



CASE STUDY

AGFINITY'S OPTIMIZATION OF ENERGYFORCE

OVERVIEW

Agfinity Inc. saw over a 36% improvement in financial performance year over year due to increased operational efficiencies and delivery optimization upgrades. The improvement is a direct result of the Business Process Review coordinated by Software Solutions Integrated's EnergyForce team. Through an extensive evaluation of current processes, the EnergyForce team assisted Agfinity to implement driver and staff training and successfully optimize deliveries resulting in improved business operations. In collaboration with EnergyForce and Energy Consulting Partners, LLC, Agfinity implemented new sales and marketing strategies along with a revamped propane plan. "This is one of the best success stories I have ever been involved with. The success seen in 60 days was unprecedented," said Jeff Boer, Energy Consulting Partners.

WHO IS ENERGYFORCE?

EnergyForce is the premier fuel and propane delivery software platform coordinating everything from energy routing to payments. EnergyForce assists companies to streamline productivity, implement automation, monitor inventory, and optimize routes. With over 35 years in business. EnergyForce is continually developed and supported by Software Solutions Integrated, LLC (SSI), a proven leader in the ag retail and cooperative industry.

WHO IS AGFINITY INC.?

The largest and oldest cooperative in Colorado, Agfinity Inc. provides agronomy, energy, feed, grain, and retail solutions to over 5,000 members in the communities of Colorado, southeastern Wyoming, and southwestern Nebraska. Agfinity energy products include premium fuel, lubricants, and propane. Agfinity has been utilizing EnergyForce as their energy software solution for almost 15 years and recently successfully embraced the full capabilities of EnergyForce.

CHALLENGES

Faced with the task of finding new ways to save both time and money, Agfinity, together with Energy Consulting Partners, reached out to EnergyForce once both leadership teams determined that a reset of the energy operations at Agfinity was necessary. The EnergyForce team began the Business Process Review (BPR), analyzing the current process for each task and guiding the team to recognize areas for improvement. This included a detailed review of reports found in EnergyForce and elsewhere. The state of operations at that time was inefficient and management realized optimal deliveries were not happening. Agfinity admittedly says they had the EnergyForce and OptimizerPlus tools but were not using them and therefore not using the software to the maximum extent of its capabilities. Employees both in the office and drivers in the trucks lacked the training to fully leverage the existing technology.

The analysis found that there was an excess number of deliveries even though the drop size didn't change much throughout the review. Utilizing a Data and Operations Analysis to analyze every tank and every customer to improve profitability, the EnergyForce team determined that drivers were making up to 500 stops without ever pulling the hose from the truck. That was impacting cost per delivery with no revenue made on those stops. The data was staggering. The number of deliveries was determined to be excessive.

Almost half of the deliveries were made to empty tanks. Drivers were repeatedly running out of energy products which led to a lack of sufficient deliveries and ultimately unhappy customers. The number of times that product ran out was a serious hindrance to business.

Additionally, in the office, inefficiencies were found in the billing workflow including many voids and rebilling each month.

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JEFF BOER

Energy Consulting Partners



**500 STOPS
WITHOUT PULLING
THE HOSE**



**ALMOST 50%
OF DELIVERIES MADE
TO EMPTY TANKS**

SOLUTIONS

After identifying the challenges, the next step in the BPR was to implement new processes to achieve the desired results. By helping the drivers and other employees use the EnergyForce technology more fully, everyone could help the business's bottom line. The solutions implemented by Agfinity included using several modules and equipment that make up the EnergyForce suite of products including OptimizerPlus, Otodata Monitors, AFD2, EnergyTrack, and EnergyService.



ROUTING AND TRAINING

Improving routing became a leading focal point and was identified as an opportunity to save money. By optimizing the route, the drop size stayed about the same, but savings were found in the reduction of excess deliveries.

The EnergyForce staff worked closely with the Agfinity drivers over a 6-week period. The summer season was selected because the staff had more time and schedules were more consistent. The EnergyForce team helped drivers refine their routes and find opportunities to become more efficient. Before ever delivering a gallon each morning, the EnergyForce trainer and drivers reviewed the optimized routes. Training frequently included traveling in the truck with the drivers and educating staff on all aspects of EnergyForce and OptimizerPlus.

Training extended beyond drivers as the office staff were coached on best practices as well. The EnergyForce team sat alongside customer service, and dispatch staff to review, train and redesign the business operations to improve overall efficiencies and service timelines for the customers of Agfinity. Data training included a full pricing and program usage review. Data was cleaned up and correctly formatted.

SALES AND MARKETING

An improved sales and marketing strategy was also implemented. A letter was sent to all customers announcing the new Consumer Propane Plan consisting of an evergreen budget billing program. Once a customer has signed up, they then receive an annual reminder of gallons and the price.

Agfinity leadership made the decision to also invest more heavily in the sales team starting with an intern that was then hired full-time as a point person to focus on selling budget billing and propane. Additionally, marketing strides were made in social media and paid Google searches.

INCENTIVES AND POLICIES

Agfinity also implemented a driver's incentive program with monetary rewards for meeting an optimized schedule and increasing gallons per hour. A service improvement program shared profits by offering 10% of the improvement to be split between the driver team.

Using the Data and Operations Analysis with data from EnergyForce, a Customer Purchase Analysis was generated. The analysis determines the average cost per delivery and the exact cost per gallon. Agfinity set a minimum number of gallons before an energy delivery can be added to the route. By utilizing the data to understand total costs it was possible to set limits on prioritizing servicing only what is profitable.



FREQUENT DATA REVIEW

The data review didn't stop once the challenges were uncovered. Continual monitoring of data with Tableau's direct connection to EnergyForce and data from their ERP solution, allowed the Agfinity management direct access from a tablet or other device anytime. By checking data often, they were able to stay on top of both points of success and areas for improvement.



RESULTS

Aaron Smith, Executive Vice President of Energy, Agfinity says the EnergyForce BPR was a great investment for Agfinity. When considering the expenses of the project, he estimates a return on investment of \$5.31 for every \$1 spent.

The achievement list goes on and on. The Consumer Propane Plan contracted gallons tripled from 2022 to 2023. The program reduced administrative costs while increasing customer retention and improving the overall customer experience. Local revenue grew and Agfinity reports that they exceeded their budgeted projection a full quarter early due to efficiencies gained.

Overall, the results exceeded expectations in almost every area of the energy operation. There was a reduction in excess deliveries. Rebalancing routes is saving time. And with a focus on preventive maintenance, not a single truck broke down in the past year.

The improvements have also had a positive impact on employee hiring and talent development. Hiring drivers is no longer a problem. The efficient program and a switch to four 10-hour shifts have attracted drivers from other programs. Agfinity credits part of that success to the thorough training from the EnergyForce team. Previously, the drivers were experienced drivers, but now they also know how to optimize with EnergyForce. Drivers are aware of what makes money and understand optimization and see that their daily feedback makes an impact. And with the addition of the driver incentive program, many drivers are motivated and far exceeding the optimization targets and gallons per hour increased.

Karla Schilling, Director of Energy, SSI, LLC praised the outcome saying, "It took the whole team working together. I'm really excited about the results. With routing, it is all about delivery efficiency. The one thing I am most proud of is when you think about the excess drops, they were making that were over 40%, and if we can reduce that by 400 drops from 1100, then if they are doing 15 deliveries a day that is almost 4 or 5 weeks of delivery that we save with a driver."



3X CONTRACTED GALLONS IN 1 YEAR



\$5.31 RETURN FOR EVERY \$1 SPENT



EXCEEDED BUDGET PROJECTION

FUTURE PLANS

The future at Agfinity includes moving contracts to an electronic DocuSign system, storage increases, and growth strategies. Opportunities may include managing refined fuel orders and inventory management through EnergyForce. Smith from Agfinity says, "We are always pushing the next level of EnergyForce and looking at what is next, we did Optimizer and AFD2 and are ready for what's next. It's just rethinking and retooling constantly. Technology never sleeps, it is constantly evolving and constantly changing so we have to evolve, too."