

Using your computer as a coaching tool

By Bill Veneris, President of ALERT-IMS

Traditionally, computers are considered to be good at only certain kinds of tasks. For instance, they are generally thought of as good calculators. At a rental store, the computer system always calculates rental rates the same way every time, providing consistency in your pricing practices. Computers are also good at remembering things, such as when you need to check the hydraulic fluid in your forklift or change the oil in your backhoe.

So it may seem strange at first to think of using your computer system as a coaching tool for your staff. After all, doesn't training require drawing on all the knowledge you have acquired after many years in the rental business? Of course, it does. However, your computer can be used to create a structured environment for employees to accomplish much of their work -- whether it be processing counter transactions, maintaining equipment, or managing customer accounts.

Of course, all of this doesn't happen magically. The key is to use the built-in coaching tools available with today's rental software to hard-wire your expert knowledge into the computer processes themselves. With good structures in place, new staff will be more efficient and productive from the first day on the job.

Rental centers experience relatively high rates of employee turnover -- and many times, turnover is greatest in positions that require specialized knowledge about your rental inventory. Training new employees quickly so they can fulfill their job responsibilities is crucial to maintaining a smooth operation and to providing a consistent level of service to your customers.

For the average rental store, employee salaries and benefits constitute the largest overall investment made in the day-to-day operation of your business. Recent ARA Cost of Doing Business Survey data shows that, while the cost of rental inventory constitutes 15% of a typical rental store's yearly operating costs, labor costs amount to roughly 40%. With such a large chunk of your budget invested in staff, it makes sense to consider how your computer system can be used to make your staff more efficient and productive.

A Structured Approach to Customer Service

If this all seems a bit too much like science fiction, let me give you a brief example. Before computers were used in rental stores, a common headache at the counter was making sure the correct tax was charged for the rental. In many regions in the US, the tax charged for a rental can depend on where the equipment is being used, where your customer lives, where your rental store is located, or even a combination of these variables.

This can be very confusing to the uninitiated. As a rental store owner or manager, you probably had to sort out these issues and understand how they affect the way you collect taxes at your location. Today, most computer systems handle this tax issue automatically by checking the customer's file for the correct tax area to charge. Some systems also take into account where the equipment is being used by storing the job address and zip code, which is then used to calculate

the appropriate tax. This is a good example of how a computer can solve a complex and often confusing counter process that may have taken hours to teach a new employee in the past.

The rental counter is a good place to explore the idea of a structured system in more detail, because especially at the counter, built-in coaching tools can provide a framework that guides your staff through the entire cycle of serving customers. This framework allows your staff to serve customers with consistency, gives them a comprehensive knowledge base to answer customer questions, and provides opportunities for strengthening customer relationships and maximizing profits during each customer interaction.

Consistency

At the most basic level, the computer provides consistency in the way a customer is handled. Rates quoted to customers and the final rate charged at the end of a rental are standardized. If a customer has been granted a discount on certain items, the computer can be set up to automatically give the discount each time the customer visits your store. Tax-exempt status, damage waiver refusal, and other individualized customer information is automatically applied to every transaction without any effort on the part of the employee performing the transaction.

Computers can also check to make sure all required customer information is captured. Proper identification can be assured by coding certain fields of information as *Arequired,* which means the counter employee cannot move past the field without entering the required information. If a rental item is metered, the system will automatically ask for the out and in meter readings and calculate the appropriate excess unit charge automatically. Some computer systems can also catch simple mistakes, such as writing a contract and forgetting to put a name on the ticket.

Comprehensive knowledge base

Usually the owner or manager of a rental business is the most knowledgeable person in the store. Customers and employees alike search out this person for answers to all sorts of questions. The most effective way to disseminate this knowledge is by *Ahard-wiring* it into the computer system.

For instance, if a customer is renting a tent, the system can be set up to show all the components needed to build the tent. Equipment operating and safety instructions can be entered into the system and either automatically displayed and/or printed whenever the item is selected for rental. If a customer needs to know exact specifications for a piece of equipment, such as how heavy the equipment is, what kind of trailer they need to haul it, or how deep it will dig, these specifications can be entered into the system and easily accessed from the counter.

These are just a few examples of the kind of information you can enter into your computer system so that knowledge can be shared by all employees. When a knowledge base has been built up in your computer, a new employee can provide the same level of professional customer service as a seasoned veteran.

Opportunities for strengthening customer relationships

You can strengthen the relationships you have with your customers by not only providing all the correct information regarding your equipment and services, but also by anticipating your customer's needs. Anticipating customer needs can be a difficult training issue, but the computer can help, albeit in limited ways.

For instance, when certain items are commonly rented together for a particular job, the rental items can be linked to one another so that customers rent everything they need for the job -- even if they aren't aware of what they need in the first place. For instance, if a homeowner wants to refinish a floor, they may rent a floor sander, not realizing they also need an edger to do the job correctly. Even if a new employee doesn't know this, you can link the edger to the sander so that when the sander is added to a ticket, the edger is shown as another suggested item. Sales merchandise can also be linked in this manner.

Maximizing profits during every transaction

New employees usually focus on the basic task of getting everything right when processing transactions at the counter. They simply don't have enough familiarity with your business to consider how to build every order to maximize profit for your rental store.

The computer can be set up to automatically suggest additional items to build an order. For instance, if a customer wants to rent a popcorn machine, the computer can automatically suggest the accessories that you may sell along with the popcorn machine (i.e. popcorn, popcorn bags, oil). Many packages can be created in this way, making sure that your employees remember to ask for all the business they can during each order.

Customer profiles

Customer profiles are specific instructions about how a customer does business with your store. They include instructions about the kinds of information they require to do business with you, any special discounts or pricing given, and balance, available credit, and credit limit information.

For instance, if a customer requires a purchase order, job site address, or valid signature on a contract, the customer account can be set up so this information is automatically captured at the counter. If a customer refuses damage waiver, their account can be set up to automatically skip the damage waiver charge. If a customer is non-taxable, their account can be set up so that tax isn't charged. A customer can also be set up to receive special discounts on categories of items or for quantity-break pricing on parts or other sales merchandise.

Some systems have advanced capabilities for handling customer credit, including on-screen credit warnings at the counter, special on-hold and COD credit statuses, and short-term credit status given to selected customers.

Computer as an empowering agent

If you can use the knowledge about your business to create structured systems that can actually teach your employees about the business as they do their jobs, all of your staff will become more proficient and will eventually be able to take on more responsibility. This in turn will allow managers and owners to extend their working practices to encompass more higher order tasks such as long-range, strategic business planning and the development of marketing programs.

The development of structures for coaching your staff should be on-going and creative. If these structures become an important part of the operation of your business, you will search for ways to extend and refine them. And employees can also come up with unexpected ideas you may overlook.

