



MYOB EXO Business Case Study

Midstate Machinery

Bendigo-based farming machinery dealership finds a way to speed up customer orders, slash admin hours and build a framework for the future.

Overview

Based in Bendigo, Victoria, Midstate Machinery (Midstate) is an Australian-owned and operated business selling to farmers statewide.

Established in 2001 when two former employees of an existing farm machinery agency decided to buy the business and expand it, the company is now a 35-strong dealership selling and servicing major tractor and agricultural machinery brands, as well as numerous smaller makes.

Outgrowing your systems

Following a period of steady growth, Midstate expanded into three distinct groups – spare parts, sales and workshops. Although this made sense from an operational point of view, it made the management of stock and the flow of customer information more complicated and, ultimately, put a real strain on resources.

Up to that point, Midstate had been using MYOB Premier, an accounting and payroll package designed primarily for small businesses. Although ideal for a dealership in its formative years, Premier struggled to provide an expanded Midstate with the additional functionality they required.

“Basically we’d just outgrown it,” says Leonie Norris, the company’s CFO.

“We’d adapted as a business and Premier was no longer capable of doing everything we needed it to.”

So Midstate set about finding a replacement system that would echo Premier’s basic functionality, but provide the additional and much-needed capability required to manage a growing warehouse, such as hire tracking, job costing, asset management, point of sale and stock control.

Think: users first

Over the course of the next month, Norris looked at a number of systems before finally settling on EXO.

Of the several reasons for choosing EXO, Norris says the fact it was owned by MYOB was certainly an influencing factor.

“Because of Premier and EXO’s shared parentage, we knew we’d be able to integrate legacy and new data easily. And that was a big plus for us.”

“Ultimately though, EXO was just more user friendly and easier to follow than competing packages,” says Norris.



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Scoping out the problem

Satisfied with EXO's basic spec, Norris contacted MYOB, who immediately referred her to local MYOB implementation partner Oxygen Express.

Oxygen Express' first step was to gauge exactly what it was that Midstate required out of the system – something they did initially through emails and phonecalls, before sitting down in person to scope out more detailed configurations.

According to Norris, the biggest challenge was trying to replicate in a single program the kind of functionality Midstate had come to depend on through an assortment of random spreadsheets.

"We had spreadsheets for literally everything," says Norris.

"One to manage our workshop, another for our service department; one even to record labour. And of course across all of them, there was a lot of unnecessary duplication."

Taking things one piece at a time

Oxygen Express' solution was to build a test data base and trial it with dummy data. This meant their own team could explore different possibilities, but it also allowed Midstate to start visualising scenarios in EXO. And this, according to Norris, was crucial in bringing staff round to a new way of working.

Because even though it took only a day or two to gain a basic understanding of the system, not everyone at Midstate was eager to make the switch. Staff were comfortable using Premier and many of them would happily have continued to do so.

"The beauty of the test data base," says Norris, "is that we were able to trial different areas of the new program bit by bit. We could introduce EXO in bite sized chunks, rather than all at once."

"In hindsight we would still have put a little more thought into how to get the most out of training, rather than rush headlong into it," Norris adds.

"But thanks in large part to the prompt, courteous nature of Oxygen Express and their 'no problem is too big or too small' attitude, we were able to get to grips with the system fairly easily."



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Consolidating everything into one, manageable system

With the system up and running, Norris says the most noticeable difference with EXO is the time they save from not having to populate spreadsheets at every turn.

“We’ve probably reclaimed two or three hours a day just by being able to consolidate data in the one system.”

According to Norris, EXO’s job costing function takes care of most of what Midstate used to enter manually.

“Timesheets, parts as purchased, labour, consumables, service history – all of this goes straight into job costing,” says Norris.

What comes out is equally all encompassing. Midstate can invoice, buy and sell used machinery and parts, and conduct point of sale transactions, all from the one system.

A better view of performance

Being able to access data in one central point has another advantage for Midstate too. It dramatically improves visibility and means staff can make better informed decisions as a result. And those decisions, according to Norris, work to the benefit of customers and staff alike.

A simple daily check of the management report enables staff in any of Midstate’s three locations to see what stock is available in other branches. Where before EXO, somebody in sales would have telephoned the customer to tell them the item was out of stock, they now have the option of transferring the item from another branch.

Efficiency now, flexibility for the future

When pushed on what she likes most about EXO, Norris is quick to respond with “efficiency”, before adding “and flexibility”.

“It’s easy to think of EXO as an off-the-shelf package, until you sit down with a company like Oxygen Express and see just how much can be customised.”

“For the first time we can have reports written that are specific to us and us alone,” says Norris. “So if a few months down the line, we decide we need to look at a different part of the business in more detail, we can do that – with a little help from the team at Oxygen Express of course!”

“That means we have a system that really works for our business now and in the future.”