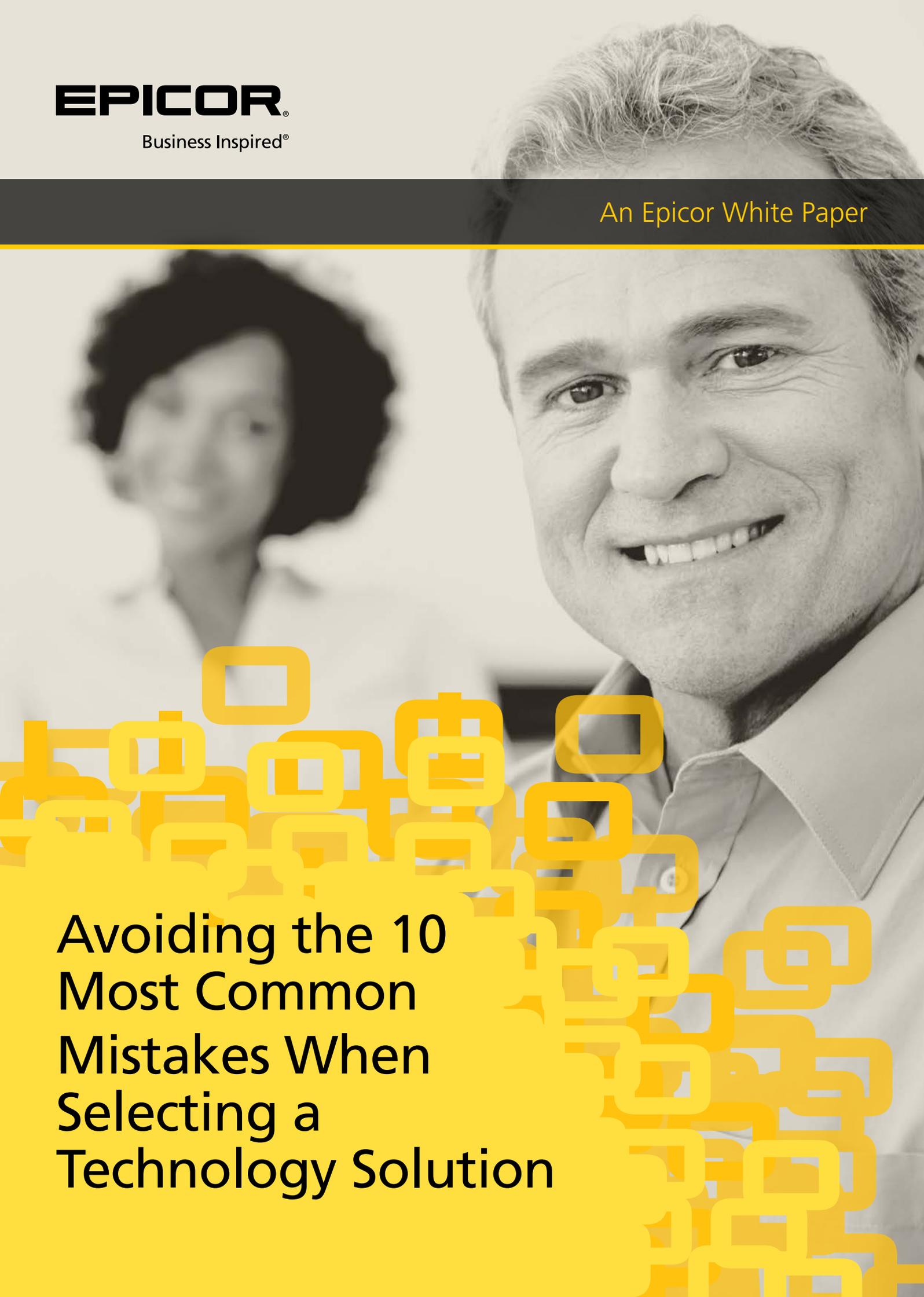


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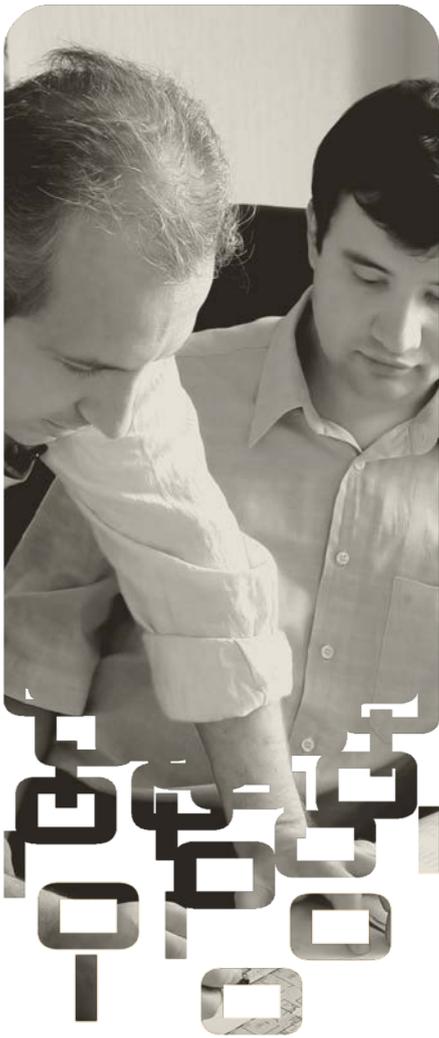
An Epicor White Paper



# Avoiding the 10 Most Common Mistakes When Selecting a Technology Solution

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## Introduction

The Automotive Aftermarket is a tough business. To survive, you must provide exceptional customer service, optimize your inventory, track transactions, outwit your competition, and improve profits. To achieve all that, you need technology. Unfortunately, technology investments make many uncomfortable. That's possibly because unlike your inventory, an investment in technology will reside in your business for a number of years. A poor technology decision can result in lost revenue, frustrated employees, and a reduction in customer satisfaction.

As a result, your choice of a business management system, which includes POS, Inventory Control, AP, AR, parts availability, and other important features must be made carefully. To help you with that choice, we've assembled a list of the ten most common mistakes made when choosing and implementing a business management system. The list isn't prioritized because they're all important, and making any of these mistakes could have an impact on your chances for success.

## Skimping on Staff Training

The single most common mistake made when implementing technology is to overlook the importance of staff training. Your operation can have the best software available, but if a majority of staff does not understand how to get the most from it, it can contribute to poor performance.

It's critical that a budget be established for staff training. Results of untrained staff can be frustrated and unhappy customers, inadequate inventory, dissatisfied sales people, and ineffective staff—a bad combination for any independent operation. To reduce the risk of negative outcomes, and to train your employees effectively, consider these four levels of training:

- **Pre-Go Live (Installation)**—Time should be spent deciding the exact order of installation and how the installation will be executed. At this stage, training schedules should be defined and established. During this pre-install time, the installation team will need to clearly learn about the motivation behind the purchase decision and establish a game plan to deliver the stated criteria to insure the success of the project. This session may take a number of days, depending on the size of your operation and staff.
- **During Installation (Go Live)**—The staff should be trained at this time. In larger operations, the trainers themselves are trained, and they in turn instruct your sales associates and support staff. This is also a multiple day process.
- **30-60 Days After Installation**—Training should be conducted once again. Updates and refreshers are always needed as staff may have forgotten some elements of the previous training. Depending on the effectiveness of initial training, this training effort may be a one to two day process.
- **4-6 Months After Installation**—This training may be the most important for an operation. Building on past training and actual hands on use of the system, management and staff can develop an even stronger base of knowledge and can increase their productivity dramatically. At this stage, you should truly see benefits and the return on investment (ROI).

## Ignoring the Needs and Benefits Assessment

Some businesses have difficulty determining what their technology needs are. Some business models are not well defined from the beginning and much is left to interpretation. In many cases, operations consistency comes from the staff member who has been with the business longest; others simply assume their way is the correct way. A reputable business consultant can offer insights on what might be needed and how automation and certain software features will impact your business. The broad-based solution is to prepare a detailed needs assessment that includes every aspect of your business operations.

A Needs Assessment makes it easier to justify a technology investment and easier to quantify product benefits. The best way for management to feel comfortable with a particular technology is to consult with others in the same line of business that have implemented the same technology. Only experienced users can offer an honest appraisal. Ask software and hardware vendors for customer testimonials. If a technology vendor wants your business, they will gladly allow you to evaluate their products' use and review their results.

## Purchasing Inexpensive Software and Hardware

It is important to view the purchase of technology products as an investment rather than as an expense. Businesses who view their technology as an expense and look for the cheapest hardware and software on the market often end up dissatisfied with their solution. They've purchased low-end software and hardware that places their business at risk. Combine that with a lack of staff training and business consulting, and you have a formula for disaster.

When you buy, consider where you want to go with your business versus where you are today. A few thoughts about what your mindset should be during the investment period:

- Make sure you understand the true value of what benefits and expected results you'll receive.
- Align the features and applications you need most to the quality of the hardware. If inventory management is a critical factor, don't scrimp when it comes to mobile handheld scanning devices. Data collection, for example, is critical and you'll save time and money by investing in a reputable scanning device.
- Sign a Service and Support Contract that provides assurances that your technology investment is protected and that you'll receive software releases to stay up-to-date. Also, knowing that support is just a phone call away when you need help is your insurance policy to keep your business running.

## Not Serving the Store Manager

While businesses continue to implement technology for customers and employees, the store manager remains underserved. Mobile applications and devices can help keep the store manager engaged even when they're not on site. By driving mobile technologies to the store manager, this can create a "sense and respond" environment within the business.

## Failing to Protect Systems and Data

Backing up your system is critical, but doing it correctly is just as important. There are many ways that your system and storage can be damaged or lost. This issue presents itself each year in different parts of the country as businesses deal with thunderstorms, power outages, floods, earthquakes, etc. The best ways to avoid disaster are to:

- Buy the best back-up hardware you can afford
- Replace back-up disks/tapes frequently
- Perform a full system back-up daily
- Verify weekly with full restore
- Keep back-up disks/tapes off-site

It is equally important to protect your system by always scanning for viruses, implementing passwords, and locking systems. Security of your data and business transactions is critical as well and must be addressed formally.

## Not Analyzing Data Conversion and Security

If data in your current system is stored in an outdated format, decide what is really necessary to have online in your new system and convert that, then print out the remainder for a paper trail. Customer mailing lists, item masters, and supplier files are relatively inexpensive to convert, but expenses mount quickly when converting transaction data.

## Uninterruptible Power Supply

For each POS station, budget for an uninterruptible power supply (UPS) backup system. Similarly, back-office workstations and servers need adequate power protection. If this is not done it can result in lost data, incomplete polling, incomplete backups, fried CPUs, POS transactions lost, and upset customers. The investment in this piece of equipment will return greater savings than almost any other item in technology. Also remember to test your UPS monthly—they do wear out over time, and the battery will not hold as much power.

## Purchasing “One Size Fits All” and “Modified” Software

It should be possible to find software that meets 95 percent of your needs. Look at programs that are used primarily by the same type of business, so that the majority of the enhancements and research and development will have been done to benefit your type of business. Software should be reasonably customizable, without the need for major modifications. And remember to stay in the upgrade path, and never fall more than one release behind.

## Changing Systems but Not Processes

If you implement new systems, but maintain old, inefficient business processes, you’re negating most of the value you’re hoping to get from your investment. In conjunction with installing new systems, conduct a thorough review of your processes. Use an open mind to changing the ones that impede workflow, cause bottlenecks, introduce inefficiencies, or could be streamlined. Studies show that companies that purchase new technology, but don’t change processes, see a six to nine percent decrease in productivity. Companies that change processes see a 25 to 30 percent increase in productivity.

## Not Reading Documentation on Hardware and Software

If you believe real men and women do not read manuals, you could be underutilizing your software. Always read the documentation that comes with your hardware and software. When an issue arises, check the documentation first; often the solution is right there.

## Conclusion

Can you successfully avoid all of these mistakes? We hope so, because in business, an ounce of prevention is worth a pound of cure. If you do, you’re certain to maximize your ROI and your overall satisfaction with your technology solution.

## About Encompass

Encompass Solutions is a business and software consulting firm that specializes in ERP systems, EDI, and Managed Services support for Manufacturers and Distributors. Serving small and medium-sized businesses since 2001, Encompass has helped modernize operations and automate processes for hundreds of customers across the globe. Whether undertaking full-scale implementation, integration, and renovation of existing systems, Encompass provides a specialized approach to every client's needs. By identifying customer requirements and addressing them with the right solutions, we ensure our clients are equipped to match the pace of Industry.

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