

# **How To Be Successful in Planning and Implementing a Computer System into your Tire/Service Operation**

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## **I. Work BACKWARD - first !!**

Start you planning with the END RESULTS you want to accomplish, and work BACKWARD to formulate a plan on what it takes to reach that goal.

To do this:

1. Make a WRITTEN list of the FINAL objectives to be accomplished
2. Seek A PROVEN Solution For Those Specific Objectives - Relating To:
  - a. Accounting CONTROL - Inventory, Sales, A/P, A/R, G/L, Payroll, etc.
  - b. Sales, Inventory, And Marketing Analysis
  - c. Supplier Relations - specific to the needs directed by your supplier.
    1. national account sales
    2. net State and GSA billing
    3. order generation

**Buy a SOLUTION... not another project !!**

## II. What's it COST to get the job done??

To run a business you HAVE to keep records:

1. for FINANCIAL reasons
2. for MARKETING reasons
3. for CUSTOMER SERVICE reasons

the MOST EXPENSIVE way to do that is to hire people...  
the LEAST EXPENSIVE way is to hire automation.

REALITY is that the actual "out of pocket" REAL MONEY cost for a minimum wage employee per store location, far exceeds the cost of the best computer automation available today.

That INCLUDES the cost of the actual COMPUTER, SOFTWARE, SUPPORT, INTEREST charge, ELECTRICITY, PHONE LINE COST (if you are a multiple location company), CONVERSION of your existing records, and PAPER!!

And .. that automation will significantly impact the efficiency and image of the entire company in a way that no employee can.

Personal cost is the highest single expense in the tire/service business and it is becoming IMPOSSIBLE to find good staff in many markets.

Additionally, today's consumer want "you" ( "all of you" - each employee) to be ALL KNOWING about the problems with their particular vehicle ... and they want it NOW!!

So .. the secret is to put the KNOWLEDGE into the COMPUTER - then all you have to is to train your staff on how to put the data IN and take the data OUT.

That gives you:

1. relatively FIXED and predictable cost
2. continuity when staff change positions.

Just like you "consume" an employee's time on a weekly basis - you do the same with a computer system.

When you look at a cost analysis - do "reverse" arithmetic and, assuming the system works to help you run your business throughout the day, calculate that "cost per hour" you would need to pay an employee to have the same direct expense.

We call this cost, the "Equivalent Employee Cost" (EEC) of paying for the system.

### **III. The Real problem-**

**Most tire dealers DON'T KNOW how to SHOP FOR and IMPLEMENT the right system.**

All tire dealers know of computer hardware "experts" but the most important part of the system is the SOFTWARE and the IMPLEMENTATION of the system into their business

.. and in those areas there typically is NO local talent available.

Usually dealers ask existing staff personal to make the decision when they have NO experience in that area .. or they may ask..:

The corporate lawyer who knows only LAW.

The corporate CPA who knows only FINANCE

The corporate advertising person who knows only MARKETING

The local "computer shop" knows only hardware and "off the shelf" GENERAL PURPOSE software - and can't even help with the conversion or implementation process.

etc.

## **IV. Factors to consider in shopping for the RIGHT system**

1. Software application
  - a. bookkeeping - general accounting principles
  - b. specific to your particular operation
  - c. specific to dealing with your suppliers
2. Data base implementation
  - a. YOUR historical accounting records
  - b. YOUR customers historical sales/service records
  - c. Industry specific data:
    1. after market and factory Part #, Description, Sell \$\$, Cost \$\$
    2. labor guide
    3. tire/wheel fitment guide
    4. vehicle manufacturers service maintenance requirements
    5. VIN # definition
  - d. ZIP Code address data - for more efficient direct mail
3. Communication Hardware/Cost - for multi-location operations
4. Conversion of "old" data

It is critical to be able to convert your old data on your current computer system ELECTRONICALLY into your new one.

This feature is NOT available from all vendors and will SIGNIFICANTLY impact:

- the amount of time and "out of pocket" employee cost it will take for the system to become useful to your company
- the amount of HIDDEN employee and local professional's "extra hours" cost
- the real (and perceived) benefit of the system.

#### 5. Implementation design/assistance

This is the MOST IMPORTANT requirement of all .. it one thing to have a set of TOOLS to perform a job .. and another to have a skilled craftsman to work with you and the tools to get the job done.

There is a significant difference in the time commitment of system vendors beyond the basic training of system operation.

That difference will translate into helping you setup and operate as efficient as possible - without a lot of false starts.