



PROFITsystems E-COMMUNICATOR

Calendar

August 6-10
Class Week

August 20-21
Advanced Retail Education
Class

September 3
PROFITsystems Closed for
Labor Day

September 10-14
Class Week

October 1-7
High Point Furniture Market
Building: IHFC
Location: M1210

October 8-12
Class Week

Classroom Training

For more information about our classroom training and to make your reservation, please call 800.888.5565 or email dawnu@profitsystems.net.

PROFITgroups

We are looking forward to seeing our PROFITgroups members at the next meeting. If you would like more information, please [visit our website](#). If you are considering becoming a PROFITgroups member or would like references, contact us at 800.325.2018 or phyllisz@profitsystems.net.

PROFITsystems is Growing to Better Serve You

We would like to officially introduce two new employees:

Rate Your Efficiency

David McMahon, Senior Consultant

Efficient businesses have the greatest earnings from year to year. In tough times, they are able to stay cash positive and in times of plenty, they have huge earnings. They are coached to succeed and their staff is professionally trained in proven best practices. This keeps them productive and working as a professional team. See how your company is performing by completing this ranking:	1 point Disagree, we need improvement	2 points Average, we are okay	3 points Totally agree, we are excellent
Our inventory is 99% accurate.			
Our salespeople can independently answer our customers questions regarding inventory, order status, and account status.			
All conversations between our employees and customers are recorded electronically.			
Sales are entered in front of our customers in an acceptable timeframe.			
We follow-up with thank you letters, cards, or calls.			
We know our traffic every day.			
We record the customers who come into our store that do not buy yet.			
We follow-up with potential customers by scheduling tasks.			
We sketch, room plan, and do house calls every day.			
Our sales manager knows average sale, close ratio, number of opportunities, and revenue per up.			
Our sales manager is effective in finding, training, and developing salespeople.			
Our cash is balanced every day in less than 20 minutes.			
We use our customer database to make the best use of our advertising dollars.			
Receiving and invoicing are processed immediately.			
We use bar coding for inventory control.			
We track all customer service issues in our system and have a vendor charge back (VCB) system.			
We track GMROI and have a clear strategy to increase it.			
We carry the proper amount of inventory to sales (15-19%), so that cash flow is maximized.			
We systematically identify slow merchandise and take actions to turn our dogs into cash.			
99% of our available merchandise is displayed properly and quickly.			
Over 90% of complete sales are scheduled for delivery in our system.			
Billing of customers is timely and accounts receivable is correct and controllable.			
Our best sellers are tracked, identified, and nailed down.			
We use purchase advice to reorder best sellers.			
We conduct weekly operations meetings, have a clear agenda, and a problem resolution mechanism.			
We have pay-for-performance systems for all employees and it motivates them.			
Our financials are on time (no later than the 10th of the next month) each			

- Missy Davidson, joining Software Support
- Jason Pearson, joining Systems Support

month and we completely understand them.			
Our quick ratio is greater than one and we have enough cash to make payroll and keep all of our payables current.			
We completely reconcile our bank accounts in a timely fashion.			
We reconcile our sub ledgers to the general ledger and check balances on the balance sheet each month to ensure accuracy of financials and margins.			
We have an independent company help us develop a financial forecast so that we can get an outside perspective on our business.			
We have proven that we can execute our plan and strategy.			
We provide an exciting and rewarding place to work and shop, and we are distinct from our competition.			
Totals			

Scores:

0 – 50	(F) Failing grade. Immediately get help. If you continue at this performance level, you will need to take loans to pay for the inefficiencies.
50 – 60	(D) Barely passing. The management team should put together an action plan to focus on underlying performance issues.
61 – 70	(C) You are average. You are on the cusp of going either way: success or failure.
71 – 80	(B) You are a decent operator. You definitely have implemented some best practices. Learn from what is working and why, then apply that attitude to your weaknesses.
81 – 90	(A) You are almost there. A few slight changes and you can become a best-of-breed company. You are doing so many things right. Keep on improving!
90 – 99	(A+) You have a model operation. You are a credit to your industry, a fantastic place to work and shop!

You can contact me, David McMahon, for professional improvement and guidance at 719.330.8583 or davidm@profitsystems.net.

Tech Tip: Remote Users

Les Kush, Director of Systems Support

This tip applies to all clients that have remote workstations. When a user has a disconnected remote session, both the operating system and Pervasive do a good job of reconnecting the user, so long as the connection is reestablished. This grace period to get reconnected is usually three minutes. But if the user loses their connection and their session for longer than the three minute grace period or if they accidentally illegally close their remote session, the operating system may hang on to any application files, e.g. PROFIT*professional* files. To help with correcting this we recommend the following fix offered by Microsoft: [User Profile Hive Cleanup Service](#).

NOTE: In no event shall PROFITsystems be liable for any special, indirect, consequential, or any damages whatsoever resulting from the use of any Microsoft software, patches, hot fixes, and/or updates.

Please contact Systems Support with any questions at 800.888.5564 or support@profitsystems.net.

Advanced Retail Education Class: August 20-21

Shelley Parlin, Director of Professional Services

Our July Advanced classes were extremely well received. In fact, we added a second session to accommodate all of the clients who wanted to attend. We are really looking forward to the August session. If you haven't checked out the schedule, now is a good time to see what is being offered that could help your business become more efficient. After all, it isn't about working HARDER, it is about working SMARTER.

During the classes, you will learn how to have a top notch customer service program. By the way, customer service is an attitude, not a department. Do your employees act that way and are your processes set up so that your clients know everyone who works in your business believes that? You will also learn about the various reports we

offer, what they are, when you need them, and most importantly, how to use them. Plus, have sessions on merchandising and the 5 SMART steps.

Spot your winners and losers
Maintain your winners in stock
Auto move your losers
Reward high margin sales
Target mail your customer base.

The session on the 5 SMART steps includes the top 20 metrics you should be monitoring in your business. Best of all, this is a down-and-dirty hands on workshop. We are not just going to TELL you how to find this vital information. We will give you the tools and then walk you thru a case study so that you will learn HOW to find this information in the PROFIT*professional* reports for your own business.

If you are interested in attending, contact us at 800.888.5565 or dawnu@profitsystems.net.

The PROFIT*systems* E-Communicator is your best source for news and information on PROFIT*systems*, technology, and the retail furniture industry. If you need to know about our conferences, software, or just what is new around the halls of PSI, this is the place to find it. In conjunction with our website www.profitsystems.net, we are working to provide you the most information in the most timely manner possible. If you have not registered for access to our online PROFIT*resource* Center, please sign up at our home page today!

Michelle Michaels, Editor

PROFIT*systems*, Inc.

The Leading Provider of Retail Furniture Systems and Solutions
422 E. Vermijo, Suite 100 Colorado Springs, CO 80903
Phone: 800-888-5564 Fax: 719-578-9506

Email: newsletter@profitsystems.net

URL: www.profitsystems.net

No part of this publication may be reproduced or transmitted in any form or by any means, electronic, mechanical, photocopying, recording, or otherwise, without the prior written permission of PROFIT*systems*, Inc.

You are receiving this newsletter because you signed up from our web site. [Click here](#) to unsubscribe.

© PROFIT*systems* 2007. All Rights Reserved.