

MR. HANDYMAN FIXES ITS OWN TECHNOLOGY



Mr. Handyman, founded in 1996, started franchising in 2000 as the solution to today's fix-it problems for millions of time-starved families. Mr. Handyman's goal: to be the global leader in residential and commercial building repair, maintenance and improvement. Today, there are 120 franchises operated by 82 owners across the United States. In addition, there are seven Canadian Mr. Handyman operations. The growth in U.S. consumer sales has been substantial, increasing from \$3 million in 2001 to \$19 million in 2003, with projected growth to \$26 million for 2004.

Even though the company was booming, both in number and in the size of its franchises, Mr. Handyman was feeling growing pains caused by its management software, a proprietary product developed in-house when the company first started. Software problems mounted: systems crashed, data was lost, reports failed to reflect information needed by franchisees to run their businesses. Soon, franchise owners started complaining.

"Due to the rapid growth of our franchise business, it was time to evaluate our management software," says John Eggenberger, executive vice president of Mr. Handyman. "It was imperative that we evaluate the software not just for the

benefit of the corporate office, but for our franchisees as well. We hired an outside consultant to interview 11 of our busiest franchise owners so we could best meet their needs and ours."

In the fourth quarter of 2002 the outside consultant not only interviewed the franchise owners, but also spoke with home office tech support and also consulted with others in the same industry. In March of 2003, the final report was presented with a demanding wish list. Armed with the data, the home office was concerned they might not be able to meet all the needs with one product. According to Eggenberger, options included revising the current software, starting over to build a totally new management system, or purchasing a third-party software package.

"In the spring of 2003, we investigated all avenues and the best approach was clearly the third option; partnering with a 'best of class' software company," stated Eggenberger. Mr. Handyman's management team realized that purchasing a solution would enable the company to make a change more quickly and easily than trying to either build from scratch or retrofit the old technology. He continued, "After exploring over a dozen packages, ServiceCEO, a product produced by Insight Direct, was the clear winner." The

companies' agreement, signed in February 2004, outlined a plan to implement the software as well as partner with Insight Direct in a custom development project to add features to ServiceCEO that would meet the specific needs of Mr. Handyman's franchise owners.

"We were impressed with ServiceCEO right off the bat. Their ability to customize the software application to our needs was imperative, and their ability to enhance and modify the program as the project was implemented continues to impress me," says Eggenberger. "Our franchise owners are pleased with the results and they've quickly implemented the new software application in their businesses with little effort." While the software was designed specifically for field service management businesses and could be used without additional personalization, Mr. Handyman chose to pay for additional custom development to complement the standard package. This development work, when coupled with existing estimating, scheduling and billing functionality, created a management suite to handle explosive growth, both in the number of franchises and the size of franchises.

The roll out strategy was simple and effective. In December, the corporate

office sent out emails announcing the availability of the new software system to all owners. In addition, they promoted the software at their annual convention and in their in-house publications. They then hosted introduction demonstrations through a web conference. This web conference involved audio and video so owners could see exactly how the system would work.

Next, the corporate office hosted six training classes for owners. All the training sessions were web-based, so no travel was necessary. The owners who signed up for classes received a written manual and a training CD to use as reference. In two months time, Mr. Handyman was able to get the word out, offer introduction sessions and training sessions to their franchise owners. More than 40 percent of Mr. Handyman's franchise owners were using the new software by the second quarter of 2004.

In addition to the rapid roll-out, the corporate office also made sure that a support program was in place for those owners who converted to the new software. Twice a day the corporate office hosts an



John Eggenberger, executive vice president, Mr. Handyman

on-line "open mike" session. Owners using the new software can log on and join in these sessions to ask questions, learn how other business owners are using the software, or just listen in. There is also phone support available for emergency calls

when an owner needs help right away and cannot wait for the open mike session to start. Finally, all owners can refer to the company's intranet site to get updates, learn about new reporting capabilities, download new documents on the software or just keep up to date on what upgrades are being developed. Mr.

Handyman's internal support efforts also are supplemented by Insight Direct's online training classes, help desk and documentation.

The goal: to have all Mr. Handyman franchise owners using the new software by the first quarter of 2005. Eggenberger and his colleagues are confident that both the home office and their franchisees are poised for continued growth in the home services market, supported by a strong technology backbone." As our system grows and we get deeper coverage across the country, we plan to develop strategic alliances with like businesses. We also plan to form alliances with certain manufacturers and become a source to consumers for particular products, such as wireless doorbells, lighting, and landscaping fixtures, stated Eggenberger. He continues, "We need ServiceCEO to help us get there and, once we are there, make sure our revenue growth supports our business strategy at every stage. Without this software we couldn't even think about embarking on this next step."

JOHN'S TOP TEN

John Eggenberger, executive vice president of Mr. Handyman, compiled the top ten list below on what franchisors should consider when evaluating third-party software providers.

- 1** It is imperative that the software company to which you ultimately award a contract have some industry-specific experience.
- 2** Investigate their job performance with other companies to make sure they have a proven track record of success.
- 3** Make sure the company is on solid financial ground and will be around to support you in five years.
- 4** Along with their financial stability, make sure they have the talent necessary to support you over time.
- 5** Determine the level of support and training that is available. Ask about phone, online, live, and web-

demonstration availability. This is a crucial component in the transition to a new software system.

6 Interview other clients to determine the company's ability to enhance and modify the software program as the business evolves. This is also critical to the success of the relationship because as your business model evolves, your operating software needs to evolve, too.

7 Along with providing enhancements and modifications, make sure the software program can be tailored to your needs. You do not want a program that does not allow you to turn off programs you do not need, but yet will allow you access to them when the time is right.

8 Make sure the program offers web-based applications. This

will provide the mobility you and your franchisees will need to run the business efficiently and effectively.

9 Determine whether or not the software program offers wireless communication capabilities. Again, your franchisees will want to be able to communicate between their field staff and their customers through a wireless network. Even better, this will allow you to email directly to technicians and email marketing communications directly to customers.

10 Finally, make sure the software program allows you to manipulate fields and is customized to your needs. In addition, make sure you can customize reports to manipulate your data in specific ways that are important to you and the success of your business.