

VAN WILGEN'S EXECUTIVE SUMMARY FEBRUARY 2017

It was a joy to visit, interview, and then facilitate change management with the existing and emerging leadership teams of Van Wilgen's.

The insight and intention that was evident to me is both promising and exciting. From "thinking inside of the box" with over 500 years of experience in the meeting, the blue train has officially been boarded—**destination anywhere.**

This summary is an overview of the discussions and outcomes of the visit as well as next steps needed from each department to reach our **Wildly Important Goal of "Two Cents"!**

From enhancing the customer experience, embracing technology, and driving margin dollars to the bottom line, the right team is in place to deliver on that WIG! With the balance of "Unity in Leadership and Consistency in Service", we will indeed have more to offer than just "Our Two Cents!"

LAG goals that were discussed were the need to drive a 10% increase in our average transaction while at the same time drive a 10% increase in the number of transactions. Each of these LAG Goals is tied directly to the other.

And each employee within Van Wilgen's can be directly or indirectly involved and engaged in these goals. By setting and then delivering a standard level of consistent service, along with "up-helping" on specific items each week/month, coupled with strong marketing and events-driven programs, the focus on the WIG, communication of the effort and rewards for the

outcome on a daily, weekly and monthly basis will allow us to see results by the early weeks of May.

Remember, we have roughly 100 days to make 70% of our revenue. We want to ensure the entire team is focused on both the “tasks of the day” with the “revenue generating activities of the day”. *Strong leadership and constant communication are required to make this happen.*

Let’s start with our standards of success. Gina may want to put a finer point to this...with our discussions from last week; we determined these qualities defined a “**Van Wilgen’s Experience**” or “**Our Customer Promise**”

- *A warm and friendly welcome
- *Attentive and knowledgeable team of experts
- *Clean, well-organized and appropriately signed store
- *Wide variety of quality plant material and products
- *A personal shopping experience blending plants, passion and people
- *A local family business that measures “local” by the foot... not by the mile.

Additional qualities that define our culture were: **excitement, trust, reliable, empathy, honesty, and inspiration.** I feel these are the things we can feed ourselves in the process of delivering “Our Customer Promise”.

We grow what we feed!!!

DEPARTMENT GOALS TO SUPPORT “OUR TWO CENTS”

These are revenue-generating activities that will drive a 10% increase in transactions as well as an increase of 10% in the number of transactions, which will drive the two cents per dollar WIG!

Perennials:

Walk-through daily for quality control

Create four rotating benches up front to highlight plants, passion and people

Create a “perennial pick of the week!”

Garden Marts:

Drive more effective and consistent training at the store level

Up-help items that will drive revenue—Jump Start, Planting Mix, Van Wilgen’s branded items, and tools.

Return boxes and drive events

Utilize the ipad for efficiency in moving lines...keep “cash flow”

Every Monday morning offer” product knowledge” training

Trees and Shrubs:

Focus on the sales of Jump Start, Boost, and Plant Mix by using creative signage, end caps and displays.

Simplify Kiosk

Highlight bag mulch

Move products to marts

Target promos for bounce back

Follow up note for customers spending over \$1800 as well as loyalty customers each time they shop...

Establish an “inventory control officer” and institute a “daily task board”

“Own the phones”

100% pull policy and plant pick up

Support and report the outcomes

Install Team:

Look at the trend of “less but better” when it comes to jobs installed

Highlight the testimonials of the install customers on the website

Establish a smart schedule of A, B, C time when “planning vs. planting”

Get out of the yard by 8:00am each morning!

Store:

- Create and display "Success Kit" at each register
- Consider the Costco Cart System
- Consider an "express line" with mobile cashier
- Target the customer list to drive return and retention
- Prices on each and every item in the store
- Offer products meetings each day
- Review the phone challenges (including an iphone app)
- Always invite the customer back (fliers and verbally)
- Review cashier steps for efficiency and effectiveness

Greenhouse:

- Drive for switch out based on shelf life of plant material (container)
- Data mine computer/customers for buying patterns to assist in growing for the need instead of reacting to the need
- Creative custom items on a more consistent basis/seasonal
- Display the "grab and go" items for increased purchases
- Direct a huddle on seasonal help for training
- Create a Work in Progress Board (WIP)

Growing:

- Time clock to be with growing and landscape/install
- Inventory control: receiving and credits
- Quality control
- Always bring more than asked to bring for increased sales

Office:

Assign one person per department for signage insight

Create a "Sign Budget" per department/season

Report accurately and reduce expenses

Source vendors more often

Manage inventory control and overtime

Communicate often with Gina

Deliver world-class phone service

Final Thoughts:

Your goal for each department now is to review these "lead goals" to determine how they contribute to the LAG goals of 10%/10% that we have established, create methods to measure your lead goals (I can't expect what I can't inspect), create methods to report your goals (scoreboard), establish daily methods to report the efforts and then focus on leadership and appreciation to recognize and reward your teams.

I would rather each department do one thing perfectly to affect the 10% increase in average transaction and one thing perfectly to affect a 10% increase in number of transactions than to do a lot of things imperfectly that don't really move the needle.

That discussion should occur during your next leadership huddle. As always, let me know how I may support your efforts in this critical year at Van Wilgen's. I would rather us move into a contracting economy healthy and fit!

BEST!

John

MARCH 2018 VISIT

From our leadership summit, we addressed the over-reaching theme of “Unity in Leadership...Consistency in Service”; however, it could easily be “Consistency in Leadership...Unity in Service!”

Having the influencers of our success in 2018 all be part of the training will be vital to our execution of the strategic plan moving forward (See Strategic Plan below)

The one big take away for me was determining the “Standards of Service” we should expect from each and every employee of Van Wilgen’s—emerging leader, existing leader, line employee and owners.

These standards should be held accountable for all and we should, as leaders, ensure we are making the biggest effort of driving them each and every day.

Those standards are:

Attendance/Be Punctual
Politeness and Helpful
Professionalism
Customer Engagement
Flexibility/Teamwork
Positive Attitude
Honesty
Respect
Integrity

I suggest that at your huddle each day, leaders should pick one of these standards, define it as it relates to your department and the customer experience, and then drive that standard for the day.

Find your team doing something positive that relates to the standard and maybe even have the star of the week highlighted. (Also ensure that we are highlighting anniversaries of each employee and driving the “Circle...Circle Back” model of communication, expectation and appreciation!

This will translate to a culture of recognition, accountability and intention. That’s a culture worth leading!

Next stop on the Blue Train was the all staff strategic summit where we introduced the game plan for the year and the strategy each of you will follow to drive the health of the company forward.

Building on last year’s game plan (increase in number of transactions and the average transaction) we are adding a third component—**holding** the labor/sales ratio (cost management) while **driving** the average transaction (revenue generation).

2018 STRATEGIC PLAN

Three components to our goals for a healthy business:

**Total sales of \$7.2M
33.5% sales/labor ratio
Average transaction: \$77**

**These three completed goals will afford a 2% bonus for each employee based on annual income.*

**Total sales of \$7.35M
33.5% sales/labor ratio
Average transaction: \$78**

**These three completed goals will afford a 3% bonus for each employee based on annual income.*

**Total sales of \$7.5M
33.5% sales/labor ratio
Average transaction: \$79**

**These three completed goals will afford a 4% bonus for each employee based on annual income.*

Great Game of Business Goals for driving average transaction for April, May and June

Garden Center Goals

	April	May	June
Jump Start:	533/600	877/1000	374/450
Planting Mix:	1585/1800	3212/3600	1594/1800
Root Boost:	65/120	66/120	36/72

Green House Goals

	April	May	June
Slow Release:	28/60	104/210	73/150
Bloom Boost:	17/25	26/40	33/55
Fish & Seaweed:	17/35	17/35	13/26

DEPARTMENT EFFORTS TO DRIVE STRATEGIC PLAN

PLANT HEALTH:

Get report of customers that bought lawn care products and email them to invite them to create a new lawn care program for the New Year.

Assign point person/owner of kiosk outside

Add “what’s next” to the bottom of watering guide

Product training: Ditto form (Problem of the week, product to solve the product of the week, “what’s up” and product for “what’s up”, Fun Fact about VW products)

Stacey’s Tips” (Shelf Talkers)

Larger/better” Better Than” board at time clock to highlight our VW products.

INSTALL TEAM:

Start: Larger plantings/install work (include follow up email that is quick and to the point. Include design pamphlet with watering instructions)

Stop: Limit/monitor more closely labor focused on non-revenue generating activities!!!

Continue: Out by 8:05 each morning. Mark out time on Whiteboard. Give customers more of an accurate arrival time if we are leaving the yard on time. Don’t want to have an unexpected “early surprise” element.

OFFICE:

Start: Anniversaries through Outlook with managers, directions/procedures for Garden Marts and stores if we lose power or internet, report planting customers to Anthony and Gina, cross training for inventory, office responsibilities (including phones). Ask for assistance during high call volume on Monday morning (and throughout day), make procedures for the phone system more user friendly, improve procedures for transfers/inventory, drive more readers/employees to the website and e-news.

Continue: Inventory control, more written procedures and improvements on phone

GREENHOUSE:

Start: Add WIP board to container area, communicate and get every one to understand customer container form to help free Kirsten up for bigger jobs. Add "What's Up" board, and hand out on VW branded items.

Continue: Ongoing getting more stuff to marts and display the "grab and go" items for increasing average transaction.

STORE:

Start: Educating staff more about Root Boost, what's hot weekly ditto, system for plant wraps, and owning lists on restocking & answering phones (especially Mondays)

Stop: Costco System

Continue: Success Kits by register—make it easily accessible, and consider modifying cart system.

GARDEN MARTS:

Start: Make a more concentrated effort to take advantage of the iPad for sales, possibly use it as an “express checkout” to keep lines moving and also a way to keep customers engaged with us.

Training: teach by example, spend more time upfront to explain the “WHY” and “HOW” of what we are doing, have a “weekly to do” board (Plus One Board) for any projects/tasks that need to be completed—makes it easier for all employees to be on the same page about what we are trying to accomplish.

Stop: Customers returning boxes

Continue: Make consistent effort to “up help” (we executed that well but need to keep making an effort for improvement), keep branded items upfront and handy at checkout, and keep employees informed about products, promotions and events.

PERENNIAL:

Start: 2-gallon perennial expansion, increase revenue by utilizing more mature material

Stop: Pick of the week-handled better through other means

Continue: Front four –lots of big blocks of color, standardize plant layouts and use more signage.

GROWING:

Start: Quick morning huddle delegating daily tasks, WIP Board for employees arriving after 8:00am, and improving training of seasonal help.

Stop: Long-lining system already steam-lined and in place

Continue: Each goal from last year (see above)

TREES & SHRUBS:

Start: More weekly/daily huddles with sales team on products (updates, info, ordering), more customer follow up on high spending (Thank you), add hand outs to install team for design (especially for small installs), install teams can expand sales when on jobs (create a referral system to track), focus on more VW branded and grown items, trees for small spaces (local!!), utilize signage and logos from Gina (Have a branded “Store within a Store”!!!)

Stop: Rework bagged mulch, smaller display, and more signage, rework how we manage phones and assign phone duty.

Continue: Move products to marts—direct sales increases on products are there.

Top Three from 2017:

Jump Start and Root Boost

100% pull policy—efficiency!

Kiosks to increase average sales!

