

Learning Without Scars

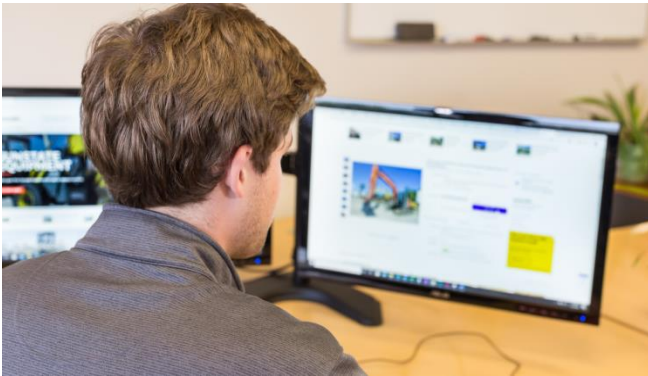
Quarterly Newsletter

Dynamic Internet Based Learning
TRAINING SOLUTIONS FOR EQUIPMENT DEALERSHIPS
Construction • Mining • Agriculture • Cranes • Trucks • Trailers

The Business of Business

Winter 2021

Savvy use of technology: Your key to building customer satisfaction and loyalty. Thanks to innovative systems in our world of change, distributors have the opportunity to support machines and surprise customers with unprecedented service. Since the 1950s, systems have been pervasively penetrating our businesses. They started as large batch, slow cumbersome things but they justified themselves on the basis of the reduction of many clerical functions. In other words, we paid for computers with the reduction of personnel expenses. The fear in the early years was that a computer would replace everyone. Then the computer moved into inventory management. Remember the Kardex systems? Well, I do, and those hundreds of feet of cabinets and the dozens of clerks updating the cards have all now disappeared. But things have changed recently in the systems world and it is no longer about reducing clerical staff and allowing better management controls on inventories. Now systems are about changing the way we do business. And I, for one, say it is about time.



Everything Seems Obvious in Hindsight !

The thirty-plus years in dealership management roles and twelve years in the IT world supporting dealers globally has provided me with an understanding of how dealership management views the “digital transformation” revolution. No matter the location or the size of the dealership, the concerns are always very similar: our dealership management platform is not ideal, but we know how it works (or we think we do), and we don’t have the time (or money) to make a change; we’ve asked our customers what they want, and the resounding reply is that we need to be leading

with current technology to manage their fleet and their business successfully.

How do we get the dealership to the point where we’re giving our customers (they are our business partners) what they need while removing some of the constraints placed on our business by the current business system? How do we accomplish this without breaking the bank or severely limiting operations while the conversion takes place? It’s an extraordinarily complex and challenging process to undertake, but very necessary. Here are suggestions for basic first steps before making a decision:

1. Ask your business partners:
 - a. Do you use our online tools now? If not, why not?
 - b. How do we improve our current digital offerings to you?
 - c. What can we add to our digital presence to better serve you?
2. Audit your current business system:
 - a. Are you using your existing software to its capacity?
 - b. What functions that are available in your solution are you not using and why?
 - c. Can we find a way to utilize/optimize the functions we are not using? Why not?
 - d. What are other software programs used within your dealership today? Why are these functions not being completed within your business system?
3. Does your current solution incorporate integrations with?
 - a. OEM’s: (e.g., whole goods and parts ordering, warranty claim and reconciliation, telematics, standard repair hours, machine intelligence)
 - b. Your financial institution, credit card processing, sales tax management, purchasing solutions such as Ariba
4. Map out and identify every single software package deployed within your dealership.
 - a. “One-offs” that may only be used by one or two individuals.

- b. Understand why these are being deployed separately instead of completing the process within your business solution. The higher the number, the greater the chance you are either on the wrong solution, or your people do not fully understand how to utilize your current solution.
5. Are your internal reporting capabilities able to meet current requirements?
 - a. How many reports run automatically every month? How many are necessary?
 - b. Are your people able to quickly generate ad-hoc reports?
 - c. What reports are mission-critical for the growth and success of the business and how do we deliver them ?
 6. Review your three and five-year business plans: will your current software support the organizational and market changes you plan to accomplish?

If the results to the above points are all positive, and you're using few, if any, "one-offs," you are in good shape. However, if the results indicate your current business system is lacking, you should begin preparing to either upgrade or replace it. Here are some thoughts on decision-making steps to take (in parallel):

1. Upgrade or replacement:
 - a. Does your current solution provider offer a more up-to-date version of the software you're currently using? If so, that may be the most cost-effective solution to your problem.
 - b. Begin understanding the solutions on the market that fit your dealership today and where you plan for your dealership to be in five years
2. Cost of transformation (over five years)
 - a. Pre-selection costs (all due diligence expenses)
 - b. Software (including enhancements and support)
 - c. Hardware (servers, upgraded laptops/desktops)
 - d. IT services (either internal or contracted) to support the entire IT landscape
 - e. Implementation services (everything from data migration to employee training to go-live and post-go-live support)
 - f. Add 30% to the above as projects rarely are completed on time or within the original budget

3. Effects on your customers, employees, and daily operations:
 - a. What are the positive and negative effects of staying on your current solution vs. upgrade or replacement?
 - b. How do we accentuate the positive and mitigate the negative?
4. Net long-term benefits to the dealership
 - a. What customer-facing improvements do you require? (Suggestion – for now, stick with the absolute "must-haves")
 - b. What operational efficiencies (ROI) will you gain (people, time, customer satisfaction)
5. Dealership Processes:
 - a. Identify and understand every process in all departments. This evolution will create the hierarchy for new solution requirements and provide you with a map to compare dealer management solutions accurately.
 - b. Chances are, there are many different variations of each process in your dealership today.

Your dealership needs to conform to one set of standard processes for every area of the business. Enforce the golden rule of the "standard process," and your eventual upgrade/replacement will run smoother, and the operating efficiencies gained will be enormous. Your process maps can also become the basis for employee training and system reference, reducing training time and cost.

Did you know that we are fully accredited as a provider of continuing education through the International Accreditors of Continuing Education and Training (IACET)?

Replacing your dealer business system while operating your business is difficult but possible if the proper planning is done and expectations are set within your dealership and with your business partners. There are no universal or straightforward answers in making these decisions. If you decide to seek outside help, many qualified individuals can help guide you successfully through the process. There are plenty of ERP selection consultants; make sure the firm you engage has a track record of working with dealers your size and that they fully understand the industry.

Service Delivery Revolution – A Critical Success Factor for Dealers

Technology is driving a revolution in the equipment industry – grade control, idle tracking, fault codes, autonomous equipment, electrification... and while these advancements are all extraordinary, dealers are faced head-on with the challenge of brand differentiation. In this margin-conscious market, we are finding the new differentiation battle is fought by focusing on customer experience.

Rapidly and quietly, technology is driving a hidden revolution in all areas of dealership operations, especially in the service area. We’ve coming upon a pivotal moment and harnessing the power of technology, especially in today’s labor market, is your key to building and maintaining a five-star customer experience, a dominating competitive advantage.



Delivering Trust

There is no way to have a great customer experience without trust. We all know what trust feels like when we experience it, but how do we guide our service team to consistently create it?

I have been battling this question for many years because I often felt trust was elusive and subjective. To my amazement, I have discovered a formula that can scale trust in service:

Predictability = Trust



We can’t guarantee “love at first sight” with every customer. We can, however, virtually guarantee a great experience by provide predictability.

What is predictability? Knowing exactly what is going to happen next. Mr. Ron Slee, in earlier newsletters, spoke about the importance of “Quotations for Service Work” because customers want to know when and how much before they place an order. I am expanding on the concept – customers also want to know if it is

actually happening as, you said and if any changes have happened that need managing.

Would it enhance the customer experience if they know the service will be delayed because parts will arrive late the moment you know? How about if you find something else that should also be addressed while you are performing the work and always be able to instantly provide a quote with photos of the problem? What about the customer is notified the moment you know the work will be finished early and you can deliver the equipment back to them ahead of schedule?

Wait, you say, these would be great, but I am already short-handed. Well, this is where technology is helping and quickly raising expectations. If you have heard Alexa, tell you the moment your package is delivery and where it is left before the FedEx even leaves, you know what the world is being trained to expect.

In the dealer world, technology is using the data from your business system, service delivery system and CRM to automatically deliver these powerful notifications. It is advancing customer experience without additional human intervention required. In fact, you also get a side effect – an improved workflow that reduces the need, thus workforce, to answer most of the routine customer inquiries about service status.

Happier customers + better labor efficiency? I call that a win. What do you think?

Doing Business at the Speed of Text

Speed matters. Speed delivers better customer experience and, more importantly, speed builds momentum that helps you sell more service. If everything is moving fast and smooth, it is a lot easier for customers to want to get optional work done.

Nobody has time to waste. Speed leads directly to better customer experience and higher revenue.

Technology is helping in many ways to increase the speed of service. I am going to share just one important way this time.





How do you communicate with your customers today? Phone calls and emails are commonly used channels, but do they continue to be the most effective? Recent research indicates people will respond to a text within 90 seconds - compared to the 90 minutes on average that it takes for an email

response. How about “phone tags” and listening to awful on-hold music? It is not unusual for people to spend more than 30 min daily doing these frustrating and unproductive activities. What if we switch to doing business at the speed of text?

Imagine sharing a photo your technician just took on his or her phone to tell the customer a problem now, or a new inspection just finished, even a new quote and having it signed off by the customer now all via text. Would that be easier and faster for customers to say yes? We know it would. All the leading e-signature platforms have added text option to the traditional email-based signature. It is pretty clear where the world is headed, quickly.

Would text be on people’s phones? Would that be hard to manage? Here is where the technology is helping. New communication platforms integrate seamlessly with your systems, manage all aspects of the communication and keep all the history, no matter through email, text or apps in a useful way for your people to better take care of your customers at any time.

The world is becoming more connected. The faster you communicate with your customers, the more efficient they (and you) become!

Our world is always evolving and expanding. If we look closely, we can see a trend: Tech-rich companies have done better in general, some have done exceptionally well by taking sizeable market share from the competition, particularly over the last two years. This trend is here to stay. Technology is not only driving advancements in areas like AI and robotics and autonomous equipment, but it is also changing the way we perform and experience service. Technology is transforming the customer experience. Are you ready to adapt?

Learning Without Scars



As a third-generation educator, it is easy to say that teaching and training are in the blood for Ron Slee. From his beginnings as a coach, through his time at McGill University, Ron developed a foundation for the work he does today.

Learning Without Scars provides comprehensive online learning programs for employees starting with an individualized skills assessment. These assessments allow us to then create a personalized employee development program. From their assessed skills, the employee is asked to select from classes designed for their skill level which allow them to address the gaps in their knowledge level. This allows the employees to move through four progressive categories of learning: Basic, Intermediate, Advanced and Expert.

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Do You Know The Answer?

The major construction equipment companies are Caterpillar, Komatsu, Deere and Volvo.

Which one of those four was the first one founded?

Educational Resources

All of the resources listed below can be found on our website : www.LearningWithoutScars.com under the Resources menu.



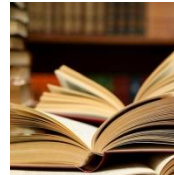
We have numerous contributors to our 'Socrates Says' blog from all over the world covering a range of topics. There is industry specific contributions and we are sure you will find something that is relevant to your job. Please see our website for more details.



We have a range of podcasts for your listening pleasure. Please visit our website to discover a series of Candid Conversations with industry leaders and experts, Class overviews to learn more about our online education, Lessons Learned in teaching and podcasts on general topics of interest.



This quarterly newsletter is offered for free. Please visit our website to sign up to receive industry specific information in areas such as parts, service and sales. We highlight some of the issues people face in their jobs. We ask that you share this newsletter with your peers.



We created a list of recommended books that have come across our table and that we thought you would enjoy reading. They are sorted by category and cover a wide range of topics to enhance your knowledge.



In collaboration with Reedz, we are offering educational audio tracks in multiple languages! We hope that you find the content engaging and beneficial to your work.



Your opinion is important to us! We are always looking to help people through engaging material. If you have a question or a specific topic you would like us to cover in a future newsletter, please email Ron ron@learningwithoutscars.com