

# Digital transformation done right – Pedders and Pronto Software put their foot on the accelerator

**When Pedders Suspension and Brakes teamed up with Pronto Software to bring about a new e-commerce and supply chain platform they knew great systems alone wouldn't cut it without bringing people along the journey. Their result is a tremendous transformation that serves as a reproducible opportunity for other organisations.**

By David M Williams

There's a famous saying that prior preparation prevents poor performance; in this case, Pedders' prior preparation provided perfect Pronto performance.

"Change management is a journey," explained **Simon Richardson**, senior executive – technology and systems, **Pedders Suspension and Brakes**. "If you start with a cost you won't get far. You need to start with the positives and explain the endpoint of the journey and take people on that journey, explaining the advantages and then introduce the cost factors. You build an emotional business case; it has to be a real business case, but you must capture the hearts and minds."

This was Richardson's approach when he joined Pedders three and a half years ago. Pedders itself has been a family business with over 70 years of history, now spread to over 130 stores in 30 countries on five continents.

However, it hit a period of generational leadership change where the business knew it must adapt and embrace digital transformation and find new ways of operating, new revenue streams, and new ways of working. The newer, younger leadership recognised this was a must and while Pedders promoted a strong company culture and had employees with long tenure, it didn't know specifically what such transformation would look like or how it may be achieved. Thus, in came fresh blood, including Richardson.

"It started with the bricks and mortar operations. You can't have a great software platform if you don't have a team and don't have the requirements," Richardson said. Although Pedders had been in operation for more than three score and ten, it was like a brownfields site with great people but minimal systems. Richardson could begin with pretty much a blank piece of paper.

Within 12 months he had the infrastructure figured out - SD-WAN, IAM, pure SaaS, and getting rid of all the on-premises servers. "We're not an IT management organisation. We didn't want to manage a lot of boxes and a lot of infrastructures. There was no value in it," Richardson said. Importantly, this laid a strong foundation for a pure SaaS application approach.

Pedders had its own in-house workshop and customer management platform and, in a similar vein to not owning and running boxes, Richardson's goal was to find a complete package that would be continuously enhanced and maintained but without him having to build it and own it himself.

The requirements – workshops, inventory, multicurrency and other global features – all led to an ERP being the obvious choice – but which one?

Richardson ran a tender for a global ERP and workshop management suite, canvassing NetSuite, SAP, Microsoft, and 20 other products from diverse countries, only to find his answer down the road in the form of Melbourne-HQ'd Pronto Software. "Pronto Xi ticked all the boxes," he said. "It was a solid ERP that suited our business and supported our growth, with all the bells and whistles of an ERP, and an extensible e-commerce platform that could integrate third-party catalogues, email, SMS, and all these things we wanted to do over our journey."

What's more, "Pronto Software was a culturally-aligned business," Richardson said. "It wasn't a faceless organisation but had a local presence and grew on a similar basis to Pedders from a family company. It was a natural choice for us to go down the path with them and we've worked in partnership ever since."

However, companies run RFPs and tenders for ERP all the time; to appreciate why Pedders selected Pronto Xi we need to go back a step.

After Richardson joined the company, he spent six months understanding the business, speaking to every manager and working to understand what they needed to run their part of the business, and what hasn't worked in previous apps. He analysed the business and submitted it to the executive. The costs and the detail still had to come, but the blueprint for a digital journey was formed.

Along with the infrastructure components like SD-WAN, Richardson put in place the first SaaS apps – learning and management, payroll, and

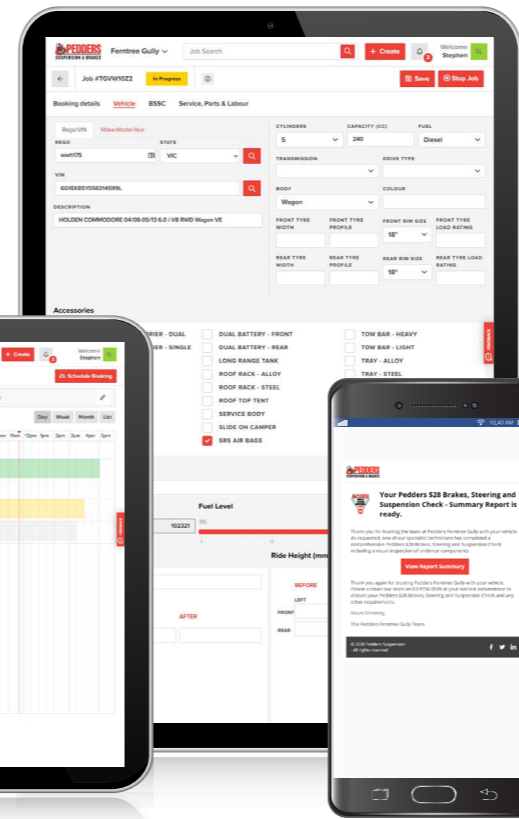
onboarding and performance management. This brought with it a corresponding trust among the organisation that SaaS was ok. Richardson says had he introduced Pronto Xi ERP from the beginning it would have failed – "not because of the platform, but because the hearts and minds weren't there." He took the journey a step at a time until it was right to introduce the technology.

**Pronto Xi** was selected by Pedders as the ERP of choice. They also engaged Pronto Woven, the digital agency that's part of Pronto Software and developer of Pronto Xi Avenue – which became the platform for the digital transformation of Pedders. The task was to build a solution that removes distractions and focuses people on the parts of the ERP that matter to their job.

**Chris Stolke**, manager, **Pronto Woven**, says, "Pronto Woven takes the ERP and helps it make sense in terms of employee engagement and customer success."

"Less is more," Stolke said. "ERPs are great and have a lot of technical abilities. Pronto Xi is a significantly capable ERP in its own right, with many things for many businesses. However, if you're a small to medium enterprise implementing ERP without the right knowledge, you may be confused by the choices and not understand all the lingo or processes."

This is why you would choose Pronto Woven to build what's needed, he says. "This way it's more customised to an easier workflow. It's not dumbed down, but rather we simplify the process and make your day easier, giving you what you need. That's why it has been a success," Stolke said.



Richardson credits the success of the Workshop iQ rollout to the analysis of the business from the start and how effectively it involved the whole company in a collaborative, communicative process. "One thing we did well and wanted to keep doing well is communication," he said. "In this world of connectivity if you let yourself down in communication you have a problem."

This communication extends to not only Pedders staff but to customers. Before Workshop iQ there was a limited ability for garage mechanics and customers to speak with each other. However, the Avenue-based platform now provides online enquiries and bookings and provides for customers and their families to build up a virtual online garage of their vehicles and maintenance history. Store managers and franchise owners can engage in SMS conversations, can send quotes and vehicle reports to mobile phones or through email, print, refresh estimates, and perform many other actions with simplicity.

The platform also caters for multimedia including vehicle images, and for some plugged-in mechanics to create and share videos where they talk about a vehicle and explain, say, an oil leak or other problem to help keep customers informed. "The openness and communication build trust and better revenue systems," Richardson says.

The mechanics are fully on board; "the business owners were mechanics themselves 20 years or so ago but aren't necessarily digital natives," Richardson says, while the "typical mechanic in Australia," he explains is "a younger, 25 to 30-year-old male, who tends to be more of a digital native and is repressed by job sheets that provide no way to add value to the system."

"Now it's all in the tablet they can put comments in, talk to customers, make a video, share an image, and have a direct path to the customer," he said.

"Getting our technicians and mechanics to pick up the tablet was ridiculously easy," Richardson says. "It helped with recruitment and employee engagement with our workshop team having more visibility and talking to the customer, not merely doing back-end processes."

The tablets are a regular Samsung Galaxy A7 unit at \$220 each, running in kiosk mode with the Cisco Meraki stack presenting software in tiles, like WorkshopiQ, timesheets, or the learning and management system. Physically, the tablets are deployed in a ruggedised case with a hand strap and PanzerGlass reinforcement. All up, Richardson says the cost is around \$320 each and he hasn't seen one destroyed yet in the nine months they've been in the field.

There's much for IT and business professionals to learn from Pedders experience.

Undoubtedly, a big piece is the technology behind it. The strength of digital transformation for an organisation of this size and nature is founded in a solid ERP platform, namely Pronto Xi. If your transformation doesn't have guts and power it may be nothing more than a pretty website. Even so, "we can build you the best tool ever but if you don't want to use it, it's a waste of money," Stolke said. "If it's not human-centred you're wasting your time."

Here's where Pedders started on the right foot; the project was based on a design philosophy around the technicians. "It's a great intuitive application as an end-result," he said. "We captured quickly from a design perspective everything had to be based around the technician. We had to make things simple so the end-user – whoever it would be – felt comfortable."

"This project stands out because it was always about the humans," Stolke said. "Pedders were very knowledgeable about what they wanted to convey and answered all our questions. We were in their workshops talking to technicians and getting raw feedback helped us design something they could pick up and use."

"Normally the closest our developers get to an engine is modding cars on the PS4," Stolke joked.

Pedders Suspension and Brakes is a family-owned business with over 120 franchises and dealer stores. It prides itself on exceptional customer service and is Australia's leading brake, steering, and car suspension specialist.

The WorkshopiQ product, a custom-built solution by Pronto Woven, has been rolled out to an initial portion of store sites with the full implementation underway. Initial feedback proves it delivers significant cut-down in manual labour to process customer requests, enter vehicle identification numbers (VINs) or registrations; that the customer experience has significantly improved as a direct result of complete real-time data in the store and on the workshop floor; and that information is available any time on any device across the entire Pedders network, again providing customers with a consistent experience no matter which site they are at.

This is digital transformation at its finest – where what other companies might call "a technology project" is seen for what it truly is – a business project that has wide-ranging and vast positive impacts on the lives of the staff and customers it impacts. It is a project where great software and a focus on people fuse to create brilliance.



**Simon Richardson**



**Chris Stolke**