WINTER 2019

CDKGlobal

LIGHTSPEED NEWSFLASH

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The New CDK LightspeedEVO CRM PAGE 2

Upcoming Events PAGE 2

Physical Inventory PAGE 3

Dealer's Corner PAGE 3

Get Your Parts Inventory Under Control PAGE 4

RINGING IN A NEW YEAR-END

We hope 2018 was a successful year for you and your business.

As you know, year-end is the busiest time of year for Lightspeed Customer Support and Sales. The end of the year is also when dealerships evaluate and adjust their processes to ensure they remain competitive and successful for the next year. A big part of this evaluation includes the Lightspeed system, training needs and new functionality.

We want to help you get the most out of your Lightspeed system. If you haven't yet, consider making the switch from NXT to EVO. Not only will it help streamline your year-end processes, but it will also make the year-end much smoother. Here are some specific year-end differences:

- Journal entries continue posting into the new year without running year-end
- No scheduled maintenance
- No housekeeping
- Schedule aging reports & inventory valuation to auto-run on December 31st
- Retain all historical information. Not limited to current and previous year
- Hard close on year-end
- Streamlined accounting reconciliation
- Emailed financial reports
- No G/L carry balances forward to run with everyone out of the system

We also encourage you to take advantage of Service Connect for any year-end issues you may experience. It's the fastest way to get your questions answered.

Here's to a successful 2019!

THE NEW CDK LIGHTSPEED® EVO CRM

In last quarter's newsletter we introduced our all-new CRM. We've seen a lot of success with the new CRM and we're excited that so many are benefiting from its use.

Successfully implementing any CRM is hard and changing the behavior within your departmental teams can be extremely difficult. However, with the CRM integrated within LightspeedEVO, we've done our best to make it as easy as possible to give you the best chance of success. While the CRM in LightspeedEVO covers all departments, let's focus on the Sales department.

Changing behavior is hard, but we've got the equation that will help you do it. Driving change requires **goals, lead measurements, engagement and accountability.**

GOALS

The first step to changing behavior for success is creating goals. Goals give your team a set of expectations that you hope they will accomplish by a certain date. They give a sense of purpose and set a definitive finish line for your sales team. You should sit down before any given year or month to discuss the goals you expect your team and individual contributors to accomplish.

LEAD MEASUREMENTS

Lead measurements allow you to fulfill the goal. Choosing the right lead measurements are critical. If the correct lead measurements are chosen, they will push your efforts towards accomplishing your goal. You will be able to forecast and predict the fulfillment of your goals.

ENGAGEMENT

To promote engagement, keep a scoreboard for both goals and lead measures so your teams can see it. The scoreboard has to be very visible for both the individuals and the managers.

ACCOUNTABILITY

The goals and lead measures need to be reviewed at least weekly so that teams and individuals are held accountable.

If you put these four things together, you have the right equation for changing behavior and success. Here's an example we're all somewhat familiar with: weight loss. The first step is to create a goal; e.g. lose two pounds in the next month. The next step is to create effective lead measures that allow you to measure how you are tracking to accomplish that goal. For weight loss, one simple lead measurement is calories consumed minus calories expended. Tracking your calories each day is hard, but if you are disciplined and track them properly, you will be able to effectively predict weight loss.

The next step is engagement. You need a visible or easily accessible scoreboard to track the calories. Finally, post your goal on social media or in some community forum and have that community hold you accountable for weekly updates. If they can see your daily lead measurement scoreboard, even better.

Now, let's tie that to CRM. We've created goals within the CRM that you can set up with your Sales team. We've also created lead measurements. The critical lead measurements are new leads and follow up. If your team tracks these properly and consistently, they will see sales results. It's very difficult to input new leads and track follow up each day, but if done properly, it will boost your sales success. We've built tools in the desktop and reporting that will allow you to track new leads and follow up. We've also created scoreboards on the Desktop view that allow you to track those goals in order to make sure your Salesperson and Sales Manager are engaged.

Lastly, it's up to you hold regular accountability sessions with your teams to go over lead measurements and lag measurements. We've worked hard to build desktop scoreboards, reports, and communication tools (text) that will allow you to make it happen.

We want you to succeed and, with the new CRM in LightspeedEVO, we've given you the tools for success.

UPCOMING EVENTS

New CRM program overview webinars

Choose from one of these sessions:

February 20 – 10:00 a.m. MST
February 21 – 1:00 p.m. MST

REGISTER HERE

PHYSICAL INVENTORY

It's physical inventory time. There are two recommended ways to perform an inventory count.

Service Connect Bar Code Scanner

LEARN MORE

Service Connect Inventory Count Sheets

LEARN MORE

You can use the built-in inventory count sheet and update function, or you can count and update with a remote barcode scanner. Click the buttons for two helpful documents for your chosen method of taking inventory. You can also find both documents in Service Connect.

Tip

It's always a good idea to review these documents — or even call our support staff— to review the process **before** you start your physical inventory count.This could be the difference in paying people overtime while the process gets worked out.

Testimonial:

DEALER'S CORNER

CDK LightspeedEVO:"The DMS of Choice for Multistore and Accounting Needs"
Owners: **Wayne R. Sorensen, Rusty Needs**
Controller: **Brenda Craw**

CDK LightspeedEVO provides our group of Marine dealerships with precise, real-time information at our fingertips. The real-time data for our Parts and Pro Shop inventory helps us accurately track our Special Order parts for our customers. The Parts to Service functionality keeps our Parts and Service departments running smoothly.

The Parts, Service functionality within Sales means we never miss items included in our Sales Contracts. It's eliminated the need for a separate form or an Excel spreadsheet to make sure the customer receives everything they were promised. The Parts and Major Unit visibility between all of our locations means we have real-time inventory at a glance, which makes Major Unit Transfers and Parts Transfers quick and easy.

The overall integration between all departments keeps everything in its proper place and assignment. The Custom Reporting feature allows us to manage our inventory, track sales, and track our units aging, among other things. There are Custom Reports for all of our needs, and we can create new ones at any time. We can now copy reports to our other locations with a click of a button. This means we only need to create one new report instead of recreating the same report in each of our databases.

The Accounting Module saves us time and money. Not only do we have the ability to have shared accounting between three locations, but we can also run Consolidated Financials for our entire group of dealerships in minutes. The Accounting Module has been a life saver and a time saver. We get real-time accounting data, plus we can also run various reports to track revenue, margin dollars, margin percent and year-over- year comparisons.

We will not operate our dealerships using any other DMS. LightspeedEVO is the only choice for our dealership group.

Interested in sharing your experience, providing a testimonial or just letting us know how we are meeting your needs? Email **lightspeed.sales@cdk.com**

MasterCraft DEALER SERVICES

Thought Leadership Spotlight:

GET YOUR PARTS INVENTORY UNDER CONTROL

BY MARK J. SHEFFIELD

Dealers store their cash in three main locations: the bank, used inventory, and the parts shelves. While the money in your bank will earn a little bit of interest, cash in the other two locations is always going to be worth less today than it was yesterday. Most owners would love to do a better job of managing Parts inventory, but other than telling the Parts Manager to stop ordering product — which is typically detrimental to over-the-counter sales and service efficiency — few know how.

There is a simple solution, and it's called an Open to Buy System. It's like giving your Parts department a checking account. Here's how it works: At the beginning of each month, look at your current total Parts inventory value and set an inventory target level for the end of the month. Make reductions in small bites; it usually works best to reduce your inventory by 1 to 2 percent each month.

Start at the beginning of the month by logging your current inventory level, and the end-of-month target inventory level. Each morning, the Parts Manager will pull three numbers from Lightspeed to enter into this system:

1. The prior day's cost of goods sold

2. The prior day's returns to vendors

3. Purchase orders placed the prior day

Starting with yesterday's beginning inventory, subtract the cost of goods sold and the returns. Next, add back the total purchase orders placed yesterday. If the resulting number is higher than your target inventory level, then the Parts Manager does not have any money available that's "Open to Buy." If the result is lower than your target level, then the Parts Manager has that amount of discretionary money available for stocking orders and new product.

It's a quick and simple solution to an age-old problem. If you'd like an Excel spreadsheet to manage your Open to Buy program, email us at *OpenToBuy@Spader.com* and we'll send you a complimentary copy. It contains some sample data so you can see how easily the program works.

Mark J. Sheffield is a United States Army veteran and former Dealer Principal who currently facilitates multiple 20 Groups for Spader Business Management. When he's not assisting with dealership performance, he can be found at the rifle range or digging holes with his backhoe.

Contact him at MSheffield@Spader.com.