PALADIN
DATA CORPORATION
We Make Stores Run Better.

Fall 2013

Paladin Think *POSitive* Newsletter

SIMPLE TIPS FOR MANAGING GROWTH

According to the National Retail Federation, the retail industry added 43,600 jobs in August. Forbes reports that consumers are spending again, mainly in categories like cars, housing, e-commerce, appliances and home projects. This presents a guarded but optimistic outlook for growth for the upcoming season. How will you manage that growth once it comes your way?

Recognize growing pains and growth spurts
Remember that growing pains, while unpleasant, are evidence that you're growing. Your people may not be as efficient or productive during this period of growth, but you can use this as an opportunity to correct mistakes, train your staff, and make sure the right people are in the right positions before the stakes get higher.

Growth spurts, whether in business or childhood, require more energy input. What are you doing to energize and "feed" yourself and your team? Customers know when your staff is frazzled, and keeping their fuel tanks full will reap great rewards in customer satisfaction and employee retention.

Brainstorm new growth opportunities
Jotting down a few notes can help you sustain your growth without a huge time investment. Try this simple exercise: Take out three sheets of paper and label them "Stop", "Start", and "Keep".

- On the "Stop" page, write what you need to stop doing. What is a waste of time and/or resources? What can you outsource? Letting go of things that aren't working means you can invest more time and energy into those that are.

- On the "Start" page, brainstorm ideas for new activities to encourage growth for your business, your employees and your customers. Separate them into short-term and long-term categories.

- On the "Keep" page, recognize what you are doing well. Determine if you need to assign additional resources to these areas.

Your employees and customers can be great resources for information. Encourage them to participate in this process and get them invested in your store's success.

Plan for long-term growth

From your "Start" page, identify the low-hanging fruit and tackle a few small items to get the momentum going. Then look for one or two longer-term goals that you think would have a great impact. Write the goal at the bottom of a piece of paper.

Working backward, make a month-by-month plan to achieve those goals in the next year. When you are one step away from your goal, what would that look like? Write that just above the goal and work your way up the page to today. In a matter of minutes you'll have a written, step-by-step plan to accomplish your goal.

Again, involve your staff in this process whenever you can. When employees feel like their input is valuable, they are much more invested in the outcome.

Simplify and focus to sustain growth

You know your business and why you're in it. What actions have resulted in growth in the past? What are others doing to promote growth? Make sure you have fostered a culture that's open to growth, and put yourself and your people in positions where they'll excel at the things they do best. With an energized workforce and a little focused planning, you can be prepared for your business' growth as it comes.

▶ EMPLOYEE ACCOUNTING ACCESS

Did you ever wish you could fine-tune your employees' access to Paladin POS? You can — through settings on the **Company** and **Employees** tabs of the **Setup** window.

This feature is an extension of the employee permissions settings on the **Employees** tab. Normally, employees have all-or-nothing access to the Customer module. Employees either have full access to the Customer module or none at all. With the **Allow Customer Accounting Control Per Employee** setting enabled on the **Company** tab, employees are allowed to have partial access to the Customer module. All areas that show accounting information will be grayed out, with some information completely hidden from view. This includes suppressing access to the **Credit** tab and the **View Profit** button.
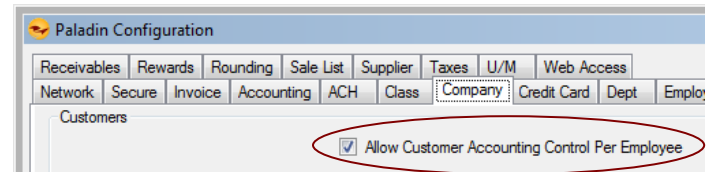
File > Setup > Company tab

Once the above option is checked on the **Company** tab, the **Customer Accounting Access** option will become available on the **Employees** tab. You will want to check this box for individuals that need access rights to all customer accounting data.
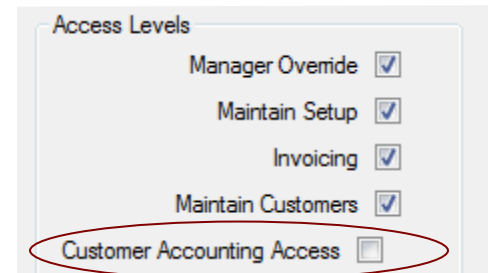
File > Setup > Employees tab

ORDER CONTROL INFO PANEL

In the Summer 2013 newsletter last quarter, we described the foundation of Paladin's Market-Driven Inventory Management system™. This quarter we're discussing some specific fields of the **Order Control** tab. This valuable information can help you understand what's happening with your inventory and how small changes can make a big impact.

This information panel is accessed via the **Inventory** module on the left side of the **Order Control** tab:

Sales Details
Investment: Amount of capital tied up in current inventory.

Gross Profit: Total gross profit earned on this item from this moment in time back exactly one year.

ROI: Gross Margin Return on Investment, calculated using the greater of:

- The amount of capital the store has in play to support the level of sales that are present, or
- The amount of capital tied up in current inventory.

The second option is a result of the store being *overstocked* on this item. A good ROI on every investment is how stores stay in business. While low ROI values are acceptable on a limited number of items, it is Paladin's suggestion that ROI's need to exceed 300% per year for an item to be considered profitable.

All values displayed in Paladin POS are dynamic. Change the Order Qty, Order % or Stocking days, and view the *significant* change to ROI. Use this screen as a calculator to understand the detrimental results of over buying.

Forecast
Stock Days: Number of days of saleable inventory you wish to own. Change the number of stocking days to view the impact on **Need** and **Cost**.

Need: Number of items to order based on **Stock Days**. This figure is calculated by Paladin.

Cost: Represents the financial investment by your store to replenish this item.

Overstock
Overage: Based on the **Stock Days** selected, this value represents the unneeded, unjustified quantity of stock on hand. Notice that as you change stocking days up or down, the **Overage** value changes.

Waste: Displays the amount of capital your business has invested in this item that has *no* financial return whatsoever. This was money that could have been invested in other products that could have sold and generated profit dollars.

Shrinkage
Shrinkage: Quantity of this item that has been lost or gained in the period from now, back one year. Loss is displayed in red, gains are displayed in green.

Loss/Gain: Amount of capital lost or gained in the last 52 weeks from shrinkage.

UPCOMING EVENTS

NCPA Annual Convention
October 12-16 | Orlando, Florida

House-Hasson Fall Market
October 17-19 | Chattanooga, Tennessee

Do It Best October Market
October 19-21 | Indianapolis, Indiana

ProDealer Industry Summit
October 23-25 | Nashville, Tennessee

Washington State Pharmacy Assn. Annual Meeting
November 8-9 | Centralia, Washington

Wallace Hardware Fall Dealer Market
December 3-5 | Gatlinburg, Tennessee

ASHP Midyear Meeting & Exhibition
December 8-12 | Orlando, Florida

CONNECT WITH PALADIN

Have you checked out Paladin's blog yet? It's regularly updated with new and upcoming Paladin POS features, valuable tips to improve efficiency and save money, and helpful strategies to increase profits. You can subscribe to the blog to receive updates in your email inbox — just head over to blog.paladinpos.com to take a look.

If you use facebook, Twitter, Google+ or LinkedIn, we'd love to have you join us! You can also check out our YouTube channel with videos from customers and Paladin staff. Go to paladinpos.com and click the links in the lower right corner, or click the links below to connect.

OCT/NOV SPECIAL: PC DISCOUNTS

Microsoft's support of its Windows XP operating system is scheduled to end April 8, 2014. This means there will be no new security updates, no technical support available, and no updates to technical documentation.

Paladin highly recommends replacing any of your PCs that are currently running Windows XP with a new system to take advantage of the advances in technology that have been developed over the past 10 years. To help make that transition as painless as possible, we're offering special discounts on all our Dell PCs through the end of November 2013.

We currently carry the following Dell PC systems:

- Optiplex XE2 (i5)
- Optiplex 7010 Desktop (i7)
- Optiplex 7010 (i5)
- Optiplex 7010 (i3)

Dell has upgraded its Optiplex XE2 Small Form Factor system to an i5 processor. This is currently our fastest POS system.

We will be announcing our PC specials regularly over the next two months as Dell changes its pricing and we offer a percentage off their price. Keep an eye on your email inbox to review these specials.

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