

**Changing Software with Lucy Shipley**  
***The Shred Coach Podcast Transcript***

**TOM**

Lucy Shipley, welcome to The Shred Coach Podcast. We're glad you're here.

**LUCY**

Thank you very much. Thanks for inviting me. I'm glad to be on the show.

**TOM**

Yeah, no, it's exciting to have you here and you and I have known each other a lot of years, it seems like. I feel like I've kind of grown up with you in the shredding business somehow. It's been a long time.

**LUCY**

It's been a long time. I'd say 20 years maybe.

**TOM**

Easily 20 years, if not a few more, but I think if we go back 20 years, you might be a little bit younger than me.

**LUCY**

Yeah.

**TOM**

So, tell me about Shredall SDS Group. Give me a sense of the big picture details of your shredding and related businesses. Tell me a little bit about the business, and then we'll talk more about our topic today, but tell me about Shredall SDS.

**LUCY**

Okay. So, we do onsite shredding. We do offsite shredding. We do product destruction. We do IT destruction, document storage, document scanning. And this year we've just got into self storage as well. So, we're doing a fair, old bit there.

**TOM**

You got a lot going on. So, you're in Nottingham, England is that correct?

**LUCY**

We are. We're in Nottingham, England. We've also got a site up in Glasgow, in Scotland as well. So, we operate from both of those sites and have a UK-wide footprint. So, we go up and down the whole country.

**TOM**

Wow. So, you told us a little bit about the different services. How much- how many staff do you have? Like what's the size of your operation?

**LUCY**

So, we have 80 staff that we currently employ.

**TOM**

Eight zero. As in eight zero.

**LUCY**

Eight zero.

**TOM**

Wow, okay.

**LUCY**

Yes. Yeah, we do. And we have 2000 customers, 2 and a half thousand customers maybe, that we're invoicing monthly. So, we do yeah, our regular scheduled routes or routes, as you say. Plus ad hoc work as well.

**TOM**

Wow.

**LUCY**

So, yeah. So, that's across the whole business. Our shredding business is still our core business. And then our document storage business, we have about 250,000 boxes in archive storage. And then probably, oh, let me think, around 200,000 deeds and wills and probates that we store downstairs in the vaults.

**TOM**

Wow. Wow wow. So, you're an extensive operation with 80 staff. That's not a small operation with the footprint you have in multiple locations, plus servicing the entire country is significant. So, we've got a sense of who you are and what you do. How long have you been in business? I know you and I have known each other for 20 plus years, but tell me a little bit about the history.

**LUCY**

Yeah. So, it was my dad, Lloyd Williams. He founded the business back in 1997. And he was, you know, a one-man truck. People didn't really know what data protection was or the reasons they needed to shred back then. And he built the business from the ground up, from there. And it grew and it grew and we expanded and he still works in the business. I don't think he'll ever fully retire.

**TOM**

I don't think he can.

**LUCY**

I don't think he can, it's his baby. But me and my brother, Nick, we manage the day-to-day operations of the business now. And then we have, I think we're up to nine managers underneath us that we have operations managers, we have marketing, compliance, finance. So, they're helping us run the business as well day-to-day.

**TOM**

That's great. It sounds like it really has grown significantly over the years, now as a stable operation that has multiple layers of management, it sounds like you're doing some pretty cool stuff. So, thank you for telling me that, but the focus of our podcast, as you know, is a specific strategy, tactic, thing you've implemented that has had a somewhat profound impact on your business that you're comfortable sharing with us. So, can you describe what's something that's happened in your business, something you've decided to do that's had a significant impact?

**LUCY**

Yeah. So, we have just changed our software for the business and we feel that it's worth talking and shouting about, because we think it's quite innovative. We think we're offering our customers a better service. We think we are going to be more profitable because of it and driving down the cost and increasing profitability across the business. So yeah, so we've changed software. So, that's what I've come on to talk about today.

**TOM**

Okay. Interesting. Wow. Let's start with sort of the situation that led you to make this decision. Tell me a little bit about before, before we talk about the after.

**LUCY**

So, there's probably three reasons and three drivers for that change. I think that one of the- well start with that we're living in a very instantaneous world right now, where you can have whatever you want when you can have it. So, you can go on Amazon, you can go on Uber Eats. You can have what you want when you want it. And I think that the culture of what our customers expect from us has changed probably due to those technological changes, just in, you know, in society in general. And I think our customer expectations, you know, they want to be, I think they want to be kept in touch with, they want instant answers. They want to know what's happening with a job at any point during the process. So, that was one of the reasons to be able to offer a more customer-centric solution to them.

So, that's the first thing. The second thing, as we all know, the cost of living is rising exponentially at the moment. Fuel labor materials are increasing and we just think, you know, to be a profitable business and to maintain a profitability within our business, that we need to automate some of our processes to decrease our costs and be able to manage...

**LUCY (cont.)**

I've got saying, I think what you can't measure you can't manage. So, having software in place that can give us tangible data to manage our business and make better informed decisions is good. As my dad always says, "Turnover is vanity and profit is sanity".

**TOM**

Right. Oh, that's so good.

**LUCY**

That's one of his sayings, and I believe that to be true. So, you know, we can keep increasing the sales, but unless we're looking at those margins, then dangerous ground, I think.

So, and then the last reason, the third reason is that we are very sales and marketing led. So, as our business has grown, we've always been keen on the sales element and the marketing element of our business. And we had lots of different pieces of software managing the business. And I think over time that's led to duplication, element of human error, soft costs and maybe some friction between different departments that are running different pieces of software.

**TOM**

So, it sounds a bit like, I mean, those three reasons are really powerful. The need for instantaneous response to customer service requirements, the automation of processes to manage costs and the sort of front loading of sales and marketing from that perspective. But it sounds like from that perspective, your current package of software, and it sounds like it's not one software, it was the multiplicity of software that was the issue.

**LUCY**

Yeah, that's correct. So, we had a CRM software that we used for marketing and sales, we had a separate piece of software that we were using for operations, and then a third of software that we were using for our accounts. And none of those pieces of software spoke to each other in a way that we would want it to. So, that is really, probably the biggest driver of the change.

**TOM**

Right. Okay. So, just deciding on a CRM, for instance, is a massively complex procedure. I've been through it with many people and, oh my gosh, just a CRM system... So, how do you go from having this disparate set of tools and it sounds like three primary ones, but I can only imagine there was probably little tidbits of other ones thrown in there, like task management and different stuff like that that gets added.

**LUCY**

Yeah.

**TOM**

So, you've got this disparate set of tools. How do you go about then deciding what the new software is supposed to do for you? Because it sounds like the reasons you got rid of the old stuff was these three critical things. So, mean, tell me a little bit the process of even architecting what you need and defining what you need.

**LUCY**

Yeah, that is a good question. I suppose we started by doing a gap analysis across the whole business and looking at where our biggest gaps were and our biggest sort of failings were across the business and then deciding what we thought our customers wanted and what our staff needed, and just doing a huge gap analysis across the whole business to see where the holes were.

And that was the first thing that we did. And then the second thing we did was, you know, put it out there to different software companies. And we went through a tender process based on that gap analysis and the questions that we wanted to know answers to. So, that was the second part of it.

The third part of it, when we decided that we'd chosen our software that we wanted to use, we put together like a project management... well, we use Microsoft C65 Project Manager. So, it wasn't fancy, fancy, but it did a job. And we got all our people on board. And if you- if we're talking about obstacles, I would say that one of the obstacles was, you know, culturally trying to get everybody involved and change. I think our employees wanted the change. I think they were frustrated with parts of the way our operation was because of the different pieces of software, but equally trying to change the mindsets of a lot of people, you know, this is the way we've always done it. Do we, you know, and particularly drivers.

**TOM**

Yeah.

**LUCY**

That was a challenge. And also trying to train people on top of what they normally do, you know, the operational disruption to their usual day-to-day jobs.

**TOM**

Yeah. So, you go out and you create what you consider a gap analysis. Did that lead you to any kind of basic architecture, like basic understanding of what you did need so that you then had the ability to define even who to ask for tender? Like it seems like that gap between gap analysis and tender requires- did you have to pay somebody to build that architecture document or the requirements doc?

**LUCY**

Rightly or wrongly, no. I did it.

**TOM**

Okay.

**LUCY**

And yeah, so I just, I've been involved in the software, you know, I worked in all the different departments across the business. So, yeah, I did it myself. We went out to tender and we chose this particular company. And then the good thing about them is you get allocated an onboarding manager. So, they say, you know, "This thing's going to take three months, I'm going to be your onboarding manager". We have a weekly meeting. And so, then they sort of take over the building of the architecture and what that implementation plan looks like.

**TOM**

So, and you don't have to give me the specific software because I realized that might be a competitive disadvantage to give it away. But is this a fully custom software or is this an enterprise software that is customized to you or is it off the shelf and you have to make it work for you?

**LUCY**

I mean, I think they would describe it as off the shelf, but I think that there's a lot of flexibility in it. There's a lot of customer fields that we can add to it that makes sense to us as a business. So, I think we've been able to add a lot of features and benefits in that they wouldn't offer off the shelf, but we've been able to, it's flexible that we've been able to do that.

**TOM**

Okay. And so does it now integrate- so some of the, at least the operation software in this industry tends to have driver apps or driver handhelds or things like that. How is that impacting, say your driver team? How does software look compared to what it used to look like?

**LUCY**

Yeah. So, I think for the drivers and what they see on their tablets, it's probably not that much different. That is if we're talking about profitability and trying to drive down costs. Big costs for our business are repair costs, you know, and suppliers turn up and say, you know, "You need this fixing on your truck. You need that fixing on your truck". And then we get invoices and the repair cost seem to go up.

So, one of the cool features is that the drivers have to use their tablets to do vehicle defect checks each day. And it has a camera built into it. So, if there's a nail in a tire, for example, they'll have to take picture of that and then that creates a report so that accounts can see it, our compliance team can see it, we can use it for auditors' and we can send it off to the supplier. And we can cross reference it with the invoice. So, if we get an invoice that says, "Yeah, you've got to pay us all this money for all these repair costs", we can say "Well, actually, we've got this evidence to cross-reference that with". So, that's been a very good way at getting our vehicle defects and

actually we're starting to use it for our offsite plant machinery, and that's been good to get those costs down. So, I'd say that's good.

In terms of actually routine, it's very automated. So, scheduled work just rolls and you don't actually have to do anything. But what the system does do is it records the actual time that a driver is on a job. So, we might say to a driver, "You go out for eight hours and this particular job is going to take you three hours". But it will start recording that and feed back that information. So over time you can increase the profitability of your routes by saying, "Well, actually we've planned three hours for that job, but actually it's only going to take one hour so we can put more jobs in".

**TOM**

Wow.

**LUCY**

So, that's been quite good to use that sort of analytical...

**TOM**

So, you're getting massive data. You're getting massive data to work with in this.

**LUCY**

Yeah. Yeah, we are. And once it's set up it's all automated. So, our guys in our ops department don't actually have to do a great, great deal of booking jobs in and, you know, all that manual entry. It takes it away because they're all automated. And then we can plugin fuel costs and labor costs, you know, drivers' salaries into the system. So, what's actually been really good is we can have like a daily profit and loss per truck now, so we can see exactly what route is making money or not making money. And then we can subcontract routes that aren't profitable out, maybe. And the ones that- well, we can then say, "Well, actually this job has been sold to lower rates". We can go and have, you know, conversations with the customer or the sales guys to see why things have gone below a base rate.

**TOM**

So, as you've discussed that, it feels like that answers the second reason that you talked about. But this is an integrated software package. So, if we go back, how has it adjusted the instantaneous customer service capability? What's changed there?

**LUCY**

Yeah. So, once the customer books a job in, they'll get a confirmation, so they'll get an automated confirmation. And because we have lots and lots of jobs and a high volume of jobs, you know, if we have to ever change the date of a job, then we're then having to use a lot of admin staff to call and manage that. So, now that's all automated. So, the customer will have a confirmation, each time we change and we try not to, we try not to change dates, but if we do, then they'll get a confirmation. When the driver is on the way, they'll get a text or an email to say

that the driver will be with them and we can set it to minutes or we can set it to miles. So, the customer knows that the driver's on the way which customers like, they can prepare, they're ready for us coming. And that makes the actual job quicker when we're there.

And then we have a job card. So, anything that happens during the job... for example, I don't know, any issues with a job, no access, maybe, we can't get in for some reason, our drivers can take a photograph of the no access or what's actually happening at a job. You know, the bins moved or whatever it might be, and it records that, so that if a customer queries their invoice and there's a whole track of what's happened at each particular job with photographic evidence.

And then they can also, if somebody's not around to sign the waste transfer note or the certificate of destruction, we can actually email or text it over to you, our contact. So, if our driver's one side of the hospital, and the facilities managers the other side, then we'll ping it over. They sign it and send it back. So, that all gets recorded on the job card, which then gets uploaded to a repository. And our customers can go online and they can see the job cards. They can see the certificates of destruction, waste transfer notes and whatever it is they want to see. Weight reports, schedules, when the next schedule is, they can even book in jobs. But we're not quite there yet because...

#### **TOM**

You're still implementing. There's still a process of implementation here. Okay. So, the other one you talked about was the sales and marketing side of it. So, I've heard how it's automated a lot of your processes. It's actually automated some processes with customers. There's these job cards, they get complete access. How has it supported your sales and marketing objectives?

#### **LUCY**

I think it's been good to have all our data in one place. And so, our sales guys can set up a new customer record. They can see everything about that job. So, they, before their invoice- the invoices are in an accounts package. Now they see a list of all the invoices. What the volumes were, what the bill was, they can run reports on any particular job. They can keep customer contracts on there so they can see exactly what's in the customer contract to help them sell. We can do lots of reporting, which is making our sales manager's life easier because he can see the pipeline. He can see what people are selling it at, whether they're selling at what we deemed to be a good price or not, and we can see commission reports. He can produce that very easily. So, anything that goes into the system could be pulled out via Excel basically. So, you can filter and manage any of the information, you know, so it's easy to do lots of good reporting.

#### **TOM**

Yeah. So, you mentioned one obstacle that came up earlier, which is you've got all this really cool process, you've done a lot of work to define it, you're implementing it. And one of the obstacles is while everybody wants change, they're also resistant to it. So, I get that. What other obstacles did you find in this process of implementation? What other walls did you hit?



**LUCY**

I think probably one of the largest obstacles was data and extracting data and cleansing data. There's a saying, isn't there, garbage in, garbage out. We wanted this new software to be, you know, good and clean and we have lots of different customers with lots of different pricing, with lots of different types of services and trying to align all that data and make that work was fairly complicated.

And then equally off the back of that, because we do have these different pricing structures... I was saying it was easy for the drivers to see on their tablets. The questions that they see, that's quite easy. But the background and formulating those questions based on the many pricing structures, the many different workflow questions, if you answered that, that leads to that, but it could also lead to two or three other things. Trying to get that work flow right for multiple customers on it, you know, in the large, large volumes, that was a challenge.

**TOM**

I can only imagine that because when you have separate systems, it's like, you can logically go, "Okay, this only relates to accounting, right? Or the financial reporting". But when they're integrated, it has to work from the very entry point all the way through. You can't have what I would call it, funky data. Like you can't have bad data in that mix, right?

**LUCY**

That's right. Yeah, that's right. And we were pulling lots of different data from different systems trying to make it all match up. There's things where there was gaps in the data that we had to go back and backtrack and find out what had happened in certain scenarios. So yeah, that with, you know, with different schedules, bin volumes, pricing structures, addresses, links. You know, you might have a customer that's got 10 departments or 10 sites. And so that was a large bit of work.

**TOM**

Yeah, I can only imagine. So, this is a huge undertaking. You're a relatively good-sized, independent company. And yet you've learned some lessons undoubtedly, in this process because you are the one that architected this, you put it out to market, you've done much of the implementation lead on it. What have you learned? What were some of the biggest lessons that you got along the way?

**LUCY**

I think the lessons probably are, well, if we could just keep talking about the data to keep managing that going forward, to make sure that over time, you know, that doesn't fall because you can see where potentially there's been loss in revenue, because things perhaps haven't been set up correctly. You can see where we could have maximized volumes in other places and, you know, all the things that you know are good practice you know you should be doing, some of those things have fallen through gaps because of having different piece of software and also not continuously managing that.

**LUCY (cont.)**

So, I think going forward, we will be really more... I think, because this software is going to automate so much of our business now, our administrators and our people in our operations department, their jobs will perhaps change now. So, rather than doing the doing and it being manual and searching for information, their jobs would change to probably more of an analytical role to be looking at these reports, to see where there's gaps in the data, to see where there's any sort of issues and pull reports, to see what's working and what's not working so that we can make better informed decisions.

**TOM**

Yeah, that's really, that's a really interesting perspective because as you get systems that automate all of the data flow, clean data now, now it's analysis more than just input and data entry. Data entry is happening the front lines when salespeople are taking opportunities when orders are coming in and when trucks and activities happening. The data's happening at those end points, but a management perspective and from an admin perspective, it's now analysis of what's going on.

**LUCY**

It's an analysis. It's an analysis of what we're selling and, well, is the data correct? Is it clean? What are we selling it at? What routes are profitable or not? Where can we upsell? You know, if people are asking for more regular schedules, you know, do we add more bins in, instead of going on a more regular basis? If it doesn't suit us for that route, then we could add more bins in, or we can change their schedules based on the profitability, because we'll have that information now.

**TOM**

Yeah, that's so cool. Did you learn any other lessons in this process of implementing software? Like, if you were advising another shredder, let's say, "Hey, if you're going to make a software change, know these couple of things." What does another shredder need to understand about a software change?

**LUCY**

I think that they need to do the background work first.

**TOM**

Hmm.

**LUCY**

And make sure that they've got a clear vision of exactly why they're changing software, what it is that they want to get out of the software and they need to sort of do the homework at the front end of the process to make sure that, you know, also that they've got everybody on board and, most importantly, that there's a plan. Because in our case there's been lots of different moving

parts from different departments and trying to coordinate that we've absolutely had to have a plan that we follow. And I think if you don't then parts of it could get lost or you could end up not utilizing it as well as you want. And you know, that's a lot of effort to change software and then not to utilize it to the best of its ability.

**TOM**

Yeah. Wow. Any other lessons you would share with people in a software development... not development, a software change process?

**LUCY**

You know, it's how you all may sell it to the people that work for you. Trying to pick out the parts that will be relevant and beneficial to your drivers. You know, your drivers don't want to know that your profit and loss is increasing. They just want to know, you know, how their lives are going to be easier and they can work better, more manageable hours and the jobs are going to be more manageable. You know, so, I think picking out at the beginning benefits for each department and then how you approach that is probably a good thing. And, just the training really, how to fit in the training so it doesn't impact too much on day-to-day operations. And not having too big a training plan where you're getting people in front of a screen and it's boring for them. You know, we've tried to do it in bite-sized stages so that they can learn and it's fun and it's not too onerous.

**TOM**

Right, right. That's great. So, one of the questions that's important to me with this podcast is a return on investment and I can only imagine that this has been a massive investment, right? There's a huge investment. And maybe at this point, you're not at a place where you can see the true return on investment, but can you speculate on it? Can you speculate on what kind of return you're going to get on this investment in a significant software upgrade?

**LUCY**

I will come back on the podcast if you want, in six months- in six months, 12 months time and give you some feedback on that and some tangible numbers to say we've decreased this by 10% or whatever it might be. I'd be happy to do that. I think, you know, just to speculate. As a broader brush stroke. I think definitely our repair costs are going to go down. Definitely we're probably going to start selling at a higher rate and we're going to increase the profitability of our routes. And I think just the soft costs of, you know, the automation and having an online repository reduce people calling in and the number and the volume of calls that we get saying, you know, "Is the driver on the way", or "Can I have a copy of my certificate of destruction" or, you know, all those sorts of day-to-day admin type calls will all go away. So, actually I think that we will save quite a lot of soft costs on that. And as we grow, we might not need to keep hiring administrators because it's more automated. So, I think those are probably the big ones but...

**TOM**

Yeah. No, no, those are huge. And I realized that there's not a clear number to it because you're so early into the process. But that makes a ton of sense. And think it's just a really helpful perspective, not so much on what you chose or what you left, but your process of thinking through it. Because I see and talk to so many people who are thinking about a software change, and yet they haven't done this dramatic process that you've gone through. And I think talking about it has been really helpful. So, thank you for sharing it. Thank you for sharing and I will hold you to it. Six months to a year. We'll talk about what happened for you and maybe, yeah, some more of the lessons.

**LUCY**

Yeah, of course.

**TOM**

So, when I end this call, I often just try to have of a weird different kind of question, but you live in one of what I consider one of the coolest cities in the planet.

**LUCY**

Thank you!

**TOM**

Nottingham, tell me a little bit about- I actually read in read on the Nottingham website, it's a creative destination of rebels and pioneers and the home of Robin Hood. So, how does Shredall SDS fit rebels and pioneers and Robin Hood? What's the connection?

**LUCY**

Have you met my dad? We could describe him as a rebel and the pioneer.

**TOM**

Yes, exactly.

**LUCY**

Yeah, I don't know. I'd like to think that, we try to be innovative and forward-thinking, that's how I would relate it to that. We like to have fun along the way. In terms of Nottingham. Yes, it's a great city. We've got Robin Hood. I live 10 minutes up the road from Sherwood Forest. So, that's always a lot of fun to go there and see the history of Robin Hood and his merry men. We've big for lace manufacturing. And we are life sciences. That's what Nottingham's famous for these days. Sort of life sciences so, yeah, there's a lot going on. So, when you're in town come and visit.

**TOM**

Well, it's been an absolute delight, Lucy, to spend this time with you. Thank you for all of your insights, all of your perspective, and like promised we'll have you back on again.

**LUCY**

Yes. You're welcome. Thanks for inviting me and I'll speak to you again soon.