Economic focus. Detailed targets. Support for your implementation.

Distributor Development Program (DDP), our core consulting service, is an intensive process that empowers distributors to achieve higher levels of performance and profitability. Most distributors that implement our recommendations achieve an ROI of up to 20 times their investment in consulting services over two years. In most cases, we can guarantee that the distributor will achieve an ROI within 120 days.

The process begins with identifying the distributor's real-world strengths and deficiencies based on industry benchmarks we have been developing and refining since 1996. We use the findings to develop detailed recommendations for improving efficiency and profitability. Then we guide the distributor's management team in planning the implementation of the recommended action items and support the implementation with mentoring and monitoring.

Financial performance is central to the DDP process. We emphasize budgeting, forecasting, job costing, cash flow, financial reporting, and employee performance measures through a focus on these 10 core areas of the business:

- Order Implementation and Quote-to-Invoice Process
- Sales and Marketing
- Design
- Project Management
- Customer Service
- Operations—Warehouse, Delivery, Service, Installation
- Automation Utilization
- Human Resources
- Finance and Administration
- General Management

Time and Resource Commitments
The DDP process is an intense experience for everyone involved in it. The phasing and approximate timeline for the typical engagement are as follows:

1. Pre-planning and initial review (4 weeks)
2. On-site distributor assessment (1 week)

3. Reporting and recommendations (2 weeks)
4. Implementation planning (1 week)
5. Implementation monitoring with direct assistance as needed (5 months or as required)

Involvement by the distributor staff is concentrated in the week-long on-site distributor assessment. In conducting this 360-degree review, we meet with the principal(s), the management team, individual department managers, and representative groups from each functional area of the business. If possible, we will also meet with major subcontractors, the aligned manufacturer's market manager, and some customers.

Following the assessment, we generate our primary deliverable, an in-depth Owner's Report which typically includes 10–12 strategic initiatives supported by 80–100 recommended action items. The Owner's Report addresses the full range of our assessment activities including a financial review of the business and its service operations, personnel evaluations, departmental processes and practices, sales and marketing observations, and technology utilization suggestions. We also provide a suggested organization chart and a pro forma budget. These deliverables, together with our financial analysis, form the basis for developing a Distributor Sales Plan, a Business Plan and an Operating Budget.

A week to 10 days after delivering the Owner's Report, we return to the distributorship for an implementation planning meeting during which we review our engagement team's recommendations and discuss and prioritize them with the dealer team.

Our engagement team provides mentoring and monitoring for distributor clients for about the first five months of the implementation process.

Benefits for the Distributor

The overarching goal for DDP is to position the distributor client to achieve significantly higher levels of performance and profitability. Our unique approach allows us to show principals where the money is by demonstrating how much their current processes are costing them and the savings and profit-improvement potential that can be achieved by implementing our recommendations.

The program delivers a number of more specific benefits on which the distributor can build future success:

- Receive an unbiased assessment of current distributorship situation with recommendations for specific improvement opportunities.
- Gain a greater understanding of distributorship's financial and operating information, including its average hourly cost for operations and overall break-even point.
- Learn the critical success factors in operating a distributorship more profitably.
- Develop a strong professional management team through a better understanding of current staff and future staffing needs.
- Develop a strategy for improving technology utilization throughout the organization.
- Identify those processes and practices that are working well and that the distributorship can capitalize on as competitive leverage.

- Develop better operational capability and improve execution, the customer experience and profitability.
- Identify obstacles to achieving maximum productivity.
- Gain an in-depth understanding of the sales order process and the work order process.
- Develop strong strategic selling skills and the relationships to profitably win strategic target accounts necessary to grow their own market share.
- Increase camaraderie and teamwork through the planning process.
- Create an actionable plan for greater profitability.

Benefits for the Manufacturer

Manufacturers that want to be more competitive and grow market share must assure a strong, dynamic presence in local markets. By investing in a Distributor Development Program, a manufacturer is investing in strengthening its distribution channel. This program will help to make a manufacturer's best dealers better or can be used to evaluate and elevate struggling dealerships through remedial programs and intensive mentoring. Solomon Coyle will work with the manufacturer distributor development team to tailor a program enabling the level of hands-on interaction with the distributor that best meets the manufacturer's objectives. For maximum results, we recommend that the manufacturer be present during the on-site evaluation and implementation meeting, and that the manufacturer provide periodic follow-up throughout the implementation phase.

When manufacturers invest in this program, they:

- Receive an unbiased assessment of current dealership situation with recommendations for specific improvement opportunities
- Gain greater access to the dealership's financial and operating information
- Develop a better understanding of targeted dealers and markets
- Identify mutual goals for greater profitability and market penetration
- Form a collaborative working relationship with the dealership and key dealer staff
- Develop greater insights into the dealership's management team and staff
- Discover ways manufacturers can assist and improve dealer sales efforts and operations
- Strengthen individual dealerships in key markets by investing in best-practices consulting
- Create additional return on investment by implementing an integrated program that will lead to a sustainable, adaptable business model for outstanding performance and continuous monitored improvement
- Develop profitable dealers that can invest consistently in growing market share.

By empowering distributors to perform better and win bigger, we position the manufacturer for system-wide gains in market share and sales.

To book a call for more information, reach out to support@solomoncoyle.com