



A People-less Future

- Al E. Bavry, President Emeritus, Kimal Lumber

A survey came out recently...seems that six and one half percent of the people that took the survey asked for--no, demanded--a cashless, bank-less, true self-serve experience. Let me translate that. These folks feel they should never have a need for cash. They prefer to be able to serve themselves wherever they go, swipe a smartphone over the total amount purchased, and one hundred percent of the transaction is instantly "electronic." The caveat, of course, was "Zero" human intervention. Now, keep in mind that ninety three and a half percent didn't raise their hands to support that new belief! Yet!!

Let's examine the "Zero" human intervention scenario. It might seem like a pretty good idea on the surface...Employees (humans) at best are kinda cranky, and can be difficult to work with. They expect to be paid...A lot! Think they should be allowed paid time off...Don't show up when you most need them...Tend to make "demands"...You get the picture. Of course those of us on "this end" are people also...So, a couple of quick experiences. Ann and I have been going to the Sam's Club on Fruitville Road for a number of years. I scoffed five or so years ago when I noticed that they'd put in three or four of those new-fangled "Self-Check-Out" stations. I scoffed again when I saw folks trying to use them, and because a code wouldn't scan or something, still had to have help to make it work. And this new "latest and greatest" system seemingly taking longer than to just hit the checkout line with a "human" manning it. So, a couple of months ago, we're at our Sam's Club store, getting ready to check out. This time, the checkout lines were reduced so over half of the checkouts had become those "latest and greatest" self-serve stations. When we checked out with a real human, I commented as I point to the high tech stuff... "If this store replaces all of you with those...I just won't come back!" No comment from the person, but I certainly read an understanding behind her eyes!

Oh, and I also noticed less familiar faces, replaced by a fewer number of new faces. Seems Corporate has figured out they can drive more to the bottom line by eliminating a bunch of people...Gotta love those "bean counters." By the way...The store wasn't all that busy! Hmm!!

Next story. A couple of weeks ago, we're at Costco with our grandkids on a Saturday no less!! Walked in after showing our Costco card, and I thought we'd walked into the annual County Fair! Hundreds of folks (might have been a thousand!) shopping. The place was jam packed. As my Tennessee father-in-law would have said, "So thick you couldn't have stirred them with a stick!!" But, we got through with our shopping surprisingly quick...even with two very neat grandkids in tow. Next "groan" from me... "Now we have to check out." So, we get up to their 100% people-operated check-out stations, ten or more of them, all active and moving...Well, pretty darn fast. When we got to second in line, a pleasant associate starts to pull a few things from our cart, to speed up the process. Another groan from me... "Darn, we forgot to put our insulated bags in the car." The assistant ready to get us through the checkout pointed in two directions: "The bags are over there, and in the back by the meat...over there." I was near my third groan but she quipped: "Don't worry...I'll go grab you two, and if you're checking out before I get back, just tell Bob so he can ring them up. We get them for customers all the time!!" And seemingly moments later, she was back, assisted us in checking out with "Bob," and before you could

even give it a second thought we were out the door. I still marvel at the speed and efficiency at the check-out station being all handled by... (Drum roll!) people.

And a quick comment on another huge success story...Publix! Go through there at the busiest time of day...Maybe four thirty...All lines are up and running. And the folks are almost always (gasp) pleasant! And back to Costco again...Lots and lots of Costco associates in evidence...Now any smart bean counter would have probably said, "That business model isn't good...Look at *the cost of all those people.*" Yet with a bean counter mentality, should *also* have been the observation, "But look at the *huge volume* coming through here!!" And by the way, you bean counters, it's gross margin dollars that ultimately pay the bills (those "People" being part of that!) and what puts a healthy "leftover" on the bottom line... (Gasp! Profit!)

Somewhere down the road, those "front line people" may be gone or greatly reduced. I have a suspicion, though, that the Costco and Publix stores, and many others of the world out there, will not only survive, but likely thrive...And the quality of those already great associates will keep going up, because they actually know how to serve the general public. Best kept success model and secret around...Hiding right there in plain view. So good luck and successful selling....With your most valuable asset...PEOPLE. Are we doing our best in developing, nurturing and working with that very most important asset? With all the exciting things going on in our industry, this should be the most important story moving forward. By the way...I don't think AL (Artificial Intelligence) will ever replace "Real" intelligence.

Happy selling.