UNIVERSITY

Give Your Store a Checkup
With a Paladin Store Health Assessment

Charles Owen

Chief Experience Officer

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WHAT YOU'LL LEARN

Store Health Assessment and Audit

- Observe and evaluate store operations
- Reports that help identify opportunities for improvement
- Review computer equipment and devices
- Review network infrastructure and cybersecurity
- Invest/re-invest in technology – It's your business
- Advanced training – Investing in knowledge
- Measure and monitor your success
- Be prepared for the unthinkable – reduce downtime losses

Observe and evaluate store operations

- Work more <u>on</u> your business and less <u>in</u> your business.

- Assign staff to help with the ordering and receiving process – Divide and conquer.

- Create an action plan – weekly, monthly, & quarterly wellness checks to catch and resolve issues before they become a huge problem.

- Stay relevant in retail by visiting the Paladin <u>Retail Science</u> website.

Observe and evaluate store operations

- Review use of Paladin features, i.e.,
  - Suggested ordering
  - Purchase order submittal and receiving
  - Reviewing inventory
  - PaladinNsight interactive tools
  - Serialization, etc.

- Review and identify your past years challenges and create a plan to prevent or eliminate them in the future.

- Interview staff members to gain insight on improvements in store operations: [Start – Stop – Keep].

Start – Stop – Keep

Start

_____
_____
_____

Stop

_____
_____
_____

Keep

_____
_____
_____

Observe and evaluate store operations

Evaluate store data

- Shrinkage
- Negative margins
- Negative SOH
- Supplier ratios
- Excessive stored quotes

- Voids & fraudulent activities
- Revenue report evaluation
- Dump SKU setup & usage
- Old stored purchase orders
- PaladinNsight interactive dials

Evaluate store processes

- Ordering
- Receiving
- Work force management

- Special orders
- Third-party integrations
- Online sales

Reports that help identify opportunities for improvement

- **Upside-down margins** – Inventory Count List sorted by margin.

- **Negative SOH** – Negative SOH report or Inventory Count List sorted by SOH.

- **Supplier ratios** – Inventory Count List sorted by Supplier ratio.

- **Shrinkage** – Shrinkage report or Loss Experience tool under PaladinNsight.

- **Voids** – Transaction report by date range, using Keyword search, NoteField "VOID".

- **Revenue** – Revenue report by department or Inventory Master report by product.

- **Product outs** – Inventory Count List or PaladinNsight Lost Opportunity dial.

- **Overstock** – Slow movers report or PaladinNsight Non-performing assets dial.

- **Clearing out old stored quotes** – Recall transactions, check "Show for all customers".

- **Clearing out old P.O.s** – Recall P.O.s check "Show for all suppliers" PO's & AutoSave.

- **Closing out open backorders** – Receive mode, find and cancel expired open PO's.

- **Reviewing dump SKU usage and setup** – Inventory Count list sort by zero cost/price.

- **Workforce management** – What I Need to Know→ Hourly Analysis report

Review computer equipment and devices

- Determine hardware reliability, performance, and soundness.

  - Review service & event logs
  - Verify computers are up-to-date
  - Compare with minimum standards

- Cycle your computer technology about every 3-5 years.

  (How old are your computers?)

- Review the status and reliability of your peripherals. If you're experiencing reoccurring issues, replace them. They're inexpensive and not worth the stress.

Invest in improving your computers performance

- Put an equipment replacement plan in place.

- Upgrade older equipment over time to better manage cashflow.

- New computers are a great way to increase performance.

- Make the technology work for you.

Invest & reinvest in your store operations and customers

Don't let your technology atrophy.

- Computers and operating system
- Credit card terminals
- Peripherals
- All hardware has a half-life, and it will eventually fail

Consider adding programs and products that enhance consumer experience.

- Loyalty program
- Pricing plans, promotions, BOGOs
- Special orders, serialization, rentals, firearms, online sales, etc.

"Technology can enhance your store's shopping experience. Like any investment, you only get out of it what you put into it."

Review network infrastructure and cybersecurity

- Human error causes 85% of business data breaches.

- Employee security education:
  - Establish internet, social media, and email guidelines.
  - Create strong user passwords and use multifactor authentication.
  - Limit access to the business network.

- Regularly update network system hardware - firewalls, routers, switches, Wi-Fi & mobile devices.

- Hire a reputable network administrator to manage security.

- Back up your POS transaction data and business files daily and store at least one copy offsite or in the cloud.

Cybersecurity is a real threat

Data Recovery Statistics After Paying to Ransomware

TRUELIST

8%
Recovered all data after paying a ransom

29%
Recovered no more than half their data after paying a ransome

65%
Average amount of data recovered after paying a ransom

Source: Sophos

- One of the biggest dangers from ransomware attacks is **financial loss**.

- The ransom demands can be very costly, and if businesses do not have the money to pay, **they may lose everything**.

- 43% of companies **go out of business** after a major data loss.

- Another 51% **fail within two years**.

- Almost 70% of small businesses **close within a year** of a large data loss.

- 39% of small businesses don't have an **incident response plan**.

Paladin Managed Network™ improves the security, speed and reliability of your business network with real-time, multi-tiered monitoring, and 24/7 management

| **Security** Protect your network from intrusion, viruses, and malware attacks. | **Speed** Increase operating speed by blocking "performance blocking" applications. | **Reliability** Keep your business open when internet connections are down with mobile failover option. |

Paladin's Optional Managed Services – Peace of Mind

- Consider utilizing Paladin's Managed Services
  - Cybersecurity – Paladin's Managed Network
  - Virus/malware protection – Managed Security™
  - Database optimization – Swifter™
  - Windows updates – Managed Updates™
  - Cloud backups – DataWise™/SystemWise™
  - Office tool suite – Microsoft Office 365

Advanced training – Investing in knowledge

- Effectively leverage the technology.
  - Store processes are at peak performance when they're adapted to your technology, not vice versa.
  - Systems and processes typically work best when they're used the way they were designed in the software.

- Keep up on trends in retail to stay relevant.

  (Visit Paladin's [Retail Science](#) website)

- Stay informed of new features in your POS technology.

- Continued education is an effective method to get more use out of your POS technology.

Advanced training – Investing in knowledge

- Your employees are your most prized asset.

- Empower your employees with proper training.
  - Business and personal growth training
  - Customer service & customer etiquette training
  - Product knowledge training
  - Point of sale training
  - Operations training

- Leverage Paladin's self-help & learning tools.
 - Knowledgebase articles
  - Training Videos
  - Webinars

Measuring and monitoring success

Measure business performance, YOY

- Sales and profit margins
- Customer count
- Invoice transaction size
- Average sales price

Review your business metrics

- GMROI (Gross Margin Return On Investment)
- Inventory investment (cost per square foot)
- Product turns (the number of times you sell your entire inventory, in dollars, over a 12-month period)
- Product outs (Lost opportunities)
- Overstock (Non-performing assets)
- Average margin by department or customer type
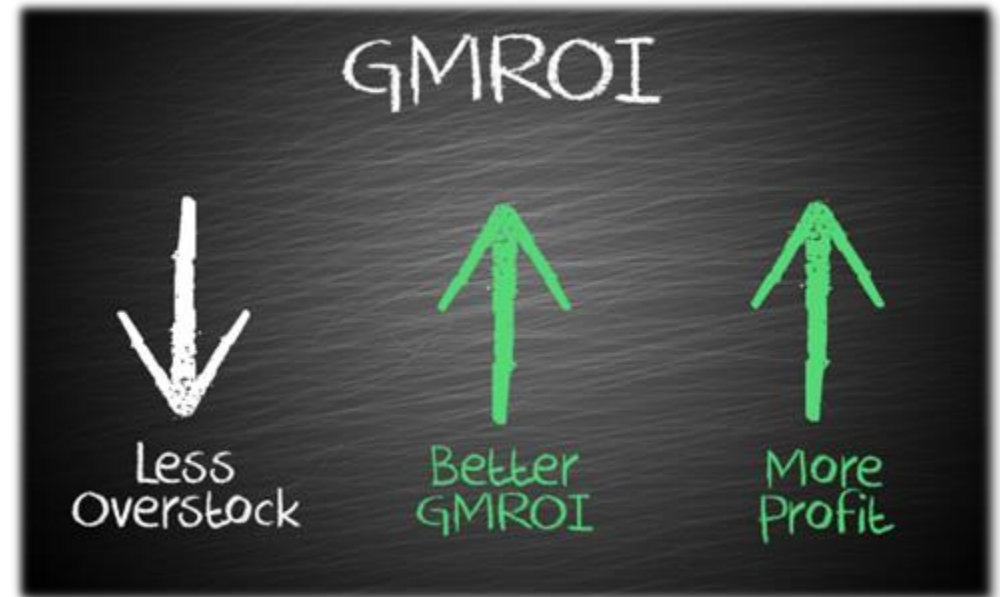
Visit Paladin's Retail Science – Retailer's Toolbox

Be prepared for the unthinkable – reduce downtime losses
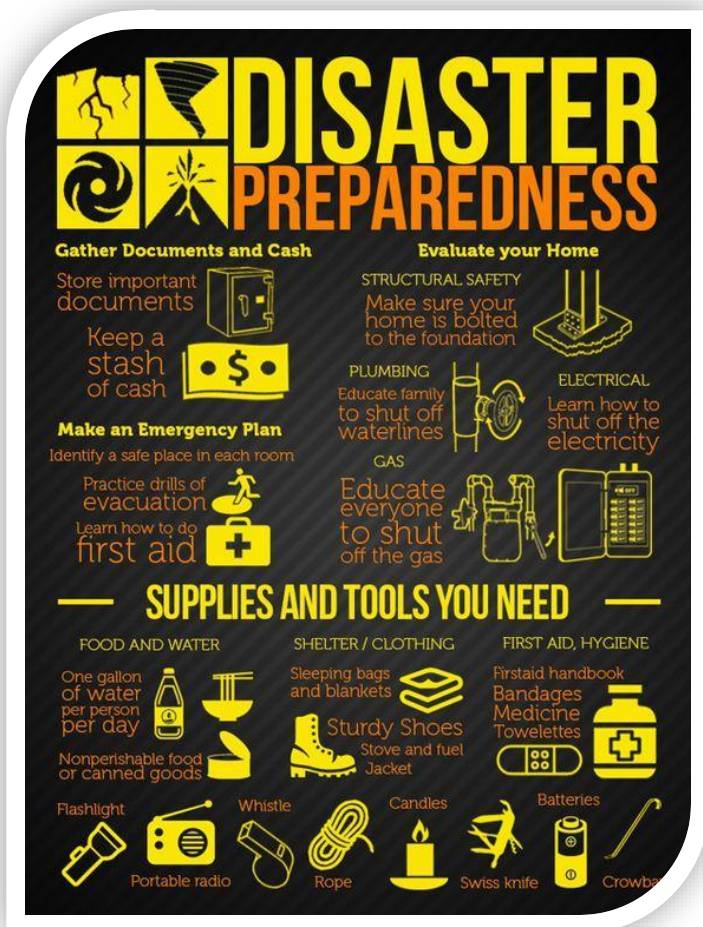
- To prevent power loss

  - Uninterruptible Power Supply (UPS) on each PC.
  - Auto-failover generator to run critical store operations.
  - Emergency lighting.

- To prevent internet loss

  - Invest in a router that provides auto-failover to a cellular connection to avoid internet downtime.

- To prevent loss of credit card processing

  - Install auto-failover to cellular connection.
  - Employ a stand-alone credit card solution.
  - Accommodate optional payment methods, i.e., Venmo, Paypal, etc.

Be prepared to run offline
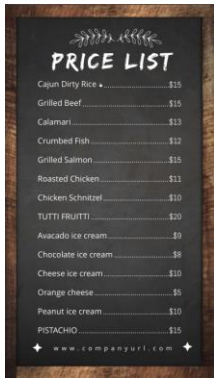
- Items you can utilize to stay open during a downtime - per checkout station:
  - Calculator(s)
  - Sales tax rate sheet(s)
  - Sales order pad(s) (NCR copy paper)
  - Reliable pens
  - Mobile credit card reader(s)

[Be ready – always store in container under counter]

- Optional things to consider:
  - Have an up-to-date electronic price book on hand.
  - Retain a recent house accounts summary report
  - If possible, recruit additional staffing to control the chaos and reduce theft.

Q+A

Learn More

To learn more, see the following resources in our Help Portal library

- Suggested Order report
- Order Analyst™: Create supplier Pos for a suggest order or other PO in seconds
- PaladinNsight™
- EDI
- How Paladin Managed Services Helps to Keep Your Business Up and Running

A recording of this webinar will be available at portal.paladinpos.com/webinars.

Next Webinar:

Understanding and Managing Employee Permissions for Your POS

December 12 @ 9am PT

Register: **portal.paladinpos.com/webinars**