

CASE STUDY

Carter's Optimizes Projects and Resources Resulting in \$2M in Capital Savings

About Carter's

After 150 years in operation and 26 consecutive years of sales growth, Carter's, Inc. is the largest branded marketer of young children's apparel in the U.S. and Canada. Its successful multi-channel business model includes wholesale, retail, e-commerce and international sales with 17,000 points of distribution and a presence in 40 countries. Carter's IT department provides 24x7 support for corporate offices in U.S., China, Hong Kong, and Canada and supports Carter's eCommerce business. Its PMO is responsible for project and program management, quality assurance, portfolio management, IT security and compliance, and IT finance.

Challenge: Five Primary Change Drivers

Carter's made it a strategic and operational priority to revamp its IT project and resource management to continue growth. It identified five primary challenges it wanted to solve:

Challenge 1: Minimal project tracking and governance

IT had multiple project lists maintained separately by the varying business units with no governance in how to select or create projects. There was no tracking of project costs or resource requirements, making SOX compliance virtually impossible.

Challenge 2: Project priority

Managers and IT resources had no way to identify which projects were the most valuable. "If you don't tell people the project priority, their priority will be whatever they want to do instead of what they need to do," says Tim Archer, senior manager of IT Finance & Portfolio Management at Carter's.

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Overview

Customer:

Carter's

Industry:

Retail

Geographies:

Atlanta – International

Carter's implemented Planview Enterprise® to address multiple challenges and support business growth. Due to improved processes and planning, Carters has seen more than \$2M in capital saving and 2.6M in expense saving.

Challenge 3: Capital labor tracking

IT labor was being expensed on software projects that depreciated over multiple years. There was a mismatch of project costs and auditors were concerned about improper annual expenses.

Challenge 4: Compare time between workgroups

Each workgroup had a different set of “run the business activities,” creating more than 100 different activity types. There was no way to determine how IT personnel were actually spending their time.

Challenge 5: Future requirements

Several groups were involved in almost every project with minimal coordination between projects. It was impossible to forecast resource capacity issues, creating constant unforeseen resource conflict issues. “If we knew about the potential resource conflicts ahead of time,” says Archer, “we could prepare better and not always be in a crisis mode.”

Solution: Implement Planview Enterprise for Compliance, Governance, and Real Project and Resource Management

Carter’s chose Planview Enterprise because its software could help them address all five challenges. Planview Enterprise provides simple workflow and project structure that Carter’s was missing. Using project lifecycle management, Carter’s can define project tiers to establish priorities and define small enhancements as a standard activity.

The use of comprehensive time tracking enforces standard rate roles for all project members based on salary ranges. Now, all IT project members are allocated to projects and tasks, all managers and users are trained on new activities, and new reports are created for managers and activities.

“Time tracking is now part of everyone’s annual review and we require 100 percent compliance, says Archer. “Having to categorize their work and see where they are spending time helps keep team members accountable.”

Planview Enterprise enables Carter’s to forecast resource requirements by implementing workgroup resource plans that managers can update monthly with actuals. “We finally have a handle on our resource capacity and demand,” says Roxanne Seymour, senior director of PMO at Carter’s.

“Using Planview Enterprise, we were able to realign our resources from support to more high-value projects – and actually know which projects are highest value to the business.”

– Roxanne Seymour, Senior Director of PMO, Carter’s, Inc.

“We can now say with confidence what our resources are working on and when we need to start supplementing with additional resources to keep projects on schedule. The next 6-12 months, we still have a good level of accuracy so we’re no longer scrambling to find contractors. Instead, we can proactively look at our contractor pool, build those relationships and better determine what skillset we need.”

Today, Carter’s has achieved 100 percent SOX compliance. All projects are identified and tracked, instantly improving project management and governance. With clear reporting to executives, the IT department has more executive support than ever before. “We have great decision-making data,” says Seymour. “Based on real data, we were able to justify 42 additional headcount, increasing our IT staff by 50 percent. This allows for growth in every distribution channel and has a direct impact on Carter’s long-term success.”

Results: Improved Project and Resource Management, Better Prioritization

Using Planview Enterprise, Carter’s has:

- Improved prioritization of work and resources with a 6-12 month view of resource planning activities
- Advanced lifecycle and project management processes for improved project delivery
- Realized \$2M in capital savings and \$2.6M in expense savings by implementing portfolio and resource management to address their five challenges

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