

Pearson-Kelly Technology

Dealership's co-owners are prepared for the future

by: Elizabeth Marvel, Office Technology Magazine

It is not every day you see a father-daughter team running an office technology dealership, but co-owners of BTA member Pearson-Kelly Technology, Mike Kelly, CEO, and Chelsey Bode, president, have perfected the art of working together.

Their story begins in 1983, when Kelly got his start in the office technology industry. After working at a supermarket for eight years, he attended college and, after graduating, he looked for a career that, according to Kelly, would offer him “an opportunity to learn and earn an above-average income based on above-average results instead of an hourly wage.”

He spent several years working as a sales rep for office technology dealerships in Missouri, followed by time in sales and management at Xerox and Modern Business Systems (which was acquired by IKON). In 2004, with years of industry experience behind him, Kelly decided to follow his entrepreneurial dream and became part-owner of Pearson Office Products (now Pearson-Kelly), headquartered in Springfield, Missouri.

“I always wanted to have my own company and I heard from a friend of a friend that there was a little company that needed some help,” Kelly says. “My goal was to talk them [the owners] into either selling me their company or taking on a 50-50 partner. They had just come out of a bad partnership, so that was not an easy sell, but I was able to convince them that half of something was better than all of nothing. So we did that and that’s how I got into business for myself.”

Bode had history in the industry before coming to Pearson-Kelly as well. She spent the summer after high school graduation and her freshman year of college as an intern at IKON. The position consisted of cold calling to hunt down new opportunities for sales reps, and Bode was so successful that her manager allowed her to sell to any of the net-new opportunities she found. Though IKON offered her a full-time role with the company, Bode chose to stay in college, earning her bachelor’s degree in merchandising and marketing. She took jobs in insurance sales and marketing management before joining her father in 2007 as Pearson-Kelly’s sixth employee.

In 2011, Kelly bought out his partner and named Bode vice president of operations. “At that point, Chelsey was doing well [at Pearson-Kelly] and I asked her if she had an interest in the business, which she definitely did,” Kelly says. “So, we started a succession plan where she was earning shares in the company.”

So, what is it like for the father-daughter duo to work together? “My dad and I complement each other extremely well,” Bode says of working alongside her father. “He has been really good



Above: Pearson-Kelly's leadership team in the company's Springfield, Missouri, office. It also has a second location in Joplin, Missouri. Right: Mike Kelly started Pearson-Kelly in 2004 after buying a 50% stake in Pearson Office Products. His daughter, Chelsey Bode, joined the business in 2007.



about pushing me to take the lead on so many business-related engagements. I’m a kinetic learner, so that has really helped me get my hands into it.

“He has been a resource, but he’s not a know-it-all-type of role model,” she continues. “He gives me the opportunity to learn and grow. I think he brings a lot of wisdom and experience, as there are some fundamentals of this industry that just don’t change. But the industry has also been really disrupted in the last decade, and so I bring that progressive side. We balance each other out because we are still different enough that we don’t have personality conflicts.”

Kelly shares a similar view. “I think the millennial/Baby Boomer team fits pretty well in our case,” he says. “Working with Chelsey has been great and we have similar views on how to make business decisions, which allows me to have confidence that the company is in good hands when I’m gone and she’s at the helm. We have a mutual trust in each other and our decisions, and we also have each other’s backs. Like she said, I let her make the decisions and walk the tightrope now and

then, but I'm kind of the net underneath in case she slips."

This mutual trust is apparent in the way the company is run. As one of the youngest woman business owners in the industry, Bode has put her millennial mark on Pearson-Kelly. "Technically I'm still a millennial, but about 30% of our office is now younger than me," she says. "They're constantly reminding me, calling me the 'elder millennial.' I think it [being a millennial]

brings a different perspective to our recruiting strategies, and some of our strategic thinking is different. I think several dealerships are struggling to attract tomorrow's talent, and while I think we have challenges, that's certainly not one of them.

"Our overall initiative and everything that we're doing is to 'pattern interrupt,'" she continues. "If all the other office technology companies look one way, we want to be unique. We want our sales support staff members doing things that make our clients walk away thinking, 'That was different.' If you painted a picture of your typical dealer principal, I think it's safe to say that my gender and age is the 'pattern interrupt,' so it goes in line with our strategy right now."

This concept of "pattern interruption" can also be seen in the way the company promotes its products and services. The Pearson-Kelly website (updated about 18 months ago) takes a simplified approach, breaking the company's offerings down into five categories: managed IT, hardware (copier/MFPs, printers, scanners, production printers and wide-format devices), managed print, document management and workplace of the future.

"When we rolled out the new design of our website, we knew that our goal was to make it simple to navigate, give current customers tools to get online support and information, and give potential customers a feel for who we are," Bode says. "This is a little controversial, but we wanted to get rid of the manufacturer branding and product catalog ... We are firm believers that people buy from people, then companies and product comes last. We wanted to control what we put in front of the customer, not the manufacturers.

"[Having manufacturer information on our website] kind of contradicts our consultative approach," she adds. "If we're trying to move away from having a transactional sales force, why are we letting our customers navigate through catalogs? At Pearson-Kelly, we ask customers, 'What are you trying to accomplish?' and then we'll figure out if they need a hardware fix, a software fix or something we haven't even thought about."

One trend Bode is seeing in the industry is the consolidation of traditional office technology dealerships while getting added competition from other types of technology companies.

"Tech companies are expanding their offerings; a business may start as a managed IT company and suddenly it is getting

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into VoIP or even office equipment," she says. "When we moved into managed IT, we gained 18 new competitors overnight. But I think office technology dealerships have the strongest business infrastructures. We can say that print is dying, but what we have figured out as an industry is a systematic infrastructure with a really dialed-in sales team that others just can't keep up with. We think that we can scale better, stronger and faster with the office technol-

ogy infrastructure that has been fine-tuned over the years and provide that same logic and engagement opportunities."

Bode plans to adjust to the constant changes in the industry as they come. "Our goal is to stay consistent with what we focused on yesterday — 'business made simple' — which is the same focus today," she says. "As long as we keep that focus, I don't really care what our offerings look like down the road. We can adapt to that based on what our buyers want and need, and what [problems] we're solving.

"We believe that the greatest opportunity for dealers will be to make our customers understand how to implement the technology we provide, internally train and then show how to utilize what we're selling them," she continues. "Make sure that everything you're telling them the solution is going to do can get carried out. That's the differentiator. We can all walk in with the same widget, but that [giving the customer the ability to implement and utilize the product] is the difference in the outcome."

In regard to the company's future, Kelly says the succession plan they have been working on since 2011 is "pretty solid," and both he and Bode agree that communicating the plan to their employees is of utmost importance.

"There are a million different strategies depending on the situation that play into how you do a lifetime transition," Bode says. "I think one beneficial takeaway is that we communicate it [the succession plan] to our employees. I think that's something that's very valuable to be transparent about. It's something that has to be well defined and communicated to the team."

"I think it gives our employees a real sense of security for the future in a lot of ways," Kelly concurs. "We have the same goals for the company and we both have pretty conservative blood to help govern business decisions. But as far as a date and time [for the transition] — there isn't one. Like most exciting adventures in life, we'll know when we get there. I still love the sport of the business and plan to stay involved as long as God blesses me with decent health, and as long as I have relevance to the company and its success." ■

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