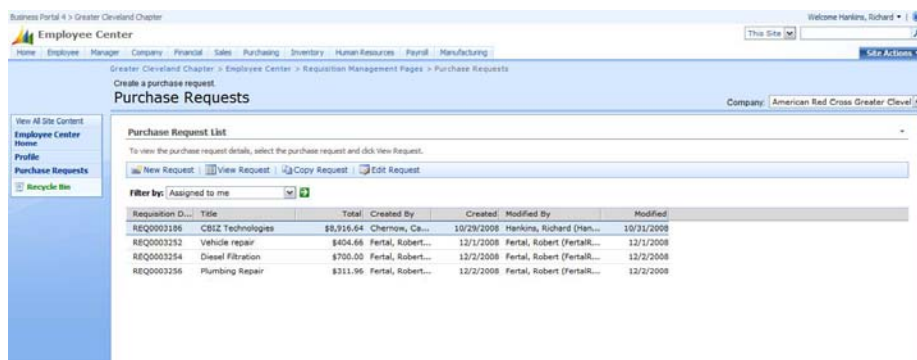
CBIZ Technologies helped set up an online

portal so that more people could easily interact with Microsoft Dynamics GP. “Not everyone needs to work with Microsoft Dynamics GP directly; they may only need to access a functionality specific to their role in the organization. With Microsoft Dynamics GP, we can keep our licensing costs to a minimum and affordably extend the reach of the system to more employees,” says Hankins. “Roughly 60 percent of our staff can get everything they need without ever needing to log in to Microsoft Dynamics GP.”

“Because of the systems we have in place, the sales staff, the customer service staff, the finance department, and the fundraising department automatically begin working together once they start seeing data move from their desktop to everybody else's desktop,” says Hankins. “All that data is available to them at any time they want if they have the correct permissions.”

Administrators at the Greater Cleveland Chapter now have greater control over business processes with workflow controls. They can set up approval processes so that system routes purchase orders through the appropriate channels, with review messages automatically appearing in the managers’ Office Outlook inboxes. “We have more control over the processes now that they are driven,” says Hankins. “For example, employees need to go through the proper channels before adding a vendor to the vendor database. This increases accountability and makes administration much less burdensome.”

By making important business functions available online, the chapter simplifies purchasing processes and helps employees avoid unnecessary tasks. When negotiating



Workflow rules in Microsoft Dynamics GP automate the requisitions process.

contracts, purchasing staff members access account histories in their role-specific dashboard to ensure the deal conforms to bidding rules. Purchasing staff members can also create minimum inventory levels in Microsoft Dynamics GP so that they automatically receive reorder alerts in Office Outlook when supplies are low.

Employees involved in the sales and shipping processes are more productive with Microsoft Dynamics GP and have cut lead times on orders by 40 percent since deploying the solution. For example, when salespeople finalize an order, Microsoft Dynamics GP sends an automatic notification to the warehouse, eliminating paperwork and possible miscommunication between the salesperson who placed the order and the warehouse employees who picked and packed it. Salespeople can easily check shipment status for an order online.

Department heads and financial staff are also more productive with Microsoft Dynamics GP. For example, with online access to reporting functions through Microsoft FRx® WebPort, department heads can securely publish, store, and manage

reports, including Microsoft FRx reports, and Microsoft Office Excel® spreadsheets. For employees in the accounting team, Microsoft FRx WebPort provides simple access to detailed information from multiple sources. Department heads at the Greater Cleveland Chapter use the online reporting tool to quickly find information during the budget creation and reporting processes.

The Greater Cleveland Chapter has roughly 75 projects and 15 departments. Every month, department heads have two and a half days to review statements, make adjustments, and prepare explanations to the finance committee. "Microsoft Forecaster works with Microsoft Dynamics GP and Microsoft FRx Reporter to make this process tremendously easier. It empowers our stakeholders to investigate and collaborate to create a budget faster," says Dills. "In the latest version, Microsoft Forecaster has a look and feel that is very similar to Office Excel. This eases adoption among employees who use the tools and increases their productivity."

**Setting an Example for Other Chapters**  
Based on the experiences of the Greater

Greater Cleveland Chapter > Purchasing Center > Purchasing Center Pages > Purchase Orders by Vendor

View purchase orders by vendor  
Purchase Orders by Vendor

Company: American Red Cross Greater Cleveland

Vendor ID	Vendor Name
AME002	AMERICAN EXPRESS

Purchase Order ID	Status	Vendor ID	Name	Doc Date	Subtotal
PO000000000005551	Closed	AME002	AMERICAN EXPRESS	11/12/2008	\$394.56
PO000000000005553	Closed	AME002	AMERICAN EXPRESS	11/12/2008	\$1,640.76
PO000000000005513	Closed	AME002	AMERICAN EXPRESS	10/24/2008	\$2,784.76
PO000000000005473	Closed	AME002	AMERICAN EXPRESS	10/7/2008	\$423.90
PO000000000005461	Closed	AME002	AMERICAN EXPRESS	10/6/2008	\$250.00
PO000000000005469	Closed	AME002	AMERICAN EXPRESS	10/6/2008	\$5,220.61
PO000000000005451	New	AME002	AMERICAN EXPRESS	9/25/2008	\$650.00

**Purchase Order Detail**

Purchase Order ID: PO000000000005469  
 Status: Closed  
 Vendor ID: AME002  
 Doc Date: 10/6/2008  
 Subtotal: \$5,220.61  
 Trade Discount: \$0.00  
 Miscellaneous: \$0.00  
 Freight: \$0.00  
 Tax: \$0.00

Item Number	Description	Quantity	Unit	Unit Cost	Extended Cost
DVDREMEDIA	dvd-r media	1	Each	\$19.99	\$19.99
LCDSCREENS	19" Led	30	Each	\$149.99	\$4,499.70
CDREMEDIA	CD-R	2	Each	\$14.99	\$29.98
SH	shp/hand	1	Each	\$111.26	\$111.26
LOGITECHSPEAKERS	PC Speakers	10	Each	\$16.99	\$169.90
POWERSTRIP	Power strips	12	Each	\$9.99	\$119.88
LINKSYSWITCH	Sport switch	10	Each	\$26.99	\$269.90

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Bob Dills, CFO, American Red Cross of Greater Cleveland

Cleveland Chapter and other regional chapters, more chapters of the American Red Cross are aware of the benefits of using Microsoft Dynamics GP. “Other chapters have approached us with interest about what we’ve done with Microsoft Dynamics GP. We tell them that it’s an investment, but one that pays great dividends,” says Dills.

The Greater Cleveland Chapter and CBIZ Technologies set up Microsoft Dynamics GP where employees access the system through Terminal Services. This approach lets the chapter extend the life of its desktop computers, simplify application maintenance, and provide smaller community chapters access to the same systems at a reasonable cost.

### Benefits

Since deploying Microsoft Dynamics GP, the American Red Cross of Greater Cleveland has reduced costs and focused its employees’ energies on its core mission. Microsoft Dynamics GP provides employees at the chapter with the tools and insight they need to be as productive and efficient as possible.

“The donations we receive are extremely important to this organization, and we have to be very careful how we spend them,” says Dills. “Microsoft Dynamics GP helps us keep our overhead low so that 85 percent or more of our donations go right to services for the people in the community or the nation.”

### Reduced Costs

Since the Greater Cleveland Chapter deployed Microsoft Dynamics GP in 2001, the organization has reduced its paid staff by more than 50 percent—from 115 employees to just 55 full-time staff. Over this period, the chapter’s ability to fulfill its mission has

remained unaffected and its annual budget has increased from approximately U.S.\$7.5 million to U.S.\$9 million.

“We are doing the exact same amount of work, but we’re doing it smarter,” says Hankins. “Microsoft Dynamics GP has improved our operational efficiency tremendously.”

Employees now use Microsoft Dynamics GP to route approvals and notifications, cutting lead times on sales orders by 40 percent. “We’ve been able to reduce our inventory levels by one-third because we know we can get new supplies faster,” says Dills. “That saves space and means people are spending less time moving things around the warehouse, taking them out of boxes and putting them on the shelves. Most importantly, it’s increased cash flow for the organization.” Hankins, who previously oversaw warehouse operations, estimates warehouse overhead costs have been halved because of Microsoft Dynamics GP.

### Increased Focus on Core Mission

Microsoft Dynamics GP helps the American Red Cross of Greater Cleveland succeed in its core mission of providing disaster prevention, preparation, and relief services. The chapter uses Business Portal and Microsoft FRx WebPort to reduce the amount of time employees spend on administrative tasks and to empower them with the right information and functionality needed to do their jobs.

“Microsoft Dynamics GP helps us eliminate process inefficiencies so that our employees spend more time organizing volunteer training and doing other important tasks,” says Dills. “Microsoft Dynamics GP has

helped us progress as an organization to the point where we're not struggling with getting things done in the system, but rather using it to do things better and more efficiently."

IT staff at the Greater Cleveland Chapter are more productive with Microsoft Dynamics GP, which the organization delivers to employees through Terminal Services. The IT team deploys software updates centrally and spends less time on maintenance. In addition, Microsoft Dynamics GP is easy to understand, so new employees are productive faster with less training. "We don't have to go around and update nearly 50 computers. Instead, we have more time to deal with strategic issues," explains Hankins.

And, by offering Microsoft Dynamics GP and Microsoft Dynamics CRM to community chapters, the Greater Cleveland Chapter enables these smaller sister organizations to better focus on their core mission. As part of the regional chapter, Hankins and Dills are glad to offer IT support and financial systems assistance to these important community chapters.

#### **Improved Budgeting Process**

The finance and IT departments at the American Red Cross of Greater Cleveland collaborate to improve visibility into and management over financials. Microsoft Dynamics GP provides the foundation and tools for this collaboration. "We are very fortunate to have a great relationship between our IT and finance teams, as well as executive buy-in. When we first started our budgeting and forecasting process using Microsoft Forecaster, our CEO was the first to make an adjustment," says Dills.

Online access to data and reporting functions in Microsoft Dynamics GP provides department heads with secure access to the accounts they are responsible for so that they can drill down from a category to account and to transaction. "We've set up the transactions in Microsoft Dynamics GP so that people can easily look into reference information such as vendor, donor, or customer name," says Hankins. "Because I am responsible for

## For More Information

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For more information about American Red Cross products and services, call (216) 431-3010 or visit the Web site at: [www.redcross-cleveland.org](http://www.redcross-cleveland.org)

For more information about CBIZ, Inc., or CBIZ Technologies products and services, call (800) 715-4274 or visit their Web sites at: [www.cbiz.com](http://www.cbiz.com) or [www.cbiztechnologies.com](http://www.cbiztechnologies.com)

several departments, I understand firsthand how having all this information in one place makes a difference. I can easily find out why costs are high in a certain area and answer questions about my budget with confidence.”

The American Red Cross of Greater Cleveland is now better equipped to meet future needs of the Greater Cleveland community because Microsoft Dynamics GP frees employees to focus on mission-critical jobs. The chapter has the tools to ensure its operations are as efficient and focused as possible.

“The award we won from Business Finance magazine for our business performance management initiative was absolutely, unequivocally made possible by Microsoft Dynamics GP,” says Hankins. “Microsoft Dynamics GP with Business Portal is extending the benefits of the system to more people in our organization.”

## Microsoft Dynamics

Microsoft Dynamics is a line of integrated, adaptable business management solutions that enables you and your people to make business decisions with greater confidence. Microsoft Dynamics works like familiar Microsoft software such as Microsoft Office, which means less of a learning curve for your people, so they can get up and running quickly and focus on what’s most important. And because it is from Microsoft, it easily works with the systems that your company already has implemented. By automating and streamlining financial, customer relationship, and supply chain processes, Microsoft Dynamics brings together people, processes, and technologies, increasing the productivity and effectiveness of your business, and helping you drive business success.

For more information about Microsoft Dynamics, go to: [www.microsoft.com/dynamics](http://www.microsoft.com/dynamics)

### Software and Services

- Microsoft Dynamics
  - Microsoft Dynamics GP
  - Microsoft Dynamics CRM
- Microsoft FRx
- Microsoft Forecaster

- Technologies
  - Business Portal

### Partners

- CBIZ Technologies