Great Game of Business

Peterson Trucks International Location: San Leandro, CA 2017 Revenues: \$96.4 million Employees: 152 The Critical Number™: Profit Before Tax (PBT)

Playing the Game

Results

GGOB couldn't have come at a better time for PTI. The business went from losing millions of dollars to paying it all back and earning their very first dollar of profit in October of 2017. It's the Critical Number™ the company had from the start of playing the Game.

PTI went from a division on the chopping block to being the division with the second highest return on assets in 2017, says Tom Bagwell, PTI's Executive Vice President. Because of that improvement, the business is now looking to expand into new locations. As a dealership, Peterson was also awarded the highest honor an International dealer principal can achieve from the company—the Presidential Award.

"Being able to speak to one another in a common language of business is what has changed our culture at PTI and turned us into a winning team," says Bagwell. "We all have the same goal now. We have meaning and purpose in achieving goals together."

"The truth is I never wanted to be part of operations—part of "the grind"—a person that scrambled at the end of each month to make numbers. But the GGOB made me want to get my hands dirty and be one of the people who made a difference day in and day out. I get to be one of the people who makes a difference, and this gives me the meaning and purpose I've been searching for in my career." – Alex Vazquez Truck Finance & Operations Accounting Manager PETERSON



Company Background

Peterson Trucks International (PTI), which started in 2012, is now the Bay Area's official International Trucks Dealer. The business offers a fullservice lease and rental fleet, both new and used truck sales, highly trained technicians, an unmatched parts inventory, and state-of-the-art repair shops at multiple locations.

Challenge

The business was struggling with both its profitability and customer satisfaction. As a result, employees weren't engaged in their jobs.

Solution

Rallyaroundtransparency, communication through dynamic Huddles, and by teaching financial literacy training as a way to get employees engaged in running their business.

MiniGame[™] Spotlight

PTI has had incredible success playing MiniGames. The team estimates that they saved between \$100,000 and \$150,000 in the past year alone.

More importantly, Bagwell considers playing MiniGames to be the breeding ground for learning and engagement. "Our most successful games are not those that produce prizes," he says, "but the ones that have taught our employees about the business."

For example, the company initially struggled to get its technicians to understand Profit After Direct Expenses (PADE). They created a MiniGame that visually showed how the business didn't cover its monthly expenses until the 24th or 25th day of the month—and how it was only after that point that they started to turn a profit. "It's the most successful MiniGame that we've played because we finally found a way to educate our employees in a way that made sense to them," says Bagwell.

"The Great Game of Business is, in my opinion, the best way to run a business. The organization is utilizing the collective intelligence of the many people in it. People want to be associated with a TEAM that wins. When the inputs of those individuals are recognized and implemented, successful improvement occurs. The overall group is willing to recognize areas of needed improvement, implement appropriate changes, and work to see the new procedures succeed. People will support changes they are involved in setting up." – Curtis Staton, General Manager Product Support

"The Great Game of Business has helped the sales department by empowering us to understand how we win the game by which we are measured. We have learned that our attention to the financial details impacts the company. In addition, we regularly review the numbers and they are on display at all times. This has fostered a culture of trust within the department and the entire company. We know GGOB works because we see the results."

Russ Thielen, General Sales Manager

What's Next?

Bagwell says that no one on his team thinks they are done improving at playing the Great Game, even though they have now been honored as a GGOB All-Star multiple times.

"We need to get better at our processes," he says. "We need to grow in a way where our processes become fundamental habits that we can then build on. We also need to get better at pushing ourselves to know what the numbers are telling us and then what actions we need to take to make them better."